

**Professional Services Contract between
The Virgin Islands Hospitals and Health Facilities Corporation
St. Croix District Governing Board of Directors**

and

Medical Imaging, Inc.

**Relating to the Establishment and Operation
of a Nuclear Medicine Diagnostic Laboratory
at the Juan F. Luis Hospital and Medical Center**

This Agreement (hereinafter the "contract" or "agreement") is entered into this 11th day of April, 2000, by and between Medical Imaging, Inc. (hereinafter called the "Contractor"), located at c/o Andre A. Galiber, Sr., M.D., FACR, 4500 Sion Farm - Suite 5, Island Medical Center, St. Croix, U.S. Virgin Islands 00820-4423, and the Virgin Islands Hospitals and Health Facilities Corporation, St. Croix District Governing Board of Directors (hereinafter called the "Hospital Board"), located at No. 4007 Estate Diamond Ruby, St. Croix, U.S. Virgin Islands 00820-4421, for the procurement, operation, maintenance, and the provision of professional services relative to a nuclear medicine diagnostic laboratory (sometimes hereafter, "the laboratory") to be established at the Juan F. Luis Hospital and Medical Center ("the Hospital") in St. Croix, U.S. Virgin Islands.

Witnesseth

In consideration of the mutual promises, covenants, and conditions contained within this agreement, the Contractor and the Hospital Board, intending to be legally bound, agree as follows:

1. The Limited Liability Company; Distributional Interests; Financial Contributions.

1.1. Formation; Definitions. Contractor shall cause the formation of a Virgin Islands limited liability company ("the LLC") with an unlimited term pursuant to the The Uniform Limited Liability Company Act, 13 V.I.C. §§ 1101 et seq., as it may be amended from time to time (the "LLC Act"). The terms used herein that are defined in the LLC Act are used

with the same definitions as set forth in the Act.

1.2. Articles of Organization. The articles of organization for the LLC (“the articles of organization”) shall be filed by the Contractor with the Office of the Lieutenant Governor of the Virgin Islands of the United States. They shall comply with the requirements of the LLC Act and shall substantially conform to Exhibit I attached hereto.

1.3. Membership; Administration of Laboratory. There shall be two members of the LLC:

1.3.1. the Hospital Board; and

1.3.2. the Contractor.

1.3.3. No other member may be added to the LLC without the written agreement of the present two members. Contractor represents that it is a Virgin Islands corporation in good standing established pursuant to Title 13 of the Virgin Islands Code. Contractor may issue and cancel stock as it deems fit provided that the Contractor’s Administrator of the laboratory shall be reasonably acceptable to the Hospital Board. In this context, the term “Administrator” refers to the individual having general administrative responsibility over the operation of the laboratory and the Contractor’s overall responsibilities to the Hospital Board as required by this agreement. The Administrator need not be an individual requiring special certification or licensing from the Nuclear Regulatory Commission or other entity having oversight responsibility over nuclear medicine laboratories. The

Administrator at this time is Marcel L. Galiber, RDMS, RVT, as assisted by (Mrs.)
Edith L. Galiber, RN.

1.4. Manager-managed LLC; Operating Agreement. The LLC shall be a manager-managed company as defined in the LLC Act, and the manager shall be the Contractor. This professional services agreement constitutes, in part, the operating agreement (of 13 V.I.C. § 1104) for the LLC. The Contractor shall manage the LLC and manage and operate the laboratory in accordance with the LLC Act, this agreement, and the articles of organization for the LLC.

1.5. Purposes. The purposes of the LLC shall be:

1.5.1. The purchase, shipping, and installation at the Hospital of all equipment reasonably necessary or appropriate for the operation of the laboratory;

1.5.2. The management and operation of the laboratory at the Hospital;

1.5.3. The purchase, shipping, and installation at the Hospital premises of all equipment reasonably necessary or appropriate for the operation of a spiral CAT scanner and an MRI machine in accordance with separate agreement between the Hospital Board and the Contractor;

1.5.4. The management and operation of the CAT scanner and the MRI machine in accordance with a separate agreement between the Hospital Board and the Contractor; and

1.5.5. The performing of other actions ancillary to the above-described purposes,

including, but not limited to the billing for services rendered, and the receiving, handling, and investment of funds.

1.6. Distributional interests. The Contractor shall have a sixty percent (60%) distributional interest in the LLC; and the Hospital Board shall have a forty percent (40%) distributional interest in the LLC.

1.7. Depreciable Equipment. The initial selection, insuring, and shipping of all items of depreciable equipment, and the installation thereof, shall be subject to Hospital Board approval. Future selection, insuring, and shipping of all items of depreciable equipment, and the installation thereof, to effectuate maintenance, repairs, or replacements including upgrades shall be the right and responsibility of Contractor, and shall not be subject to Hospital Board approval, provided moneys expended therefor are reasonably within budget, including reasonable reserves therefor.

1.8. Basic Financial Arrangements. Up-front, the Contractor shall provide sixty percent (60%), and the Hospital Board shall provide forty percent (40%) of:

1.8.1. the equipment purchase/shipping/shipping insurance cost (estimated total 100% cost of one hundred seventy thousand dollars [\$170,000]) for all initially needed or advisable depreciable equipment, other equipment, and consumables for the equipping and stocking of the laboratory;

1.8.2. the excise taxes of approximately six thousand eight hundred dollars (\$6,800);
and

1.8.3. start-up working capital of forty thousand dollars (\$40,000).

1.9. Summary of Initial Monetary Requirements for the LLC. A summary of the initial monetary requirements for the LLC, including both the CAT scan/MRI contract and the nuclear medicine contract is:

1.9.1 CAT scan/MRI Initial Monetary Requirements.

\$1,160,000 principal equipment, plus
\$ 200,000 remote viewing; telemedicine; uninterrupted power supply, equals
\$1,360,000 CAT/MRI basic equipment purchase, plus
\$ 54,400 Excise tax, plus
\$ 80,000 Working capital, equals
\$1,494,400 Total initial investment for CAT scan/MRI.

1.9.2. Nuclear Medicine Initial Monetary Requirements.

\$170,000 Equipment and Supplies Purchase, plus
\$ 6,800 Excise tax, plus
\$ 40,000 Working capital, equals
\$216,800 Total initial investment for nuclear medicine.

1.9.3. Total Initial Monetary Requirements.

\$1,494,400 Total CAT scan/MRI, plus
\$ 216,000 Total Nuclear Medicine, equals
\$1,710,400 Total Initial Monetary Requirements.

1.10. Approved Categories of Expenses; Responsibility therefor; Budget. The following table sets forth the pre-approved categories of expenses and budgetary investment set-asides for the LLC. This budget is a budget for all functions: the laboratory, the CAT scanner, and the MRI machine. All items are expected to be covered by the initial working capital

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specified above, together with the regular monthly receipts from the operation of the laboratory. Contractor shall monitor monthly expenses and other regular monthly pay-outs and set-asides, and shall notify the Hospital Board should it appear that the annual amount for the entire budget or for any item within the budget is likely to exceed 15% above the budgeted amount. Laboratory budgets shall be prepared annually by the Contractor and shall be approved by both members of the LLC; or, if more members are brought into the LLC, by members owning over 50% of the total distributional interest in the LLC.

