

PD0000008536

DAVID WAGNER & ASSOCIATES, P.C.

Attorneys & Counselors At Law
8400 East Prentice Avenue
Penthouse Suite
Englewood, Colorado 80111
Telephone (303)793-0304
Facsimile (303)771-4562

February 18, 2000

Department of Corporations
P.O. Box 6327
Tallahassee, Florida 32399-0350

400003143174--1
-02/22/00--01066--021
*****78.75 *****78.75

///VIA PRIORITY MAIL///

Re: Miracor Acquisition Corp. (The "Company")
Articles of Merger

Ladies and Gentlemen:

Enclosed please find two (2) copies of the Articles of Merger for the above referenced company, along with a filing fee of \$70.00 plus \$8.75 for one (1) certified copy to be returned to our office.

Thank you for your attention to this matter.

Very truly yours,

David Wagner & Associates, P.C.

Veronica Brownell
Veronica A. Brownell
Legal Assistant

3/27/00
The copy of the
Agreement and Plan is
not legible. This is
the best we can do.

w/encl.

FILED
00 MAR 27 PM 4:05
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

merger
T. LEWIS MAR 28 2000

DAVID WAGNER & ASSOCIATES, P.C.

Attorneys & Counselors At Law
8400 East Prentice Avenue
Penthouse Suite
Englewood, Colorado 80111
Telephone (303)793-0304
Facsimile (303)771-4562

March 20, 2000

Ms. Thelma Lewis
Division of Corporations
P.O. Box 6327
Tallahassee, Florida 32399

Re: Miracor Acquisition Corp.
Agreement and Plan of Merger

Dear Ms. Lewis;

Enclosed please find the above referenced document which is being sent to you per your request.

If I may be of any further assistance, please do not hesitate to contact me. Thank you for your attention to this matter.

Very truly yours,

David Wagner & Associates, P.C.



Veronica A. Brownell
Legal Assistant

w/encl.

ARTICLES OF MERGER
Merger Sheet

MERGING:

MIRACOR ACQUISITION CORP., a Colorado corporation not qualified in
Florida.

INTO

ULTRA OPEN MRI HOLDING CORPORATION, a Florida entity,
P00000008536

File date: March 27, 2000

Corporate Specialist: Thelma Lewis

ARTICLES OF MERGER
OF
MIRACOR ACQUISITION CORP., a Colorado Corporation
INTO
ULTRA OPEN MRI HOLDING CORP., a Florida Corporation

FILED
00 MAR 27 PM 4:05
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

THESE ARTICLES OF MERGER (the "Articles") are made this 9th day of February, 2000, by and between MIRACOR ACQUISITION CORP., a Colorado corporation (hereinafter referred to as the "Non-surviving Corporation") and ULTRA OPEN MRI HOLDING CORP. a Florida corporation (hereinafter the "Surviving Corporation"), pursuant to the respective portions of Florida Corporation Law.

I. The Non-surviving Corporation shall merge with the Surviving Corporation and upon the effective date of such merger, as hereinafter specified, the Non-surviving Corporation shall cease to exist and shall no longer exercise its powers, privileges and franchises subject to the laws of the State of Colorado, its state of incorporation. The Surviving Corporation shall succeed to the property and assets of and exercise all the powers, privileges and franchises of the Non-surviving Corporation and shall assume and be liable for all of the debts and liabilities, if any, of the Non-surviving Corporation.

II. The merger shall become effective as of February 9, 2000.

III. Immediately prior to the effective date of the merger contemplated herein, the Non-surviving Corporation had one million shares of its common stock issued and outstanding. Immediately prior to the date of the merger contemplated herein, the Surviving Corporation had one hundred shares of its common stock issued and outstanding.

IV. As a result of the merger, all outstanding and issued shares of the Non-surviving Corporation's common stock shall be exchanged for eighty shares of the Surviving Corporation.

V. A copy of the Agreement and Plan of Merger is attached hereto as Exhibit A and incorporated herein by reference as though its provisions were fully set forth herein.

VI. The Plan of Merger was submitted to the shareholder of the Non-Surviving Corporation and approved by the sole shareholder of the Non-Surviving Corporation as of February 9, 2000 by a total of one million shares out of a total of one million shares entitled to vote thereon, with a total of non shares voting against the proposal and no shares voting to abstain. The shareholders of the Surviving Corporation unanimously approved the Plan on February 9, 2000.

The undersigned respective President and Secretary of the Non-surviving Corporation and of the Surviving Corporation each hereby acknowledges that the execution of these Articles of Merger is the act and deed of the Corporation on whose behalf he executes these Articles and that the facts stated herein are true.

MIRACOR ACQUISITION CORP.
a Colorado corporation

By: _____

President

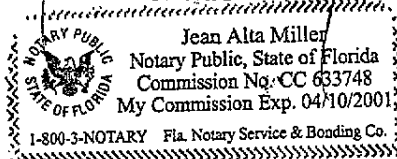
By: _____

Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF Hillsborough

On February 9th, 2000, before me, JEAN ALTA MILLER, Notary Public, personally appeared M. Lee Hulsebus, who acknowledged that he is the President of MIRACOR ACQUISITION CORP., and that he has executed the above instrument.

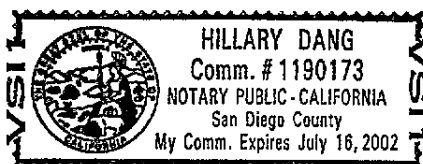
Jean Alta Miller
NOTARY PUBLIC



STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On February 10, 2000, before me, Hillary Dang, Notary Public, personally appeared Richard E. Sloan, known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Hillary Dang
Notary Public

ULTRA OPEN MRI HOLDING CORP.
a Florida corporation

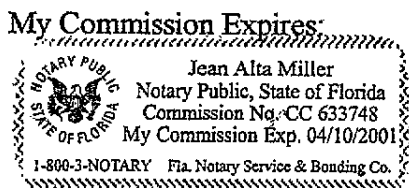
By: John H. McCoskie
President

By: John H. McCoskie
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF Hillsborough

On this 9th day of February, 2000, before me, a Notary Public, personally appeared John H. McCoskie and John H. McCoskie who acknowledged that they are the respective President and Secretary of ULTRA OPEN MRI HOLDING CORP., and that each has executed the above instrument

Jean Alta Miller
NOTARY PUBLIC



AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER, dated this 9th day of February, 2000 (the "Plan of Merger") by, between, and among Miracor Diagnostics, Inc., a Utah Corporation ("Miracor"), Acquisition Corp., a Colorado corporation ("Acquisition Corp."), and Ultra Open MRI Holding Corp., a Florida corporation (the "Company") (Miracor, Acquisition Corp. and the Company are collectively referred to as the "Parties");

WITNESSETH THAT:

WHEREAS, the Parties hereto desire to enter into an agreement providing for the merger of Acquisition Corp. into the Company; and

WHEREAS, Miracor will issue its common stock to the shareholders of the Company in consideration for the merger of the Company and Acquisition Corp. The merged company, which will be the Company, will become an eighty percent owned subsidiary of Miracor; and

WHEREAS, the authorized and issued capital stock of the Company consists of one hundred shares of common stock, \$1.00 par value per share.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

A. The Merger. At the Effective Time of the Merger (as such term is hereinafter defined), in accordance with the provisions of applicable law and the terms of this Plan of Merger, Acquisition Corp. will be merged with and into the Company, with the Company surviving the Merger as the Surviving Corporation.