Item No.- Item Description	Estimated monthly amount
1. Advertising	\$1,000
2. Rent	\$5,691.67
3. Accreditation	\$1,000
4. Films	\$1,000
5. Supplies (including contrast)	\$4,000
6. Legal and accounting	\$1,500
7. Consultants (Telemedicine)	\$4,000
8. Technologists	\$9,000
9. Technologist training	\$ 500
10. Gross receipts	\$3,000
11. Recruitment	\$ 500
12. Insurance, including technologist and physician malpractice insurance	\$2,000
13. Administrator ¹	\$4,000

¹Currently Marcel L. Galiber, RDMS, RVT, as assisted by (Mrs.) Edith L. Galiber, RN.

14.	Maintenance (starting 2 nd year)	\$6,000
15.	Miscellaneous	\$3,000
16.	Total 1 st year per month	\$40,191.67
17.	Total after 1 st year per month	\$46,191.67

1.11. Scheduled distributions; Processing of non-Hospital Referral Payments. The members of the LLC shall be paid quarterly 100% of the net profit available for distribution, in accordance with each of their distributional interests, after payment of expenses and for investment items purchased, and after allowance for reserves necessary for anticipated future needs, as reasonably determined by the Contractor.

In the case of patients requiring CAT scan or MRI procedures who are not Hospital Referrals (non-Hospital Referrals), the Contractor, as the manager of the LLC, may provide for the initial payment by the patient for LLC technical services, to be made together with payment for professional interpretive services to Imaging Center P.C., which professional corporation provides the physicians for professional interpretive work for the LLC. This initial payment may be made directly to Imaging Center P.C. or to a trust or escrow account established and maintained by Imaging Center P.C. Contractor shall account to the LLC and the Hospital Board for any such technical service payments and shall cause the payment to the LLC of all such amounts relating to payment for LLC technical services work.

2. Contractor Duties.

The Contractor, as manager of the LLC, shall perform the following duties and shall take on

the following responsibilities (“the Work”) in connection with the management and operation of the laboratory.

2.1. Purchase and Installation of Equipment; Use of Dark Room and Laser Camera.

The LLC, through the Contractor, shall select, purchase, and cause the insuring, shipping and installing of the nuclear medicine diagnostic equipment and all ancillary equipment and supplies including consumables, necessary or advisable for the management and operation of the laboratory - including the purchase of nuclear material and nuclear material storage equipment - with the exception of the Hospital’s dark room and laser camera equipment, the use of which is also necessary for the operation of the laboratory, but is not part of the laboratory. The LLC (and the Contractor-manager) shall have the right to use the dark room facilities services at the Hospital and the Hospital’s laser camera services. The Contractor-manager of the LLC may replace equipment initially installed in the laboratory with equivalent or better equipment; however, the terms of this agreement shall not otherwise change if initially installed equipment is replaced. If replacement equipment cannot be purchased within the budget, the additional investment, including the selection of the equipment, shall be subject to approval by the Contractor and the Hospital Board.

2.2. Nuclear Regulatory Commission (NRC) Guidelines. The LLC, through the Contractor, shall establish and operate the laboratory in accordance with Nuclear Regulatory Commission (NRC) guidelines, under license from the NRC to handle radioactive material. The LLC, acting through the Contractor, shall have the right and the duty to pay for and to

cause the performance of all necessary construction needed to outfit the area to house the nuclear diagnostic equipment, subject to the approval of the Hospital Board. Contractor shall assure that the laboratory shall have no more than 5% "down time" caused by the Contractor's actions or failure to take reasonably expected action; exclusive of Acts of God or other causes beyond the reasonable control of Contractor, including time for transportation of materials or for the response of off-island service technicians.

2.3. ALARA Program. The LLC, through the Contractor, shall develop a formal ALARA (As Low As Reasonably Achievable) program, designed to minimize exposure to radioactive material.

2.4. Intersocietal Commission for the Accreditation of Nuclear Laboratories. The LLC, through the Contractor, shall submit documents (studies) to the Intersocietal Commission for the Accreditation of Nuclear Laboratories.

2.5. Staffing. The LLC, through the Contractor, shall staff the facility with qualified nuclear technologists, a qualified radiation safety officer, and medical doctors qualified to interpret nuclear procedures.

2.6. Availability of Laboratory Services. The LLC, through the Contractor, shall provide nuclear medicine diagnostic services for Hospital in-patients and emergency room patients referred through the Hospital or another facility which may in the future be operated by the Hospital Board during the term hereof ("Hospital Referrals"). The LLC, through the Contractor, shall provide services for referrals from the Department of Labor, Division of

Workmen's Compensation; from the Medical Assistance Program; from the Medicaid or Medicare Programs; from the Virgin Islands Department of Health; from P.H.P.P.; from the Veteran's Administration; as well as from private doctors' offices.

2.7. Laboratory Set-Up and Maintenance. The LLC, through the Contractor, shall prepare the site of the laboratory, and shall provide for the initial set-up of the laboratory and for the internal and external maintenance of the laboratory, as well as internal quality control, external quality control, and quality assurance reports.

2.8. Engineering Support. The LLC, through the Contractor, shall contract for normal technical and engineering support for the nuclear medicine equipment, which includes, but is not limited to, repairs and maintenance reasonably designed to keep the equipment in a good, safe, and substantial condition that meets Quality Assurance Standards.

3. Consideration to LLC; Billing for Services.

Payment for the services rendered by the LLC shall be as follows:

3.1. LLC (Contractor) and Physician direct billing to third-party payors. The LLC, under the management of the Contractor, and not the Hospital nor the Hospital Board, shall directly bill Medicare and/or private insurers and/or non-hospital government program payors (such as the Veteran's Administration; the Virgin Islands Department of Labor, Workmen's Compensation Division; Medicaid; etc.) for technical nuclear diagnostic medicine work performed by the LLC for Hospital Referrals - other than "pure-self-payor Hospital Referrals" referenced below - and for all other patients receiving nuclear diagnostic

services. The Hospital shall promptly provide to Contractor the identity and all health insurance/payor data gathered from the Hospital Referrals. Physicians performing professional interpretive services for (1) Hospital Referrals other than indigent patients; or (2) any other patients; shall also directly bill Medicare and/or private insurers and/or non-hospital government program payors and/or the nonindigent individuals for such work. A patient shall be regarded as indigent for the purposes of this agreement if the patient has a valid current Medical Assistance Program (MAP) card.

3.2. Contractor billing for patients in diagnostic-related group payment systems. If the Hospital Board participates in one or more diagnostic-related group payment systems, and if the LLC shall be unable to bill directly and collect from one or more third-party payors because of the participation of the Hospital in such a system, the LLC, through the Contractor, shall bill the Hospital for its services at the rate and in the fashion for pure-self-payor Hospital Referrals, set forth in the paragraphs immediately below. It shall be the responsibility of the Hospital to pay these bills within ninety (90) days of billing as specified in section 3.3 below. Physicians performing professional interpretive work shall be free to bill the third-party payors or the pure-self-payor individuals separately, except in the case of indigent Hospital Referrals, who shall not be billed by the physicians.

3.3. Contractor billing to Hospital Board for pure-self-payor Hospital Referrals. In the case of Hospital Referrals who have no third-party payors available for billing by the LLC, through the Contractor ("pure-self-payor Hospital Referrals"), the LLC shall bill the Hospital

Board or the Hospital for technical service work performed on pure-self-payor Hospital Referrals at the following rate: the then-current Medicare participant technical fee for the procedure performed (addend A) shall be added to the then-current Blue Cross/Blue Shield technical fee for the procedure (addend B), and the sum shall be divided by two, resulting in an average of the two fees (the "technical fee average").