B. Effective Time of the Merger. The Merger shall become effective as of February 9, 2000 but may be rescinded subject only to the conditions subsequent of the following actions:

1. This Plan of Merger shall have been approved by the directors and stockholders of the Company and Acquisition Corp. in accordance with the requirements of the laws of the states under which the Company and Acquisition Corp. are organized; and

2. Articles or Certificates of Merger (which shall be satisfactory in form to counsel for the Parties) or certified copies of this Plan of Merger shall have been executed and verified and filed in the office of the Secretary of State of the State of Colorado and the office of the Secretary of State of the State of Florida or other appropriate offices of the appropriate states.

The date when the Merger shall become effective as aforesaid is herein referred to as "Effective Time of the Merger".

C. Certificates of Incorporation, By-Laws, Directors, and Officers.

1. The Certificate of Incorporation the Company as in effect immediately prior to the Effective Time of the Merger shall be the Certificate of

Incorporation of the Company from and after the Effective Time of the Merger until further amended in accordance with the laws of the State of Florida.

2. The By-Laws of the Company as in effect immediately prior to the Effective Time of the Merger shall be the By-Laws of the Company from and after the Effective Time of the Merger until further amended in accordance with the laws of the State of Florida, the Certificate of Incorporation and the By-Laws of the Company.

3. The directors and officers of the Company from and after the Effective Time of the Merger shall be as set forth below, and each shall hold his respective office or offices from and after the Effective Time of the Merger until his successor shall have been elected and qualified or as otherwise provided in the By-Laws of the Company.

Directors

M. Lee Hulsebus
John McCoskrie
Richard E. Sloan

Officers

M. Lee Hulsebus	President
M. Lee Hulsebus	Treasurer
John McCoskrie	Vice President
Richard E. Sloan	Secretary

D. Manner and Basis of Converting Securities.

1. At the Effective Time of the Merger of Acquisition Corp. with and into Company:

a. all shares of common stock of Acquisition Corp. that shall be outstanding immediately prior to the Effective Time of the Merger shall, by virtue of the merger, be canceled and Miracor shall be issued a total of eighty shares of common stock, \$1.00 par value per share of the Company, pro rata, from the holders thereof as listed in Exhibit A hereto.

b. Any shares of common stock of Acquisition Corp. held in the treasury of Acquisition Corp. prior to the Effective Time of the Merger shall be canceled.

2. From and after the Effective Time of the Merger, the holders of certificates representing shares of common stock of Acquisition Corp. shall cease to have any rights with respect to such certificates.

3. Eighty shares of the common stock, \$1.00 par value per share of the Company, which constitutes eighty percent (80%) of the issued and outstanding of the Company before the Effective Time of the Merger shall be exchanged, pro rata and in accordance with Exhibit A hereto, for a total of 2,133,334 restricted common shares of Miracor at a price of \$.60 per share, which amount shall be computed on the basis of 2.56 times the twelve month trailing EBITDA (EBITDA, is comprised of revenues less all operating expenses, net of depreciation,

amortization, taxes and interest) of interest) of MRI Services, LC and Ultra Diagnostics, LLC, measured as of December 31, 1999, based upon generally accepted accounting practices; provided, however, that twenty-five percent (25%) of the total number of shares will not be issued until the reconciliation of the EBITDA as of December 31, 1999 is complete; and, provided, further that the total 2,133,334 restricted common shares may be further increased or decreased, as may be applicable, to reflect the results of the said reconciliation of the EBITDA as of December 31, 1999.

E. Surrender and Exchange of Certificates Representing the Common Stock of Acquisition Corp. As soon as practicable after the Effective Time of the Merger and after the surrender to the Company, at the principal place of business of the Company, or such other place as the Company may designate, of all certificates that immediately prior to the Effective Time of the Merger represented outstanding shares of the common stock of Acquisition Corp. (the "Closing"), the Company shall issue to Miracor a total of eighty (80) shares of the common stock, \$1.00 par value per share, of the Company.

F. Certain Effects of the Merger. The separate existence and the corporate organization of Acquisition Corp. shall cease at the completion of all conditions subsequent to the Effective Time of the Merger except insofar as it may be continued by law, and thereupon the Company and Acquisition Corp. shall be a single corporation, sometimes hereinafter referred to as the "Surviving Corporation." At the completion of all conditions subsequent to the Effective Time of the Merger, the Surviving Corporation shall thereupon and thereafter possess all rights, privileges, powers and franchises, both public and private in nature, and all the property, real, personal and mixed, and all debts due on whatever account, including, subscriptions for shares, and all other things in action or belonging to Acquisition Corp. shall be vested in the Surviving Corporation, and all property, rights, privileges, powers and franchises, and every other interest shall be thereafter the property of the Surviving Corporation. All rights of creditors and all liens upon any property of Acquisition Corp. shall be preserved unimpaired, and all debts, liabilities, and duties of Acquisition Corp. shall attach to the Surviving Corporation and may be enforced against it to the same extent as if those debts, liabilities, and duties had been incurred or contracted by Acquisition Corp.

G. Representations of the Company and Fred Bergmann and John McCoskrie

The Company and Fred Bergmann and John McCoskrie hereby represent and warrant, covenant and agree that:

1. Organization and Authority. Ultra Open MRI Holding Corp. is a Florida corporation duly organized, validly existing, and in good standing under the laws of its jurisdiction of operation and is duly qualified and in good standing in each other jurisdiction in which it owns or leases properties, conducts operations, or maintains a stock of goods, with full power and authority to carry on the business in which it is engaged (a true and correct list of each such jurisdiction is set forth in the Disclosure Schedule) and to execute and deliver and carry out the transactions contemplated by this Agreement.

2. Due Authorization: Effect of Transaction. No provisions of any agreement, instrument, or understanding, or any judgment, decree, rule, or regulation, to which Ultra Open MRI Holding Corp., a Florida corporation, is a party or by which it is bound, has been or will be violated by the execution and delivery by the Company of this

Agreement or the performance or satisfaction of any agreement or condition herein contained upon its part to be performed or satisfied, and all requisite authorizations for such execution, delivery, performance, and satisfaction have been duly obtained. Upon execution and delivery, this Agreement will be a legal, valid, and binding obligation of the Company, enforceable in accordance with its terms. All assignment and assumption agreements between Ultra Open MRI Holding Corp. and MedSource Holdings, Ltd. and Jamac Enterprises, Ltd. are valid and enforceable among the parties thereto.

3. Financial Statements. Except as set forth on the Disclosure Schedule, the Company has delivered to Miracor the balance sheet of MRI Services, LC and Ultra Diagnostics, LLC, Florida limited liability companies, as at the close of its fiscal year for the year ending December 31, 1998 and 1999, together with related consolidated statements of operations, consolidated statements of changes in owner's equity, and consolidated statements of cash flows for the periods then ended. The financial statements specified above, including in each case the notes to such financial statements, are hereinafter sometimes collectively referred to as the "Financial Statements." All of the Financial Statements are true, correct, and complete, have been prepared in accordance with generally accepted accounting principles consistently followed throughout the periods (except as set forth in such notes or statements) and fairly present the financial condition of MRI Services, LC and Ultra Diagnostics, LLC, Florida limited liability companies, and the results of its operations as at the dates thereof and throughout the periods covered thereby. The Financial Statements reflect or provide for all claims against, and all debts and liabilities of, of MRI Services, LC and Ultra Diagnostics, LLC, Florida limited liability companies, fixed or contingent, as at the dates thereof, and there has not been any change between the date of the most recent Financial Statements and the date of this Agreement that has materially or adversely affected the business or properties or condition or prospects, financial or other, or results of operations of MRI Services, LC and Ultra Diagnostics, LLC, Florida limited liability companies, and no fact or condition exists or is contemplated or threatened, which might cause any such change at any time in the future.