Notwithstanding the foregoing sentence, should the Government of the Virgin Islands of the United States contract with an insurance company other than Blue Cross/Blue Shield to provide medical insurance for Virgin Islands Government employees, then addend B shall be the technical fee for the procedure payable by the insurance company then providing medical insurance for Virgin Islands Government employees; however should the reimbursement in the medical insurance plan for Virgin Islands Government employees for technical fees for any nuclear medicine procedure be below the median of the usual, customary, and reasonable fees ("median fee", which hereafter is sometimes referenced as the "PMIC rate") for any specific service or procedure as set forth in the current year's publication of *Physician Fees* published by the Practice Management Information Corporation (PMIC) (or, if that publication is not issued for any given year, the most recent version of that publication. If PMIC fails to continue this publication, then the parties shall agree upon an acceptable substitute source of information on technical fees.), then the Contractor shall have the right to require that addend B shall be the applicable PMIC rate.

The technical fee average calculated as specified above shall be the amount billed

by the LLC, through the Contractor, to the Hospital for each pure-self-payor Hospital Referral. Notwithstanding the foregoing, should any procedure have no published applicable Medicare technical fee, then the fee billed by the LLC through the Contractor to the Hospital shall be 75% of addend B; should any procedure have no applicable addend B, then the fee billed by the LLC through the Contractor to the Hospital shall be 150% of the applicable Medicare technical fee.

The Hospital shall pay the LLC within ninety (90) days of billing by the LLC to the Hospital for each procedure performed on and for each pure-self-payor Hospital Referral. The Hospital Board agrees that the only pure-self-payor Hospital Referrals who shall be referred to the LLC for service shall be individuals who need one or more nuclear medicine procedures for emergency room diagnosis/treatment while the patient is still present on the premises, and individuals who have been or are about to be admitted to the Hospital. Hospital shall require Hospital staff physicians to perform interpretive work for all indigent Hospital Referrals as a duty expected as part of their employment.

Attached hereto as Exhibit 2 is a table of current nuclear medicine fee schedules for technical work. The table uses CPT (Current Procedure Terminology) codes for nuclear procedures. The first column of dollar figures, entitled "Medicare Technical Fee" specifies the participant Medicare fees for technical work for the procedures indicated. The second column, entitled "Private Technical Fee" specifies the Blue Cross/Blue Shield fees for technical work; and the third column of dollar figures, entitled "Technical Fee for Hospital

Referral” specifies the amount the LLC would bill the Hospital Board or the Hospital for the specified procedure in the year 2000, calculated as specified above. Any discrepancies between the actual participant Medicare fees for technical work, or between the actual Blue Cross/Blue Shield fees for technical work, and the table shall be resolved in favor of the actual fees rather than the table. The current Medicare fee schedule can be found in the *2000 Medicare Physician Fee Schedule: Virgin Islands: Medicare Part B - Carrier* issued by the Health Care Financing Administration (HCFA). There may be additions or deletions of CPT codes, or modifications thereof, by the American Medical Association, which may affect the table or technical fee charges hereunder. Any such changes in technical fees chargeable hereunder would be made using the same procedure specified herein. There may be fee adjustments in published Medicare participant fees or addend B fees that may affect future technical fee billings hereunder. All fee adjustments shall be made using the procedure specified herein.

4. Location of Laboratory; Utilities; Rental and user fee.

4.1. The Laboratory location. The laboratory shall consist of 326 square feet, more or less, be located within the Hospital building. The 326-square-foot space shall consist of the 264-foot lead-lined room originally designed to house a CAT scanner, together with the equipment room adjacent thereto. The equipment room shall be integrated into the adjacent 264-square-foot adjacent room by the opening of a passage/doorway between them. This shall be the only entryway into the room currently designated as the equipment room. The

space is drawn on Exhibit 3 attached hereto.

4.2. Utilities. The laboratory: (1) shall be outfitted with at least one 220 volt electrical outlet and at least two 110 volt electrical outlets; (2) shall be outfitted with connection of its special air-conditioning duct/air handler to an air-conditioning unit/compressor outside the Hospital building in the back - probably the same air-conditioner/compressor used to air-condition the Cat scan/MRI laboratory; and (3) shall have available to it other normally available Hospital utilities, including, without limitation, hook-up into the Hospital computer and phone system.

4.3. Rental and User Fee. During the term of this agreement, the LLC, through the Contractor, shall pay to the Hospital Board the annual sum of fifty dollars (\$50) per square-foot for the area in the Hospital where the laboratory is located, which, as indicated, consists of three hundred twenty-six (326) square feet. This amounts to the annual sum of sixteen thousand three hundred dollars (\$16,300), payable in monthly installments of one thousand three hundred fifty-eight dollars and thirty-three cents (\$1,358.33). This fee is in consideration of (1) rent for the area within which the laboratory will be located; (2) the Hospital providing and paying for all water, electricity, basic telephone service (excluding long distance calls), and other public utility and other services used on or furnished to the premises where the laboratory is to be located; and (3) the providing to the LLC (and the Contractor-manager) of Hospital dark room facilities services and laser camera equipment services to image and process films taken by the nuclear medicine equipment.

5. Term and Extension.

The term of this agreement shall be ten (10) years from the date of execution and delivery. In recognition of the substantial cost to the Contractor of participating in the LLC, the term of this agreement shall be automatically extended for successive periods of five (5) years unless, for good cause, at least one hundred eighty (180) days prior to the end of the current term, a party to this agreement shall give written notice to the other party that the extension shall be declined. The terms and conditions of each five (5) year extension of this agreement shall be negotiated, which such negotiation may involve renegotiation of rent.

6. Records.

The LLC, through the Contractor, shall provide the Hospital Board with quarterly, documented, precise records of budgetary expenditures for the LLC.

7. Insurance.

The following insurance items are legitimate budgetary items for the LLC.

7.1. Hazard Insurance. The LLC, through Contractor, shall obtain and maintain hazard insurance on the nuclear medicine equipment. Proceeds from any insurance claim under the property damage insurance policy which arise from damage to the nuclear medicine equipment shall be used to make necessary repairs and/or for replacement of equipment. The Contractor and the Hospital and/or the Hospital Board shall be named as additional insureds under the LLC's policy. Any insurance proceeds remaining after the equipment is repaired or replaced shall be divided between the LLC members, sixty percent (60%) to the

Contractor, and forty percent (40%) to the Hospital Board or the Hospital.

7.2. Liability Insurance. The LLC, through the Contractor, shall also secure and maintain in force a policy or policies of insurance which will insure the LLC and Contractor against liability for malpractice or injury to, or death of, persons or personnel; or loss or damage to property, occurring from the use of the nuclear materials or the nuclear medicine equipment. The LLC shall name the Hospital Board and/or the Hospital as additional insured(s), and provide to the Hospital Board evidence of such coverage.

7.3. Malpractice Insurance. The LLC, through the Contractor, may obtain professional malpractice liability insurance for technologists and/or physicians performing interpretive work for the LLC/Contractor, and the premiums for such insurance shall be regarded as a legitimate budgetary item.

8. Certificate of Need; Licenses.

8.1. Any Certificate of Need required for the establishment and operation of the laboratory shall be obtained and maintained by the Hospital Board. The Hospital Board shall provide the LLC and the Contractor with a copy of the issued Certificate of Need within thirty (30) days of the execution and final delivery of this agreement. Should the Hospital Board fail to provide a copy of the Certificate of Need within that time or fail to obtain the required Certificate(s) of Need within that time, Contractor shall have the option to give written notice to the Hospital Board of the Contractor's withdrawal from this agreement. The obtaining and providing of the Certificate of Need as aforesaid shall be a precondition for

further performance by either party under this agreement. Should the appropriate Certificate(s) of Need not be obtained within thirty (30) days of execution and final delivery of this agreement, and should the Contractor choose not to withdraw from the agreement, the initial term of this agreement shall be extended by an amount of time equal to the delay beyond such thirty day period in the obtaining of the Certificate(s) of Need and their provision to the Contractor, as aforesaid.

The Contractor shall cooperate with the Hospital Board in its obtaining and maintaining of the Certificate of Need. This may include the enlisting of a qualified physicist and nuclear medicine technologist by the LLC, through the Contractor. For matters other than the Certificate of Need, Contractor covenants that it has, or will obtain as needed for the legal establishment and operation of the laboratory, all of the applicable licenses or permits, temporary or otherwise, as required by Title 27 of the Virgin Islands Code, and other federal and local regulatory agencies, and the Nuclear Regulatory Commission. Contractor has further familiarized itself with the applicable provisions of Title 27 of the Virgin Islands Code pertaining to professions and occupations.

8.2. Except for the Certificate of Need, which is the responsibility of the Hospital Board, all necessary and applicable licenses shall be obtained by the Contractor and copies shall be presented to the Hospital Board before Work on the this contract commences. Failure by Contractor to present its licenses to the Hospital Board within a reasonable time after demand therefor shall be grounds to consider this contract void.

9. Safety Precautions.

9.1. Compliance with Legal Requirements. The Contractor shall be responsible for initiating, maintaining, and supervising safety precautions and programs in connection with the Work. In addition, the Contractor shall ensure that the equipment and materials furnished, including the final installation and operation of the facilities, are in strict compliance with any and/or all of the applicable codes and standards listed below:

1. NESC - National Electrical Safety Code
2. NEMA - National Electrical Manufacturer's Association
3. IEEE - Institute of Electrical and Electronics Engineers
4. OSHA - Occupational Safety and Health Administration
5. ASME - American Society of Mechanical Engineers
6. ANSI - American National Standards Institute
7. NFPA - National Fire Protection Association
8. EPA - Environmental Protection Agency
9. NRC - Nuclear Regulatory Commission
10. JCAHO - Joint Commission Accreditation of Hospitals

9.2. Disposal of Wastes; Cleaning of Laboratory; Hospital Gowns. The LLC, through the Contractor, shall be responsible for the containing of biohazardous waste in proper containers in the laboratory, under the supervision of the appropriate Hospital officers and committees. The Hospital Board shall be responsible for removing this waste from the

laboratory and the disposing of it in a proper fashion. The Hospital Board shall, as part of the regular administration of the Hospital, provide for regular sweeping and mopping of the laboratory; the emptying of all non-biohazardous waste baskets and containers containing wastes ready for disposing in the Hospital waste stream; and the providing and laundering of patient gowns. Waste shall be disposed of into the Hospital waste stream only if the waste is safe for such disposal. In any event, all waste shall be disposed of in accordance with all applicable Federal and Local Regulations.

9.3. ALARA Program. As indicated in section 2.3 above, the Contractor agrees to develop an ALARA (As Low As Reasonably Achievable) program, designed to minimize exposure to radioactive material, and ensure adherence to the policy for all individuals who work with or in the vicinity of radioactive material.

10. Professional Standards.

The Hospital Board and the Contractor agree that the LLC, its staff, and its consultants shall maintain the professional standards applicable to their respective professions in the United States and the U.S. Virgin Islands. Contractor and the Hospital Board agree that all personnel staffing the laboratory, including both technologists and physicians, shall be properly accredited and/or certified as required by all applicable federal regulations. Contractor further agrees that all personnel shall receive Continuing Medical Education Nuclear Medicine courses. Continuing Medical Education is recommended and required by the Nuclear Regulatory Commission, the Virgin Islands Board of Medical Examiners, and Intersocietal Commission for the Accreditation of Nuclear Laboratories.

All personnel staffing the facility shall obtain Continuing Medical Education required by applicable law or regulation.

11. Documents.

All documents, books, records, instructional materials, programs, printouts, and memoranda of every description, derived therefrom and pertaining to this contract shall remain the property of the LLC. The above-described materials shall not be used by Contractor outside of its use for the LLC or by any other person or entity except upon the written permission of the Hospital Board and the members of the LLC holding a majority of the distributional interest in the LLC.

12. Liability to Others.

Nothing in this contract shall be construed to impose any liability upon the Hospital or the Hospital Board or the Contractor for obligations of the LLC. Nothing in this contract shall be construed to impose any liability upon the Hospital or the Hospital Board to any person, firm, association, or corporation other than the Contractor, whether or not any such persons, firms, associations, or corporations are engaged by the Contractor as servants, agents, or independent contractors, or in any other capacity whatsoever. This contract does not make the Hospital or the Hospital Board liable to any persons, firms, associations, or corporations for the acts, omissions, liabilities, obligations, unemployment insurance, or Social Security taxes for the LLC or for the Contractor, its servants, agents, or independent contractors.

13. Assignment.

The Contractor shall not subcontract or assign any part of the services under this contract

without the prior written consent of the Hospital Board.

14. Indemnification.

Contractor agrees to investigate, defend and hold harmless the Hospital Board from and against any and all loss, damage, liability, claims, demands, detriments, charges, and expenses (including attorney's fees) and causes of action of whatsoever character which the Hospital Board may incur, sustain, or to which the Hospital Board may be subjected, arising out of or in any way connected to services to be performed by Contractor under this contract and arising from any cause, except the negligence of the Hospital Board.

15. Independent Contractor.

The Contractor shall perform its Work under this contract as an independent contractor and nothing herein contained shall be construed to be inconsistent with this relationship or status.

16. Governing Law.

This contract shall be governed by the laws of the United States Virgin Islands and jurisdiction shall remain in the United States Virgin Islands.

17. Waivers and Amendments.

No waiver, modification or amendment of any term, condition or provision of this contract shall be valid or of any force or effect unless made in writing, signed by the parties hereto or their duly authorized representatives, and specifying in particular the nature and extent of such waiver, modification, or amendment. Any such waiver, modification, or amendment in any instance or instances shall in no event be construed to be a general waiver, modification, or amendment of any

of the terms, conditions, or provisions of this contract, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

18. Right to Withhold.

If work under this contract is not performed in accordance with the terms hereof, the Hospital Board shall have the right to withhold out of any payment due to the Contractor, such sums as the Hospital Board may deem reasonably adequate to protect it against loss or to assure payment of claims arising therefrom, and, at its option, the Hospital Board may apply such sums in such manner as the Hospital Board may deem proper to secure itself or to satisfy such claims. The Hospital Board shall immediately notify the Contractor in writing in the event that it elects to exercise its right to withhold. No such withholding or application shall be made by the Hospital Board if and while the Contractor gives satisfactory assurance to the Hospital Board that such claims shall be paid by the Contractor or an insurance carrier of Contractor or the LLC, if applicable, in the event that such contest is not successful.

19. Condition Precedent.

This contract shall be subject to the availability and appropriation of funds and to the approval of the Hospital Board.