4. Accounts Receivable. Subject to the bad debt reserve shown in the Financial Statements, all customer and trade notes and accounts receivable owned by of MRI Services, LC, and Ultra Diagnostics, LLC, Florida limited liability companies, and Ultra Open MRI Holding Corp. on the date of the most recent balance sheet included in the Financial Statements are fully collectible in the aggregate, to the extent of the aggregate face value thereof as indicated on such balance sheet.

5. Liabilities. Neither MRI Services, LC, Ultra Diagnostics, LLC, nor Ultra Open MRI Holding Corp. have liabilities of any nature, whether absolute, contingent, or otherwise, except as set forth in the most recent balance sheet included in the Financial Statements, other than liabilities subsequently incurred in the ordinary course of business. Neither MRI Services, LC, Ultra Diagnostics, LLC, nor Ultra Open MRI Holding Corp. are in breach or default or in arrears in respect of the terms or conditions of any such liabilities and no waiver or forbearance has been granted by any holder of any such liability with respect to any such liability.

6. Distributions. From the end of its most recent fiscal year to the date hereof Neither MRI Services, LC, Ultra Diagnostics, LLC, nor Ultra Open MRI Holding Corp. have made any distribution whatsoever, either in cash or other property.

7. Subsidiaries. Ultra Open MRI Holding Corp. owns the capital stock of three

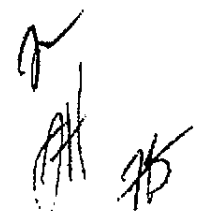
Florida corporations and the total membership of one Florida limited liability company as shown in Exhibit B hereto. Otherwise, Ultra Open MRI Holding Corp does not own the capital stock of any corporation, limited liability company, association, trust or similar entity, any interest in the equity of any partnership or similar entity, any share in any joint venture, or any other equity or proprietary interest in any entity or enterprise, however organized and however such interest may be denominated or evidenced.

8. Personal Properties. Ultra Open MRI Holding Corp. owns and has good and marketable title to all the tangible and intangible personal property and assets reflected upon the most recent balance sheet included in the Financial Statements or used in the business of Ultra Open MRI Holding Corp. if not so reflected, free and clear of all mortgages, liens, encumbrances, equities, claims, and obligations to other persons, of whatever kind and character, except as set forth in the Disclosure Schedule. The Disclosure Schedule contains an identification of certain major items of fixed assets and machinery and equipment. None of the fixed assets and machinery and equipment is subject to contracts of sale, and none is held by Ultra Open MRI Holding Corp. as lessee or as conditional sales vendee under any lease or conditional sales contract and none is subject to any title retention agreement, except as set forth in the Disclosure Schedule. The fixed assets and machinery and equipment, taken as a whole, are in a state of good repair and maintenance and are in good operating condition; inventory is up to normal commercial standards and no inventory that is obsolete or unmarketable is reflected in the most recent balance sheets included in the Financial Statements. All items included in such inventory are covered on the books of either McCoskrie, or Ultra Open MRI Holding Corp., and are valued on the Financial Statements at the lower of cost or market and, in any event, at not greater than their net realizable value, on an item by item basis. Upon the Merger as contemplated herein, there will continue to be vested in Ultra Open MRI Holding Corp. good and marketable title to the tangible and intangible personal property constituting a part thereof, free and clear of all mortgages, liens, encumbrances, equities, claims, and obligations to other persons, of whatever kind and character, except for the rights of third persons arising under contracts for the sale of inventory in the ordinary course of business, each of which is listed in the Disclosure Schedule.

9. Material Contracts and Arrangements. Except as set forth in the Disclosure Schedule, Ultra Open MRI Holding Corp. has no contract or arrangement, including, without limitation, any commitments or obligations, contingent or otherwise, under any contract or arrangement (i) for the purchase or sale of inventory in excess of \$1,000 in any one instance, (ii) for the purchase or sale of supplies, services or other items in excess of \$500 in any one instance, (iii) for the purchase, sale or lease of any equipment or machinery, (iv) for the performance of service for others in excess of \$500 in any one instance, or (v) extending beyond December 31, 1999. All contracts of less than \$500 do not in the aggregate exceed \$5,000. Each of such contracts and arrangements is valid, binding, subsisting, and enforceable in accordance with its terms and Ultra Open MRI Holding Corp. has performed all obligations required to be performed under any such contract or arrangement and is not in breach or default or in arrears in any material respect or in any other respect that would permit the other party to cancel such contract or arrangement under the terms thereof.

10. Ordinary Course of Business. As of the Effective Time of the Merger, and continuing until all contingencies in this Merger Agreement have been fulfilled, Ultra Open MRI Holding Corp.

- (a) has operated in the normal, usual, and customary manner and in the



ordinary and regular course of business;

(b) has not sold or otherwise disposed of any of the properties or assets of Ultra Open MRI Holding Corp., other than inventory sold in the ordinary course of business;

(c) except in each case in the ordinary course of business,

(i) has not amended or terminated any outstanding lease, contract, or agreement,

(ii) has not incurred any obligations or liabilities (fixed, contingent, or other), and

(iii) has not entered any commitments;

(d) has not made any transactions outside the ordinary course of business in the inventory of Ultra Open MRI Holding Corp. or any additions to its property or any purchases of machinery or equipment, except for normal maintenance and replacements;

(e) has not discharged or satisfied any lien or encumbrance or paid any obligation or liability (absolute or contingent) of Ultra Open MRI Holding Corp. other than current liabilities or obligations under contracts then existing or (hereafter entered into) in the ordinary course of business, and commitments under leases existing on that date or incurred since that date in the ordinary course of business;

(f) has not mortgaged, pledged, or subjected to lien or any other encumbrances, any of Ultra Open MRI Holding Corp.'s assets, tangible or intangible;

(g) has not sold or transferred any tangible asset or canceled any debts or claims of Ultra Open MRI Holding Corp. except in each case in the ordinary course of business;

(h) has not sold, assigned, or transferred any patents, trademarks, trade names, trade secrets, copyrights, or other intangible assets of Ultra Open MRI Holding Corp.;

(i) has not suffered any material damage, destruction, or loss (whether or not covered by insurance) or any acquisition or taking of property of Ultra Open MRI Holding Corp. by any governmental authority;

(j) has not waived any rights of Ultra Open MRI Holding Corp. that individually or in the aggregate exceed \$1,000;

(k) has not experienced any organized work stoppage or industrial action of Ultra Open MRI Holding Corp.; or

(l) has not entered into any other transaction or transactions that individually or in the aggregate are material to the business of Ultra Open MRI

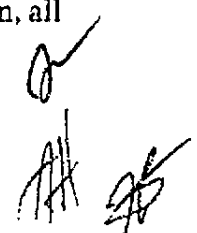
Holding Corp., other than in the ordinary course of business.

11. Litigation and Compliance with Laws. The Disclosure Schedule contains a brief description of all litigation or legal or other actions, suits, proceedings, or investigations, at law or in equity or admiralty, or before any federal, state, municipal, or other governmental department (including, without limitation, the National Labor Relations Board), commission, board, agency, or instrumentality, domestic or foreign, in which Ultra Open MRI Holding Corp. is engaged, or, to the knowledge and belief of Ultra Open MRI Holding Corp., with which Ultra Open MRI Holding Corp. is threatened in connection with the business or affairs or properties or assets of Ultra Open MRI Holding Corp., Ultra Open MRI Holding Corp. is and at all times since its inception has been in compliance with all laws and governmental rules and regulations, domestic and foreign, and all requirements of insurance carriers, applicable to its business or affairs or properties or assets, including, without limitation, those relating to environmental protection, water or air pollution, and similar matters.