20. Termination of Agreement.

This agreement may be terminated by either party during a current term for a material breach or a material default by either party of any of the covenant of this agreement as specified in this paragraph. The party seeking termination shall notify the other party in writing of its proposed

grounds for termination, specifying details of the alleged material breach. The party alleged to be in default shall have thirty (30) days from receipt of such written notice to substantially cure or rectify those items complained of. A dispute not otherwise resolved shall be arbitrated in binding arbitration by an arbitrator chosen by the parties. Absent agreement of the parties on the arbitrator to be used, the matter shall be referred to the American Arbitration Association for binding arbitration in accordance with applicable rules. In the event this agreement is terminated, the Hospital Board shall have the first option to purchase outlined in paragraph 21 of this agreement. Nothing in this agreement shall be construed to require the LLC or the Contractor to arrange or pay for the transportation of any patient off-island due to the unavailability of nuclear medicine services.

21. Purchase Option and Exclusivity of Contractor's Rights.

In the event of a termination of this agreement as specified in paragraph 20 above, the Hospital Board shall have the option to purchase the Contractor's sixty percent (60%) distributive share ownership in the laboratory at a price equal to the fair market value of the equipment. Upon final effectuation of the termination, the Hospital Board shall give a six-month notice of its intention to exercise this option. The fair market value should be determined by the average of two independent appraisals. One appraiser should be selected by the Contractor and one appraiser by the Hospital Board.

In consideration of the Contractor's duties and obligations as specified herein the Hospital Board hereby agrees that during the term of this agreement, the equipment that is the subject of this agreement shall be the sole and exclusive nuclear diagnostic equipment for the Hospital; and the

Hospital Board agrees not to otherwise own, lease, or operate nuclear diagnostic equipment during the term of this agreement. The above covenant of the Hospital Board set forth in this section of the Agreement does not apply to patients who are sent off the island of St. Croix for necessary medical services.

22. Entry on Premises by the Hospital Board.

The Hospital Board reserves the right to enter on the premises of the laboratory at reasonable times to inspect it, and the Contractor shall permit the Hospital Board's designated, agreed-upon representatives to do so provided such activities do not unreasonably interfere with the Contractor's operation of the laboratory. Notwithstanding the foregoing, (1) the Contractor shall have the right and duty to perform the maintenance on, and repair of, all of the LLC's equipment; and (2) the Contractor shall have the right to restrict access to the laboratory to individuals authorized by the Contractor. Contractor and its employees and agents shall have free access to the laboratory and shall have the right to institute such policies as are deemed reasonably necessary by the Contractor to assure the security of the laboratory materials contained therein and the proper operation of the laboratory.

23. Non-indigent Patient Responsibility; Patient Pre-certifications; Order Entries.

In the case of each non-indigent patient serviced by the LLC, the patient shall be ultimately responsible for the payment of technical service fees and professional service fees or portions thereof charged by the LLC and its physicians that are not paid by third party payors or the Hospital or Hospital Board. Prior to referral of a Hospital Referral to the LLC, the Hospital shall cause the

patient to sign an agreement whereby the patient agrees to assume this ultimate responsibility. The Hospital shall retain this agreement in its records, and shall make it available to the LLC upon request. If it becomes common practice that this documentation must be retained by the LLC or the interpreting physician, the Contractor shall so notify the Hospital Board in writing, and the Hospital shall provide thereafter to the LLC and/or the interpreting physician, as applicable, a copy of the signed agreement for each patient within seven (7) days of the service being provided

Prior to or at the time of the presentation of the patient for nuclear medicine services, the Hospital Board shall provide the LLC/Contractor with evidence of the obtaining of pre-certification (as required by third-party payors), including the presentation of pre-certification numbers, for all Hospital Referrals when applicable. If pre-certification is required but evidence of pre-certification is not presented to the LLC, then the Hospital Board shall present to the LLC /Contractor a signed statement by the Hospital Referral that he or she shall be responsible for the payment of any technical or professional fee not paid by a third party payor.

It is understood by the parties that the Hospital is putting in place an order entry computerized medical record system in the Hospital whereby the order for the conducting of a procedure on a patient is to be entered into the Hospital computer system at the site where the order is being placed. All Hospital Referrals shall have their orders for procedures to be performed by the LLC entered into the Hospital computer system and they shall be registered for the procedure prior to the performance of any procedure by the LLC.

24. Claims Documentation.

The Hospital Board shall maintain at the Hospital documentation of each Hospital Referral's signed acceptance of assignment of pertinent claims to the LLC and its physicians. For each Hospital Referral, the Hospital shall transmit daily to Contractor two Y2K-compliant, completed, error-free, "clean" HCFA² 1500 claim forms (or other valid insurance claim forms), each of which shall specify the appropriate ICD-9³ (or later edition) diagnostic code(s) applicable to the procedure(s). One of these claim forms for each Hospital Referral shall be for the technical component of the procedure, and shall be assigned to the LLC. The other claim form for each Hospital Referral shall be for the professional component of the procedure, and shall be assigned to Imaging Center, P.C., which shall be providing the licensed interpretation services. The completed forms shall include the appropriate radiological modifier (TC for technical component; 26 for profession interpretation) to the CPT (current procedure terminology) code designations; and shall include any required pre-certification number(s). The daily transmittal shall be for the procedures performed the previous day, except in the case of procedures whose pre-certification numbers may be obtained after the procedure, and in such event the transmittal shall be made within 24 hours of obtaining the pre-certification number(s). The claims shall be transmitted electronically or on mutually acceptable magnetic media. The Hospital shall establish an appropriate mail receptacle for the LLC/Contractor at the Hospital mail room.

The Hospital shall provide to the LLC the computer hardware, software, printer, and network

²HCFA refers to the Health Care Financing Administration.

³*International Classification of Diseases, Ninth Revision, Clinical Modification.*

connection for full use of the Hospital medical information system as it pertains to the laboratory services. This includes printing of requisitions, printing of folder labels, printing of insurance claims, and printing of reports.

Contractor shall obtain all necessary licenses (including a license form the Nuclear Regulatory Commission) to operate a nuclear medicine diagnostic facility at the Hospital and to handle radioactive material.

25. Nondiscrimination.

No person shall be excluded from participating in, be denied the proceeds of, or be subject to discrimination in the performance of this contract on account of race, creed, color, sex, religion, or national origin.

26. Conflict of Interest.

26.1. The Contractor covenants that it has no interest, and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of services acquired to be performed under this contract.

26.2. Contractor further covenants that it is:

26.2.1. not a Territorial officer or employee (i.e., the Governor, Lieutenant Governor, member of the Legislature or any other elected territorial official; or an officer or employee of the Legislature, executive, or judicial branch of the Government or any agency, board, commission, or independent instrumentality of the Government, whether compensated on a salary, fee, or contractual basis); or

26.2.2. a territorial officer or employee, and as such, has;

26.2.2.1. familiarized itself with the provisions of Title 3, Chapter 37, of the Virgin Islands Code, pertaining to conflicts of interest, including the penalties provision set forth in Section 1108 thereof;

26.2.2.2. not made, negotiated, or influenced this contract, in its official capacity;

26.2.2.3. no financial interest in the contract as that term is defined in Section 1101 (1).

27. Additional Contractor's Duties.

27.1. The Contractor agrees to provide the Hospital Board with an annual budget for the LLC. The contractor's budget shall include contracts with, and/or salaries of the Nuclear Medicine personnel, and will provide for the purchase of equipment, supplies and radiopharmaceuticals. For convenience of accounting and minimization of expense, the Contractor may choose to borrow employees of Imaging Center P.C., and may choose to avail itself of accounting and bookkeeping services of Imaging Center P.C. If any technologist rotates through work for both Contractor and Imaging Center P.C., a 50/50 salary/wages/benefits sharing is deemed appropriate.

27.2. The Contractor, directly or through the LLC, agrees to enter into a service contract with the vendor from which the equipment is purchased or other appropriate service provider, and shall ensure that all service requests are performed in a timely manner.

27.3. The Contractor shall be responsible for internal quality control. The Contractor shall

comply with the Nuclear Regulatory Commission Guidelines and consult *The Nuclear Medicine Handbook for Achieving Compliance with NRC Regulations* by Jeffrey S. Mason, Katherine M. Elliot, and Alisha C. Miltro, copyright 1997 (as updated), ISBN:0-932004-50-4. These documents are and will be kept available at the Hospital.

27.4. The Contractor shall be responsible for quality assurance reports.

27.5. The Contractor and the Hospital Board shall participate in external quality control measures to ensure that high standards are met. In this regard also, the Contractor shall comply with the Nuclear Regulatory Commission Guidelines and consult *The Nuclear Medicine Handbook for Achieving Compliance with NRC Regulations* by Jeffrey S. Mason, Katherine M. Elliot, and Alisha C. Miltro, copyright 1997 (as updated), ISBN-0-932004-50-4. These documents shall be kept available at the Hospital.

27.6. The Contractor and the Hospital Board shall assist in the formation of a Radiation Safety Committee to have special expertise in the safe use of radioactive material and to review ALARA protocols.

27.7. The Hospital Board and the Contractor shall complete a license with the assistance of the vendor to the appropriate US NRC Region (Region II Atlanta, Georgia).

27.8. The Contractor shall efficiently and cost effectively obtain adequate supplies and radioactive material.

27.9. The Contractor shall be responsible for obtaining and dose calibrating all radioactive material.

27.10. The Contractor shall use radionuclide generators for easier accessibility of radionuclides (i.e. Molybdenum generator for Technicum).

27.11. To the extent reasonably practicable, the Contractor shall rely on local pharmacies for non-radioactive medications and pharmaceutical supplies.

27.12. The Hospital Board and the Contractor shall develop an effective waste management system.

27.13. The Hospital Board and the Contractor shall ensure that all short half-life radioactive material will be retained in the department for at least ten half-lives in order to achieve background levels.

27.14. The Contractor and the Hospital Board shall ensure that all appropriate amendments to its license regarding waste management are obtained.

27.15. The Contractor and the Hospital Board shall submit within sixty (60) days of execution of the contract a diagram of the area where the waste will be disposed via decay-in-storage.

27.16. The Contractor and the Hospital Board shall develop security measures for the decay-in-storage area.

27.17. The Contractor and the Hospital Board shall confirm that radiation levels in the above-mentioned area will be surveyed and recorded at least weekly.

28. Notice.

Any notice required to be given by the terms of this contract shall be deemed to have been

Professional Services Agreement
Juan F. Luis Hospital Board - Medical Imaging
Nuclear Medicine Laboratory
Page 32

given when the same is sent by certified mail, postage prepaid, or personally delivered, addressed to the parties as follows:

Hospital Board: Thomas Robinson
 Chief Executive Officer
 Governor Juan F. Luis Hospital and Medical Center
 No. 4007 Estate Diamond Ruby
 Christiansted, St. Croix
 U.S. Virgin Islands 00820-4421

Contractor: Medical Imaging, Inc.
 c/o Marcel L. Galiber, RDMS, RVT
 4500 Sion Farm - Suite 5
 Island Medical Center
 St. Croix, U.S. Virgin Islands 00820-4423

29. Entire Agreement.

This contract constitutes the entire agreement between the parties hereto, and all prior understandings or communications, written or oral, with respect to the Work that is the subject matter of this contract, are merged herein.

30. Contract Documents.

Contractor shall complete the Work to be performed in accordance with the Contract Documents. The Contract Documents include this agreement and its referenced exhibits, including the articles of organization for the LLC; the drawing of the laboratory room; and the attached table of current nuclear medicine fees for technical work payable by participant Medicare and Blue Cross/Blue Shield.

In the event of any conflict, the terms of this Contract will govern over the provisions of any

documents referenced herein. This Contract and Contract Documents constitute the entire agreement between the parties hereto, and all prior understandings or communication, written or oral, with respect to the subject matter of this Contract are merged herein.

32. Severability.

Should any court of competent jurisdiction find that any term or terms of this agreement are illegal, void, or unenforceable, that determination shall not affect the binding nature of the balance of the agreement, which shall continue in full force and effect, with such modifications as are deemed reasonably necessary by the court.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day, month, and year first above-written.

WITNESS: MEDICAL IMAGING, INC.
Contractor

Andre A. Galiber By Andre A. Galiber Dated: 1/4/2000
Andre A. Galiber, Sr., M.D., FACR
President

TERRITORY OF THE VIRGIN ISLANDS)
DISTRICT OF ST. CROIX) ss:

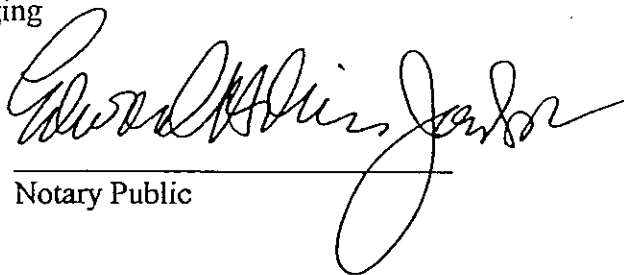
On this 4th day of January, 2000, before me personally came and appeared Andre A. Galiber, Sr., M.D. FACR, President of Medical Imaging, Inc., to me known and known to me to be the person described in and who signed the foregoing instrument, and he acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein stated.

IN WITNESS WHEREOF, I hereunto set my hand and seal.

Professional Services Agreement
Juan F. Luis Hospital Board - Medical Imaging
Nuclear Medicine Laboratory

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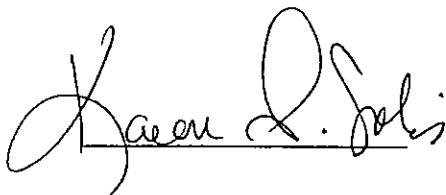
EDWARD HASKINS JACOBS
Notary Public LNP-19-99
Commission Expires 3-18-03
St. Croix District, U.S.V.I.

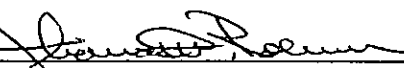


Notary Public

V.I. GOVERNMENT HOSPITAL AND HEALTH
FACILITIES CORPORATION
ST. CROIX DISTRICT GOVERNING BOARD OF
DIRECTORS

WITNESS:



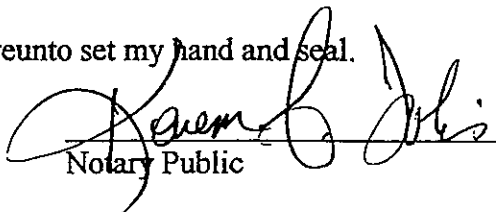
By:  Dated: April 4, 2000
Mr. Thomas Robinson
CEO/Governor Juan F. Luis Hospital

TERRITORY OF THE VIRGIN ISLANDS)
DISTRICT OF ST. CROIX)

ss:

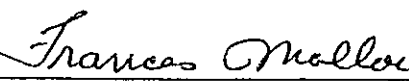
On this 11th day of April, 2000, before me personally came and
appeared Mr. Thomas Robinson, CEO Governor Juan F. Luis Hospital., to me known and known
to me to be the person described in and who signed the foregoing instrument, and he acknowledged
to me that he executed the same freely and voluntarily for the uses and purposes therein stated.