12. Tax Returns. MRI Services, LC, Ultra Diagnostics, LLC, and Ultra Open MRI Holding Corp. have filed, in accordance with applicable law, all federal, state, county, and local income and franchise tax returns and all real and personal property tax returns that are required to be filed for either MRI Services, LC, Ultra Diagnostics, LLC, or Ultra Open MRI Holding Corp., and the provision for taxes shown on the most recent balance sheet included in the Financial Statements is sufficient to satisfy all taxes of any kind of both MRI Services, LC, Ultra Diagnostics, LLC, and Ultra Open MRI Holding Corp., including interest and penalties in respect thereof, whether disputed or not, and whether accrued, due, absolute, deferred, contingent, or other for all periods ended on or prior to the date of such balance sheet. As of the date hereof no tax liabilities have been assessed or proposed that remain unpaid, and neither MRI Services, LC, Ultra Diagnostics, LLC, nor Ultra Open MRI Holding Corp. has signed any extension agreement with the Internal Revenue Service or any state or local taxing authority. MRI Services, LC, Ultra Diagnostics, LLC, and Ultra Open MRI Holding Corp. have paid all of its taxes that have become due pursuant to such returns and has paid all installments of estimated taxes due. All taxes and other assessments and levies that either MRI Services, LC, Ultra Diagnostics, LLC, or Ultra Open MRI Holding Corp. is required by law to withhold or to collect have been duly withheld and collected, and have been paid over to the proper governmental authorities to the extent due and payable. From the end of its most recent fiscal year to the date hereof neither MRI Services, LC, Ultra Diagnostics, LLC, nor Ultra Open MRI Holding Corp. has made any payment of or on account of any federal, state, or local income, franchise, or any real or personal property taxes regarding either MRI Services, LC, Ultra Diagnostics, LLC, or Ultra Open MRI Holding Corp., except as set forth in the Disclosure Schedule. Ultra Open MRI Holding Corp. is not aware of any basis upon which any assessment for a material amount of additional federal income taxes could be made. The information shown on the federal income tax returns of MRI Services, LC, Ultra Diagnostics, LLC, heretofore delivered to Miracor is true, accurate, and complete and fairly presents the information purported to be shown.

13. Environmental Matters. Without limiting the generality of this Section 13: (i) Ultra Open MRI Holding Corp. is in compliance in all material respects with all applicable Environmental Laws (as such term is defined in Exhibit C hereto);

(ii) Ultra Open MRI Holding Corp. has obtained all material permits and approvals required under Environmental Laws, including, without limitation, all



material environmental, health and safety permits, licenses, approvals, authorizations, variances, agreements, and waivers of federal, state, and local governmental authorities ("Permits") necessary for the conduct of the business and the operation of the facilities of Ultra Open MRI Holding Corp., and all such Permits are in good standing and Ultra Open MRI Holding Corp. is in compliance with all terms and conditions of such Permits;

(iii) Neither Ultra Open MRI Holding Corp. nor any of its currently or previously owned or leased property utilized in the operation of Ultra Open MRI Holding Corp. has been named as a potentially responsible party or is subject to any outstanding written order from or agreement with any federal, state, or local governmental authority or other person or is subject to any judicial or docketed administrative proceeding respecting (x) Environmental Laws, (y) Remedial Action (as such term is defined in Exhibit C hereto), or (z) any material Environmental Liabilities and Costs (as such term is defined in Exhibit C hereto);

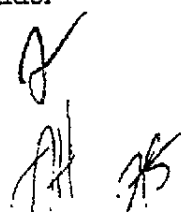
(iv) Except as set forth on the Disclosure Schedule, there are no conditions or circumstances associated with the currently or previously owned or leased properties or operations of Ultra Open MRI Holding Corp. that may give rise to Environmental Liabilities and Costs.

(v) Ultra Open MRI Holding Corp. has not received any notice or claim related to the operation of Ultra Open MRI Holding Corp. to the effect that it is or can be reasonably expected to be liable to any person as a result of a Release (as such term is defined in Exhibit C hereto) or threatened Release or any notice letter or request for information under CERCLA (as such term is defined in Exhibit C hereto); and

(vi) No Environmental Lien (as such term is defined in Exhibit C hereto) and no unrecorded Environmental Lien of which Ultra Open MRI Holding Corp. has notice has attached to any property of Ultra Open MRI Holding Corp.

14. Trademarks, Trade Secrets, Licenses, Etc. The Disclosure Schedule sets forth all of the trademarks, trade secrets, trade names, service marks, patents, copyrights, registrations, or applications with respect thereto, and licenses or rights under them owned, used, or intended to be acquired or used by Ultra Open MRI Holding Corp., and, to the extent indicated in the Disclosure Schedule, they have been duly registered in such offices as are indicated therein. Ultra Open MRI Holding Corp. is the sole and exclusive owners of the trademarks, trade secrets, trade names, service marks, and copyrights, the holders of the full record title to the trademark registrations and the sole owner of the inventions covered by the patents and patent applications, all as set forth in the Disclosure Schedule; Ultra Open MRI Holding Corp. has the sole and exclusive right, to the extent listed in the Disclosure Schedule, to use such trademarks, trade secrets, trade names, service marks, patents and copyrights, and, except to the extent set forth on the Disclosure Schedule, all of them are free and clear of any mortgages, liens, encumbrances, equities, licenses, claims, and obligations to other persons of whatever kind and character.

15. Insurance Policies. The insurance policies listed and described briefly in the Disclosure Schedule constitute all of the policies in force and effect in respect of the business, properties and assets, including, without limitation, insurance on personnel, of Ultra Open MRI Holding Corp. Ultra Open MRI Holding Corp. is not in default under



any such policy. The insurance policies so listed and identified are sufficient in nature, scope, and amounts to insure adequately (and, in any event, in amounts sufficient to prevent Ultra Open MRI Holding Corp. from becoming a co-insurer within the terms of such policies) the business, properties, and assets of Ultra Open MRI Holding Corp. Ultra Open MRI Holding Corp. has not been refused insurance by any insurance carrier to which it has applied for insurance as Ultra Open MRI Holding Corp.

16. Extraordinary Events. From the end of its most recent fiscal year to the date hereof, neither the business nor properties nor condition, financial or other, nor results of operations of either MRI Services, LC, Ultra Diagnostics, LLC or Ultra Open MRI Holding Corp. have been materially and adversely affected in any way as the result of any fire, explosion, accident, casualty, labor disturbance, requisition, or taking of property by any governmental body or agency, flood, embargo, or Act of God or the public enemy, or cessation, interruption, or diminution of operations, whether or not covered by insurance.

17. Adverse Restrictions. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby are not events that of themselves or with the giving of notice or the passage of time or both, could constitute, on the part of either MRI Services, LC, Ultra Diagnostics, LLC or Ultra Open MRI Holding Corp., a violation of or conflict with or result in any breach of, or default under the terms, conditions, or provisions of, any judgment, law, or regulation, or any agreement or instrument to which either MRI Services, LC, Ultra Diagnostics, LLC or Ultra Open MRI Holding Corp. is a party or by which it is bound, or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever on the property or assets of Ultra Open MRI Holding Corp. and no such event of itself or with the giving of notice or the passage of time or both will result in the acceleration of the due date of any obligation of Ultra Open MRI Holding Corp..