IN WITNESS WHEREOF, I hereunto set my hand and seal.



Notary Public

APPROVED:

By:  Dated: 4-11-2000
Chairperson, St. Croix Governing Board

Luis Hospital Nuclear-CAT-MRI LLC
Limited Liability Company
ARTICLES OF ORGANIZATION

Pursuant to Title 13, Chapter 15 of the Virgin Islands Code, the undersigned does hereby submit these Articles of Organization for the purpose of forming a limited liability company.

1. The name of the limited liability company is: **Luis Hospital Nuclear-CAT-MRI LLC**.
2. The physical and mailing address of the initial designated office in the Virgin Islands is 7 Church Street, Christiansted, St. Croix, U.S. Virgin Islands 00820.
3. The name and physical address of the initial agent for service of process is Edward Haskins Jacobs, Jacobs & Brady P.C., 7 Church Street, Christiansted, St. Croix, U.S. Virgin Islands 00820.
4. The name and physical address of the organizer of this limited liability company is:

Edward Haskins Jacobs
Jacobs & Brady P.C.
7 Church Street
Christiansted, St. Croix
U.S. Virgin Islands 00820
5. The minimum amount of capital with which the company will commence business is the amount of one thousand dollars (\$1,000).
6. The company is *not* a term company.
7. The company will be a manager-managed company. The manager will be Medical Imaging, Inc.
8. None of the members of the company are to be liable for its debts and obligations under section 1303, subsection (c) of Chapter 15 of Title 13 of the Virgin Islands Code.
9. These articles will be effective upon filing.

Dated this — day of January, 2000.

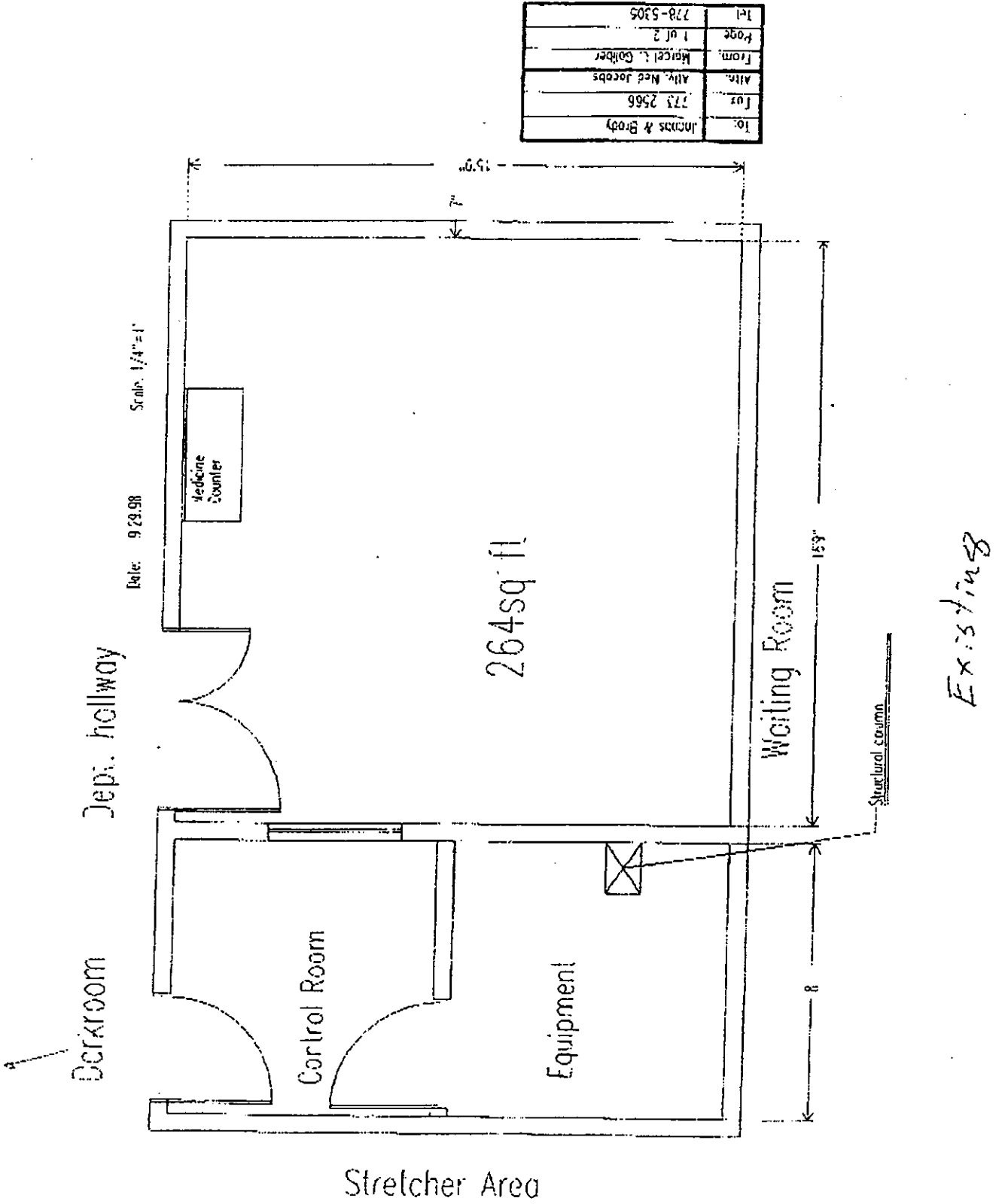
Edward Haskins Jacobs
Organizer
Jacobs & Brady P.C.
7 Church Street
Christiansted, St. Croix
U.S. Virgin Islands 00820
Tel: (340)773-3322
Fax: (340)773-2566