18. Material Information. Neither the Financial Statements nor this Agreement (including the Schedules and Exhibits hereto) nor any certificate or other information or document furnished or to be furnished by Ultra Open MRI Holding Corp. to Miracor contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated herein or therein or necessary to make the statements herein or therein not misleading.

19. Products in Warranty. Attached as part of the Disclosure Schedule are true and correct copies of Ultra Open MRI Holding Corp.'s standard warranty agreements used in connection with its business operations. Ultra Open MRI Holding Corp.'s standard warranty agreements apply to each product in warranty except as otherwise indicated on the Disclosure Schedule. Ultra Open MRI Holding Corp. is not in violation in any material respect of any such warranty agreement.

20. Certain Transactions. Except as indicated in any Disclosure Schedule hereto, neither Fred Bergmann or John McCoskrie is presently a party to any transaction with Ultra Open MRI Holding Corp., including, without limitation, any contract, agreement, or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from either Fred Bergmann or John McCoskrie, any member of either Fred Bergmann's or John McCoskrie's family or any corporation, partnership, trust, or other entity in which either Fred Bergmann or John McCoskrie have a substantial interest or are an officer, director, trustee, or partner.

21. No Governmental Authorizations or Approvals Required. No authorization or approval of, or filing with, any governmental agency, authority, or other body will be required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except as specifically indicated herein.

22. Continuing Representations. The representations and warranties of the Company and Fred Bergmann and John McCoskrie herein contained (a) relating to non-tax matters shall survive the Effective Time of the Merger for a period of three (3) years and (b) relating to tax matters shall survive the Effective Time of the Merger for the applicable statute of limitations.

H. Representations, Warranties, and Agreements of Miracor.

1. Due Authorization: Effect of Transaction. Miracor is a corporation duly organized, validly existing, and in good standing under the laws of its jurisdiction of operation and is duly qualified and in good standing in each other jurisdiction in which it owns or leases properties, conducts operations, or maintains a stock of goods, with full power and authority to carry on the business in which it is engaged and to execute and deliver and carry out the transactions contemplated by this Agreement. No provision of Miracor's Certificate of Incorporation or By-Laws, or of any agreement, instrument, or understanding, or any judgment, decree, rule, or regulation, to which Miracor is a party or by which it is bound, has been, or will be violated by the execution by Miracor of this Agreement or the performance or satisfaction of any agreement or condition herein contained upon its part to be performed or satisfied, and all requisite corporate and other authorizations, including all necessary governmental authorizations, for such execution, delivery, performance, and satisfaction have been duly obtained. Upon execution and delivery, this Agreement will be a legal, valid, and binding obligation of Miracor, enforceable in accordance with its terms.

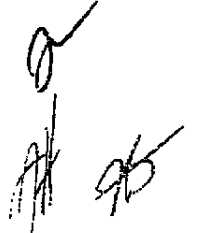
2. Continuing Representations. The representations and warranties of Miracor herein contained (a) relating to non-tax matters shall survive the Effective Time of the Merger for a period of three (3) years.

I. Indemnification

1. General. Each party hereto, including, but not limited to Fred Bergmann and John McCoskrie agrees to indemnify, defend, and hold the others harmless from and against the amount of any actual (or potential in the case of any litigation or claims by any person not a party to this Agreement) damage, loss, cost, or expense (including reasonable attorneys' fees and settlement costs) occasioned or caused by, resulting from, or arising out of:

(i) Any failure by any party hereto, including, but not limited to Fred Bergmann and John McCoskrie to perform, abide by, or fulfill any of the agreements, covenants, or obligations set forth in or entered into, in connection with this Agreement to be so performed or fulfilled by any party hereto, including, but not limited to Fred Bergmann and John McCoskrie

(ii) Any material inaccuracy in or breach of any of the representations or warranties of set forth in this Agreement, or any certificate or Schedule or other writing furnished pursuant hereto.



(iii) Any liability or obligation for any tort or any breach or violation of any contractual, quasi-contractual, legal, fiduciary, or equitable duty, including, but not limited to, Environmental Laws, by any party hereto, including, but not limited to Fred Bergmann and John McCoskrie, whether before, at, or after the Effective Time of the Merger.

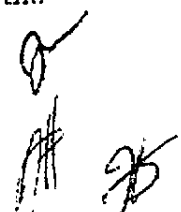
2. Notice of Claim. Any aggrieved party shall give prompt written notice to the others of any claim (actual or threatened) or other event that in the judgment of such party might result or has resulted in a loss by such party hereunder, and Miracor shall have the right to assume the defense of such claim or any litigation resulting therefrom; *provided that* counsel for Miracor, who shall conduct the defense of such claim (actual, threatened, or asserted) or litigation, shall be reasonably satisfactory to such aggrieved party, and such aggrieved party may participate in such defense at their expense, and *provided, further*, that the omission by an aggrieved to give notice as provided herein shall not relieve Miracor of its obligations hereunder except to the extent that the omission results in a failure of actual notice to the Miracor, and Miracor is damaged solely as a result of the failure to give notice. Miracor, in the defense of any such claim or litigation, shall not, except with the consent of each aggrieved party, consent to the entry of any judgment or decree or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to the aggrieved party, or parties, as the case may be, of a release from all liability in respect to such claim or litigation, and Miracor and the other parties hereto shall not have liability with respect to any payment made by an aggrieved party in connection with the settlement, satisfaction, or compromise of any claim unless the Miracor shall have approved thereof in advance in writing, which approval shall not unreasonably be withheld or delayed. If the aggrieved party shall not have received notice that the Miracor shall assume the defense of such claim within twenty (20) days after the notice is sent to the Miracor of the existence of such claim, the aggrieved party shall be free to proceed with the defense of such claim. Each such notice shall be accompanied (or followed as promptly as is reasonably practicable after the amount of such loss becomes determinable) by a certificate signed by the aggrieved party and setting forth in reasonable detail the calculation of the amount of such Loss in accordance with the provisions hereof, and accompanied by copies of all relevant documents and records. The omission to give such notice or provide such certificate by the aggrieved party shall not relieve Miracor of its obligation under this Agreement except to the extent such omission results in a failure of actual notice to the Miracor, and Miracor is damaged solely by such failure to give notice. No loss shall be considered to have occurred with respect to any payment made by any aggrieved party in settlement, satisfaction, or compromise of any claim unless the Miracor shall have approved thereof in advance and in writing.

J. Brokerage Fee.

Each party hereto, including, but not limited to Fred Bergmann and John McCoskrie, represents that no broker has been involved in this transaction and each party hereto, including, but not limited to Fred Bergmann and John McCoskrie, agrees to indemnify and hold the others harmless from payment of any brokerage fee, finder's fee, or commission claimed by any party who claims to have been involved because of association with such party.

K. Amendments; Waivers.

This Agreement constitutes the entire agreement of the parties related to the



subject matter of this Agreement, supersedes all prior or contemporary agreements, representations, warranties, covenants, and understandings of the parties. This Agreement may not be amended, nor shall any waiver, change, modification, consent, or discharge be effected, except by an instrument in writing executed by or on behalf of the party against whom enforcement of any amendment, waiver, change, modification, consent, or discharge is sought.

Any waiver of any term or condition of this Agreement, or of the breach of any covenant, representation, or warranty contained herein, in any one instance, shall not operate as or be deemed to be or construed as a further or continuing waiver of such term, condition, or breach of covenant, representation, or warranty, nor shall any failure at any time or times to enforce or require performance of any provision hereof operate as a waiver of or affect in any manner such party's right at a later time to enforce or require performance of such provision or of any other provision hereof; and no such written waiver, unless it, by its own terms, explicitly provides to the contrary, shall be construed to effect a continuing waiver of the provision being waived and no such waiver in any instance shall constitute a waiver in any other instance or for any other purpose or impair the right of the party against whom such waiver is claimed in all other instances or for all other purposes to require full compliance with such provision.

L. Assignment: Successors and Assigns.

This Agreement shall not be assignable by any party without the written consent of the others. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

M. Severability.

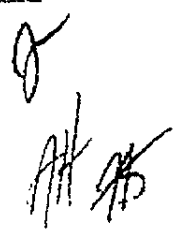
If any provision or provisions of this Agreement shall be, or shall be found to be, invalid, inoperative, or unenforceable as applied to any particular case in any jurisdiction or jurisdictions, or in all jurisdictions or in all cases, because of the conflict of any provision with any constitution or statute or rule of public policy or for any other reason, such circumstance shall not have the effect of rendering the provision or provisions in question invalid, inoperative, or unenforceable in any other jurisdiction or in any other case or circumstance or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to the extent that such other provisions are not themselves actually in conflict with such constitution, statute, or rule of public policy, but this Agreement shall be reformed and construed in any such jurisdiction or case as if such invalid, inoperative, or unenforceable provision had never been contained herein and such provision reformed so that it would be valid, operative, and enforceable to the maximum extent permitted in such jurisdiction or in such case.

N. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and in pleading or proving any provision of this Agreement it shall not be necessary to produce more than one such counterpart.

O. Section and Other Headings.

The headings contained in this Agreement are for reference purposes only and

Handwritten signature and initials in the bottom right corner of the page.

shall not in any way effect the meaning or interpretation of this Agreement.

P. Notices.

All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed, postage prepaid, certified mail, return receipt requested:

- (a) To The Company: If to The Company,
Fred Bergmann or John McCoskrie:
4914 North Armenia Ave.
Tampa, FL 33603

with a copy to:
Brett A. Verona, Esq.
308 S. Westland Ave.
Tampa, FL 33606

- (b) TO Miracor: If to Miracor:
M. Lee Hulsebus
Miracor Diagnostics, Inc.
9191 Towne Centre Drive, Suite 420
San Diego, California 92122

with a copy to:
David Wagner & Associates, P.C.
Penthouse Suite
8400 East Prentice Ave.
Englewood, CO 80111

and/or to such other person(s) and address(es) as either party shall have specified in writing to the other.

Q. Gender.

Whenever used herein, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

R. Law To Govern.

This Agreement shall be governed by and construed and enforced in accordance with the law (other than the law governing conflict of law questions) of Florida

S. Courts.

Any action to enforce, arising out of, or relating in any way to, any of the provisions of this Agreement may be brought and prosecuted in such court or courts located in Florida as is provided by law; and the parties consent to the jurisdiction of the court or courts located in Florida and to service of process by registered mail, return receipt requested, or in any other manner provided by law.

Handwritten initials and signature in the bottom right corner.

IN WITNESS WHEREOF, each of the Parties have caused this Agreement and Plan of Merger to be executed as of the date first written above.

[SEAL]

[Acquisition Corp.]
MIRACOR ACQUISITION CORP.

Attest: _____
Secretary

By: _____
President

[SEAL]

[The Company]
Ultra Open MRI Holding Corp.

Attest: _____
Secretary

By: _____
President

[SEAL]

[Miracor]
MIRACOR DIAGNOSTICS, INC.

Attest: _____
Secretary

By: _____
President

MedSource Holdings, Ltd.

United Enterprises, Ltd.

By: _____
General Partner

By: _____
General Partner

FRED BERGMANN, Individually

JOHN MCCOSKRIE, Individually

IN WITNESS WHEREOF, each of the Parties have caused this Agreement and Plan of Merger to be executed as of the date first written above.

[SEAL]

Attest:

Secretary

[Acquisition Corp.]

MIRACOR ACQUISITION CORP.

By:

President

[SEAL]

Attest:

Secretary

[The Company]

Ultra Open MRI Holding Corp.

By:

President

[SEAL]

Attest:

Secretary

[Miracor]

MIRACOR DIAGNOSTICS, INC.

By:

President

MedSource Holdings, Ltd.

By:

General Partner

Jamac Enterprises, Ltd.

By:

General Partner

FRED BERGMANN, Individually

JOHN McOSKRIE, Individually

Handwritten initials and date 3/15

Disclosure Schedule

Acquired Assets

One MRP 5000 Hitachi Mobile MRI system
S/N 40-22 and One Calumet Coach VIN
#1T9FAOZ24MBO21398 (leasehold interest)
together with all parts, accessories, coils, and
Kodak laser camera

Optical disk archeival system with image
enhancement system.

One Freightliner truck

Location-6701 38th Ave. North, St.
Petersburg

One Kodak processor

Various furniture and fixtures

Computers

Telephones & telephone system

Associated Assumed Liability

Master lease No. 0001411 with DVI
Financial Services, Inc. as lessor net of
deposit.

None

Loan # 21 9982 562046

None

None

None

None

Location-6449 38th Ave. North
Suite B-3, St. Petersburg

One Toshiba MRI-35 GA MRI

One MHTI Sim 0600 CT System

One 3M laser camera

One Kodak processor

Lease # 01-001-0110242-010 with American
Lease Exchange as lessor with deposit

Lease # 01-001-0110242-010 with American
Lease Exchange as lessor with deposit.

Lease # 01-001-0110242-010 with American
Lease Exchange as lessor with deposit.

Lease # 01-001-0110242-010 with American
Lease Exchange as lessor with deposit.

Acquired AssetsAssociated Assumed Liability

Location-6449 38th Ave. North
Suite E-3, St. Petersburg

Various furniture and fixtures

None

Computers

None

Telephones

None

Location-36452 U.S. 19 North
Palm Harbor, Fl. 34684

One Toshiba Access LPT Open MRI
(leasehold interest)

Lease # 0910961 with Copelco Capital as
lessor

One Husman MRI airconditioner

Lease # with 0910961 Copelco Capital as
lessor

Various furniture and fixtures

None

Telephones

None

One Imation Dry-view Imager (leasehold
interest)

Lease # 90131870317

One uninterrupted power supply system

None

Acquired AssetsAssociated Assumed Liability

Location- 4914 N. Armenia Ave.
Tampa, Florida 33603

2 Computers

None

2 Computer printers

None

Various furniture and fixtures

None

Telephones

None

Examination table

None

1 Telefax machine

None

2 Copy machines

None

Picker radiographic X-ray system

Lease # 20871986-277955 w/Secured
FundingLitigation Assumed

Various PIP suits with MRI Services, L.C.
as plaintiff (no counterclaims).

Litigation Excluded

Any action with MRI Services, L.C. named
as a defendant.

MRI Services, L.C. Excluded Assets

GE Max mobile MRI (leasehold interest)
with coils and laser camera and related
liabilities and deposit.

Licensing agreement with Tampa Bay
Buccancers as well as associated liabilities
and deposits.

Truck purchased for approximate amount of
\$2,500 as well as associated liabilities and
deposits.

Siemens 3U C-arm as well as associated
liabilities and deposits.

EKG machine as well as associated liabilities
and deposits.