p1 PRINTED: January 3, 2000

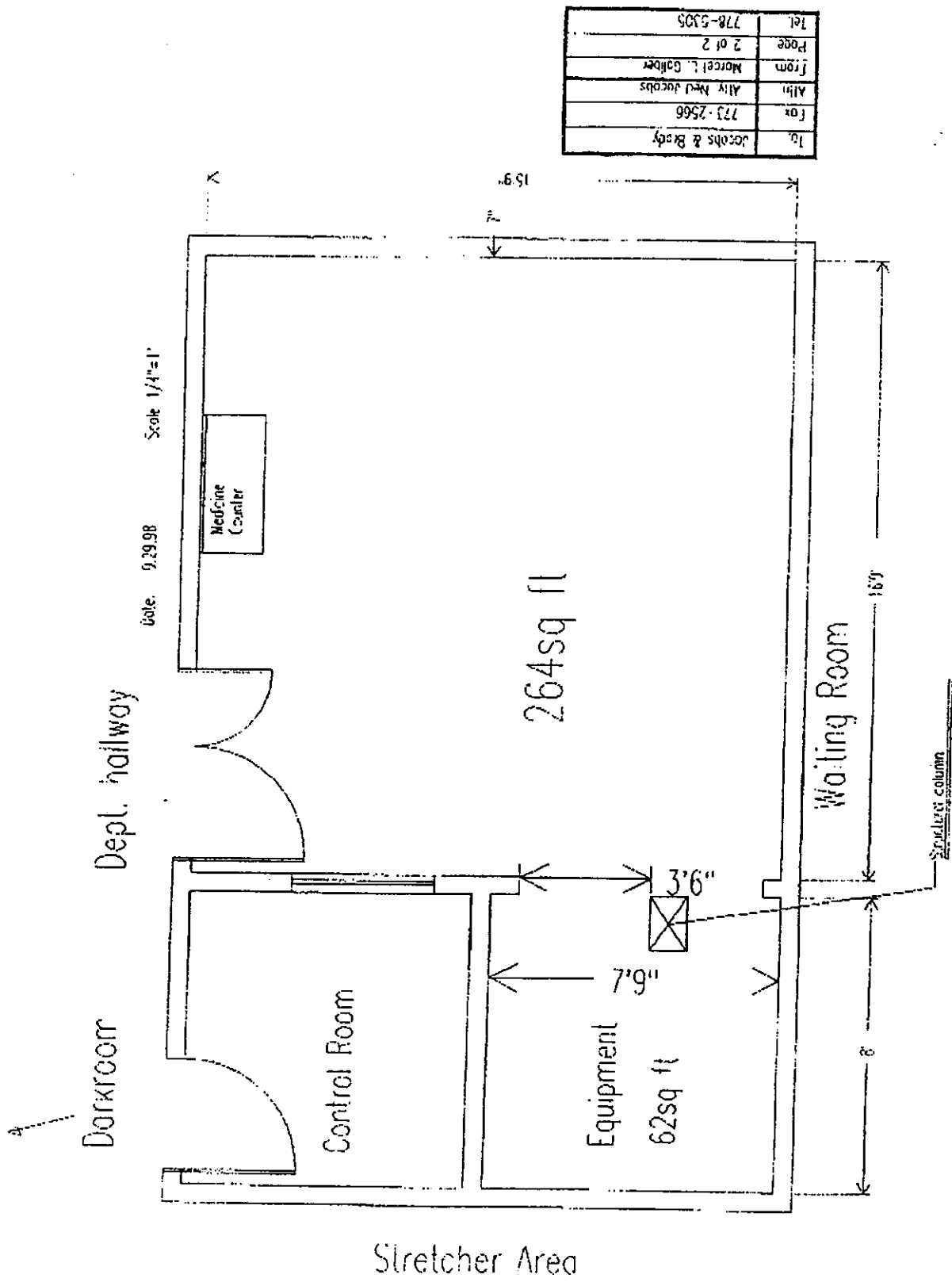
PROCEDURE	CPT#	MEDICARE TECHNICAL FEE	PRIVATE TECHNICAL FEE	TECHNICAL FEE FOR HOSPITAL REFERRAL
INJECTION FOR LYMPHANGIOGRAPHY	38790	86.84	445	276.92
INJECTION FOR SENTINEL NODE	38792	86.84	445	276.92
THYROID UPTAKE SINGLE DETERMINATION	78000	39.37	94	58.19
THYROID UPTAKE MULTIPLE DETERMINATIONS	78001	52.62	132	59.81
THYROID STIMULATION/SUPPRESSION TEST	78003	39.37	112	51.69
THYROID SCAN W/SINGLE UPTAKE	78006	96.15	269	152.58
THYROID SCAN W/MULTIPLE UPTAKE	78007	103.73	279	136.87
THYROID SCAN	78010	73.82	250	133.91
THYROID SCAN W/VASCULAR FLOW	78011	97.29	257	137.15
THYROID SCAN NECK&CHEST	78015	103.72	307	141.86
THYROID METS SCREEN W/ADDED STUDIES	78016	140.07	414	194.04
THYROID METASTASIS UPTAKE TEST	78020	5.68	-22	8.52
PARATHYROID NM IMAGING	78070	73.82	219	78.91
BONE MARROW NM IMAGING, MULTISITES	78103	127.95	370	175.98
BONE MARROW NM IMAGING, WHOLE BODY	78104	164.30	452	225.15
WHOLE BLOOD VOLUME DETERMINATION	78122	185.49	437	273.25
SPLEEN SCAN	78185	95.39	239	129.20
LYMPHATIC NM IMAGING	78195	164.29	437	233.15
LIVER SCAN	78201	95.39	249	134.20
LIVER SCAN W/VASCULAR FLOW	78202	115.84	307	163.42
LIVER SPECT SCAN	78205	238.49	592	347.75
LIVER + SPLEEN SCAN	78215	118.11	310	144.56
HEPATOBIILIARY NM SCAN	78223	147.63	411	205.82
SALIVARY GLAND NM IMAGING	78230	88.20	239	125.60
SALIVARY GLAND NM SERIAL IMAGING	78231	127.95	335	183.48
SALIVARY GLAND NM FUNCTION STUDY	78232	142.34	365	210.17
ESOPHAGEAL MOTILITY NM IMAGING	78258	115.84	342	157.92
GASTRIC MUCOSA NM IMAGING	78261	165.43	444	237.22
GASTROESHOPHAGEAL REFLUX STUDY	78262	171.49	449	263.25
GASTRIC EMPTYING STUDY	78264	166.56	455	244.78
ACUTE GI BLOOD LOSS IMAGING	78278	196.46	554	292.73
	78282			
BOWEL NM IMAGING	78290	122.65	350	168.83
BONE SCAN MULTIPLE AREAS	78305	147.64	428	210.82
WHOLE BODY BONE SCAN	78306	172.25	592	299.63
THREE PHASE BONE SCAN	78315	192.68	524	256.84
BONE SCAN SPECT	78320	238.49	644	343.75
SINGLE PHOTON BONE DENSITOMETRY	78350	30.66	77	41.33
DUAL PHOTON BONE DENSITOMETRY	78351	30.66	167	82.33
MYOCARDIAL PERFUSION IMAGING, PLANAR	78460	95.40	318	123.70
MYOCARDIAL PERFUSION IMAGING, MULTIPLE	78461	190.41	577	292.71
MYOCARDIAL SPECT, SINGLE	78464	285.05	751	410.03
MYOCARDIAL SPECT, MULTIPLE	78465	475.46	1,023	599.73
MYOCARDIAL GATED AQUISITION, SINGLE	78472	222.59	600	323.80
MUGA SCAN	78473	332.38	973	522.69
VQ STUDY	78596	285.05	530	312.03
BRAIN VASCULAR FLOW SCAN	78601	137.03	350	195.52
DYNAMIC RENAL SCAN	78707	180.19	516	264.60
URETERAL REFLUX SCAN	78740	85.56	269	135.78
SCROTAL SCAN	78760	107.88	312	142.44

Exhibit 2

Exhibit 3



To:	JACOBS & BRODY
For:	773 2566
Attn:	Atty. Ned Jacobs
From:	Harcel L. Gopher
Page:	1 of 2
Id:	778-5305



To:	Jacobs & Body
For:	773-2566
Attn:	Ally Ned Jacobs
From:	Marcel L. Goller
Page:	2 of 2
Tel:	778-5305

Date: 9.29.98 Scale 1/4"=1'

Proposed

Exhibit 3