1 Desktop computer

1 Laptop computer

1 Laser printer

Other Liabilities/Contracts Assumed

Various trade accounts payable

GE repair bill due

Kodak camera repair bill due

Accrued payroll & taxes

Accrued employee vacation

Unpaid employee expense reports

Hitachi service agreement VB4022-99(5)
(\$25,000 per year)

Office security monitoring contracts (5 x
\$30/mnth)

Water Boy contract (4 x 10 mnth)

Eagle landscape (Tampa office-\$170/mnth)

Centre Club membership (\$100/mnth)

Heating & Cooling Technologies Inc. AC
maintenance agreement (\$90/mnth)

United Healthcare (\$3,000/mnth)

Pinellas County tangible taxes (\$500 total)

Hillsborough County tangible taxes

National Linen Service (\$50/mnth)

Web site maintenance (\$50/mnth)

Tampa Electric (Tampa) (\$2,000/mnth)

Florida Power (Pinellas) (\$1,500/mnth)

Postage by Phone (\$750/mnth)

Property & professional liability insurance
(\$2,500/mnth)

Other Liabilities/Contracts Assumed(cont)

GTE telephone (\$200/mnth)

GTE wireless (\$60/mnth)

Aerial cellular phone (\$700/mnth)

Affinity long distance (\$400/mnth)

Airtouch paging (\$30/mnth)

A-Bay Area Medical (x-ray) (\$500/mnth)

Dr. Dale Braman (x-ray) (\$200/mnth)

Dr. Mark Timken-radiologist (\$10,000/mnth)

Dr. Manuel Rose-radiologist (\$4,000/mnth)

Dr. Leverone-radiologist (\$4,000/mnth)

Dr. Mark Herpst-radiologist (misc)

Dr. Rovolo-radiologist (misc)

Dr. Anderson-radiologist (misc)

Babat & Katz MD-radiologist (\$5,000/mnth)

Employment/commission - Greg Ryan

Employment/commission - Barbara Taylor

Employment/commission - Kelly Lopreato

Employment/commission - Jeff Lenoir

Lease-6701 38th Ave North

Lease-6449 38th Ave. North (2)

Lease-4914 N. Armenia Ave.

Lease-36452 N. US 19 N.

[Handwritten signature and initials]

Other Liabilities/Contracts Assumed(cont)

Nations Line of Credit (\$50,000)

AmSouth Line of Credit (\$25,000)

Note Payable-Nations (\$7,500)

Note Payable-Nations (\$24,000)

Note Payable-Nations (\$17,000)

Note Payable-Nations (\$26,000)

Note Payable-Nations (\$2,400)

Note Payable-Colonial (\$47,000)

Toshiba Opart purchase proposal pending
w/installation & build-out. Proposal via Ultra
Open MRI of St. Petersburg, Inc. (\$900,000)

Income Contracts

Bay Pine VA Hospital

Best Care Diagnostics

Medical Evaluation Centers, Inc.

Southern Testing

Southern Diagnostics

St. Petersburg General Hospital

Advanced Services

Able Diagnostics

Advanced Neurodiagnostics

Apex Pain Management

Cruz Medical

Multicare, L.C.

Comprehensive Physician Services

Physician Care Clinic

Physician Injury Center

Physician Preferred Services

Various HMO/PPO contracts

Lakeland Pain & Rehab

Neuro Science

Oxford Medical Clinic

Stellar Chiropractic

EXHIBIT A

<u>Name</u>	<u>Number of Company Shares</u>	
	To be Transferred To Miracor	To be Received From Miracor
MedSource Holdings, Ltd.	40	1,066,667
Jamac Enterprises, Ltd.	40	1,066,667

Exhibit B

List of Subsidiaries and Limited Liability Company

Ultra Open MRI Corporation

Ultra Open MRI of St. Petersburg, Inc.

Ultra Open MRI of Tampa, Inc.

Ultra Diagnostics, LLC

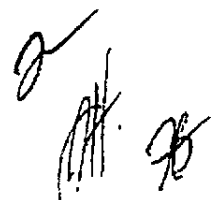
Handwritten signature and initials in the bottom right corner of the page.

Exhibit C

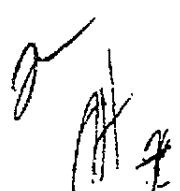
Certain Defined Terms

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 *et seq.*), as amended or supplemented from time to time.

"Contaminant" means any waste, pollutant, hazardous material, hazardous substance, toxic substance, hazardous waste, special waste, petroleum, or petroleum-derived substance or waste, or any constituent of any such pollutant material, substance or waste, including, without limitation, any pollutant material, substance, or waste regulated under any Environmental Law.

"Environmental Laws" means all federal, state, local, and foreign laws or regulations, codes, orders, decrees, judgments, or injunctions issued, promulgated, approved, or entered thereunder relating to pollution or protection of the environment or occupational health and safety, including releases or threatened releases of pollutants, contaminants, chemicals, or industrial, toxic or hazardous substances, materials, or wastes (including, without limitation, oil, asbestos, and radiation) into the environment (including, without limitation, ambient air, surface water, ground water, land surface, or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, chemicals or industrial, toxic, or hazardous substances, material, or wastes. Environmental Laws shall include, without limitation, CERCLA, the Hazardous Material Transportation Act (49 U.S.C. Section 1801 *et seq.*), the Solid Waste Disposal Act (42 U.S.C. Section 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. Section 1251 *et seq.*), the Clean Air Act (42 U.S.C. Section 7401 *et seq.*), the Toxic Substances Control Act (15 U.S.C. Section 2601 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. Section 651 *et seq.*), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Section 136 *et seq.*), the Food, Drug, and Cosmetic Act (21 U.S.C. Section 301 *et seq.*), the Medical Waste Tracking Act of 1988, Pub. L. No. 100-582, 102 Stat. 2950 (1988), as such laws have been amended or supplemented from time to time, and any analogous future federal, or present or future state, local, or foreign, statutes, ordinances, or bylaws.

"Environmental Liabilities and Costs" means, as to the Ultra Open MRI Holding Corp., all liabilities, obligations, responsibilities, remedial actions, losses, damages, punitive damages, consequential damages, treble damages, costs, and expenses (including, without limitation, all reasonable fees, disbursements and expenses of counsel, expert and consulting fees, and costs of investigation and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim or demand, by any corporation, partnership, trust, individual, or other entity ("Person"), whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, including, without limitation, any Environmental Law, permit, order, approval, authorization, license, variance, or agreement with a federal, state, or local governmental authority or other person, arising from environmental, health, or safety conditions or a Release or threatened Release resulting from the past operations of the Ultra Open MRI Holding Corp. (or any of its predecessors in interest), or any release for which the Ultra Open MRI Holding Corp. are otherwise responsible under any Environmental Law.



"Environmental Lien" means any lien or similar interest in favor of any federal, state, or local governmental authority for Environmental Liabilities and Costs.

"Release" means, as to the Ultra Open MRI Holding Corp., any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, pouring, emptying, escaping, dumping, discarding, leaching, or migration of a Contaminant into the indoor or outdoor environment or into or out of any property owned, leased, or controlled by Ultra Open MRI Holding Corp., including, without limitation, the movement of Contaminants through or in the air, soil, surface water, groundwater, or property, including, without limitation, the abandonment or discarding of barrels, containers, and other closed receptacles containing any contaminant.

"Remedial Action" means all actions necessary to (i) clean up, remove, treat, or in any other way address Contaminants in the indoor or outdoor environment, (ii) prevent a Release or condition that is reasonably likely to result in a Release or minimize further release of Contaminants so they do not migrate or endanger or threaten to endanger present or future public health or welfare or the indoor or outdoor environment, or (iii) perform pre-remedial studies and investigations and post-remedial monitoring and care.

2
TH 9

Ultra Diagnostics, LLC
(A LIMITED LIABILITY CORPORATION)
Balance Sheet
December 31, 1999

Assets

Cash	\$	550	
Accounts receivable		13,000	
Other Assets		0	
<u>Total Assets</u>			\$ <u>13,550</u>

Liabilities

Notes payable, bank	\$	0	
Accounts payable		0	
Customer Deposits		0	
<u>Total Liabilities</u>			\$ <u>0</u>

Stockholder's Equity

Common stock, par value \$.01			
Authorized, issued and outstanding 100 shares	\$	100	
Additional paid-in capital		0	
Retained Earnings		<u>13,450</u>	
<u>Total Stockholder's Equity</u>			\$ <u>13,550</u>
<u>Total Liabilities and Stockholder's Equity</u>			\$ <u>13,550</u>

[Handwritten signature]
[Handwritten initials]

Ultra Diagnostics, LLC
(A LIMITED LIABILITY CORPORATION)
Income Statement
December 31, 1999

<u>Revenues</u>		
Sales	\$	14,500
Interest Income		0
Other Income		0
Total Income		14,500
Cost of Sales		1,050
Gross Profit		13,450
<u>Operating Expenses</u>		
Sales and marketing		0
General and administrative		0
Total Operating Expenses		0
Income from operations		13,450
<u>Other expenses-interest</u>		0
Total other expenses		0
Net income		13,450
Retained Earnings, beginning of period		0
<u>Retained Earnings, end of period</u>	\$	<u>13,450</u>



01/25/00

MRI SERVICES, L.C.
Balance Sheet
As of December 31, 1999

	<u>Dec 31, '99</u>
ASSETS	
Current Assets	
Checking/Savings	
Operating Account - Nations	-10,573.26
Total Checking/Savings	-10,573.26
Accounts Receivable	
Accounts Receivable	1,109,502.00
Total Accounts Receivable	1,109,502.00
Other Current Assets	
Allow For Doubtful Receivables	-299,418.00
Deposits	54,971.87
Due From U/DIC	1,850.00
Employee Receivable	1,978.00
Organization Costs	300,000.00
Prepaid Amounts	27,045.59
Receivable - FJB Holdings	14,479.48
Receivable - J McCoskrie	19,924.79
Total Other Current Assets	150,631.71
Total Current Assets	1,249,580.45
Fixed Assets	
Furniture And Fixtures	
Accum Deprec - Furn & Fixtures	-1,219.91
Furniture And Fixtures - Other	4,085.68
Total Furniture And Fixtures	2,865.77
Leasehold Improvement	
Accum Deprec - Leasehold Improve	-11,158.78
Leasehold Improvement - Other	106,746.79
Total Leasehold Improvement	95,588.03
Medical Equipment	
Accum Deprec - Medical Equip	-212,204.00
Medical Equipment - Other	1,409,074.81
Total Medical Equipment	1,196,870.81
Office Equipment	
Accum Deprec - Office Equip	-3,646.66
Office Equipment - Other	13,807.48
Total Office Equipment	10,160.82
Truck And Auto	
Accum Deprec - Truck And Auto	-12,100.72
Truck And Auto - Other	46,319.07
Total Truck And Auto	34,218.35
Total Fixed Assets	1,339,683.78
TOTAL ASSETS	2,589,244.23
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
*Accounts Payable	47,160.16
Total Accounts Payable	47,160.16

4/25/00

MRI SERVICES, L.C.
Balance Sheet
As of December 31, 1999

	<u>Dec 31, '99</u>
Other Current Liabilities	
Accrued Federal Unemployment	197.22
Accrued State Unemployment	414.18
F.I.C.A.	2,182.58
Federal Taxes Withheld	2,103.65
Medicare F.I.C.A.	505.72
N/P AmSouth Bank - L.O.C.	23,400.14
N/P Colonial Bank - 57.5K	47,484.44
N/P Nations Bank - 25K #1 #2	24,369.28
N/P Nations Bank - 30K	2,478.00
N/P Nations Bank - 38K #2	16,848.42
N/P Nations Bank - 45K	31,600.18
N/P Nations Bank - 50K	26,158.40
N/P Nations Bank - Equip	7,487.56
N/P Nations Bank - L.O.C.	50,000.00
Total Other Current Liabilities	<u>235,219.77</u>
Total Current Liabilities	<u>282,379.93</u>
Long Term Liabilities	
Copelco	318,323.69
DVI Inc - Hitachi MRI	550,407.00
Imation - 38K	25,473.37
Lease Now	57,665.00
Textron - Coil	7,339.00
Textron - MRI	40,624.35
Total Long Term Liabilities	<u>999,832.41</u>
Total Liabilities	<u>1,282,212.34</u>
Equity	
FJB Holdings - Capital	150,000.00
J. McCoskrie - Capital	150,000.00
Retained Earnings - Prior	405,977.78
Net Income	601,054.11
Total Equity	<u>1,307,031.89</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,589,244.23</u></u>

01/25/00

MRI SERVICES, L.C.
Profit & Loss
 January through December 1999

	Jan - Dec '99
Ordinary Income/Expense	
Income	
Discounts Earned	48.28
Revenue	2,200,881.97
Revenue - Other	10,000.00
Total Income	2,210,730.23
Cost of Goods Sold	
Labor - MRI	117,702.82
Maintenance - MRI	48,140.60
Other - MRI	51,756.85
Supplies - MRI	47,114.63
Total COGS	265,714.70
Gross Profit	1,945,015.53
Expense	
Advertising	6,007.73
Auto & Truck Expense	11,421.68
Bad Debt	289,418.00
Bank Charges	1,077.37
Billing/Services	694.26
Business Insurance	1,482.25
Education And Training	25.00
Entertainment	29,400.86
Insurance - Health	21,360.56
Insurance - Liability	2,233.80
Insurance - Personal Property	24,797.59
Insurance - Worker's Comp	2,595.00
Interest	130,834.80
Lease Payments - Medical Equip	13,165.80
Legal And Accounting	27,006.79
Licenses And Permits	2,542.87
Management / Consulting Fees	5,182.50
Marketing	42,821.91
Meetings And Seminars	144.93
Office Expenses	
Forms & Supplies	15,160.05
Maintenance Agreements	2,883.42
Other	28,082.47
Total Office Expenses	46,125.94
Payroll Taxes	29,431.83
Postage	8,691.45
Professional Fees	
Medical	165,198.20
Other	65,331.78
Total Professional Fees	230,527.98
Rent	72,335.72
Repairs And Maintenance	38,386.98
Salaries - Administrative	195,702.43
Salaries - Technicians	9,372.08
Supplies	5,970.74
Taxes - Other	8,607.42
Telephone	40,430.28
Temporary Services	35,943.93
Travel	2,456.92
Utilities	46,350.75
Total Expense	1,360,027.95
Net Ordinary Income	584,987.58

01/25/00

MRI SERVICES, L.C.
Profit & Loss
January through December 1999

	<u>Jan - Dec '99</u>
Other Income/Expense	
Other Income	
Gain (Loss) Disposition Asset	15,992.00
Interest Income	74.53
Total Other Income	<u>16,066.53</u>
Net Other Income	<u>16,066.53</u>
Net Income	<u><u>601,084.11</u></u>

