

EXHIBIT A



November 9, 2010

Outline of agreed terms for Air Fluidized Therapy bed development, manufacture and distribution business

1. Robbie Bonifay has invented and is developing an Air Fluidized Therapy (AFT) Bed. All product design and manufacture rights (including all subsequent product improvements and enhancements and patents) will be transferred to and will belong solely to Intellectual Property Management (IPM). Robbie is the majority and controlling owner of IPM, and IPM will not engage in any business other than developing, owning and licensing AFT bed technology, and subsequent product improvements and enhancements and patents.
2. IPM will license Airus Medical to manufacture and sell AFT bed. IPM will not license any other party to manufacture or sell AFT bed without written permission from Blue Chip.
3. Airus Medical will be owned by Robbie. Airus Medical's business will be:
 - a. Design and development of the initial AFT bed, including governmental approvals/certifications for US sale and use
 - b. Continuing design and development of subsequent improvements and enhancements
 - c. Manufacture of AFT bed under Airus Medical brand label only
 - d. Rental of AFT beds for use in NC, SC, GA and FL only.
4. Blue Chip will pay Robbie and Airus Medical \$60,000 to be used for further development of AFT beds. This amount is non-refundable. In exchange for this payment and Blue Chip's providing financing as described below, Blue Chip will get exclusive worldwide distribution rights to AFT beds (excluding NC, SC, GA and FL discussed below).
5. Product pricing. Airus Medical's direct product manufacture cost of AFT bed is presently projected at approx. \$2,500 - \$4,000 per unit.
 - a. Airus Medical will sell AFT beds to Blue Chip for price TBD, estimated at \$7,500 - \$9,000 per unit for US distribution, except that Blue and Airus Medical will develop special pricing for units intended for trial/marketing purposes.
 - b. Pricing structure assumes that Blue Chip will maintain appropriate product liability insurance for all Blue Chip sales. See below.
 - c. All parties will participate in "value engineering" efforts to reduce product cost without negatively impacting product quality and performance.

- d. Pricing structure to Blue Chip will be structured to reflect sales increases and economies of scale.
6. Financing. Blue Chip will also provide financing of up to \$150,000 to complete development of AFT bed and for Airus Medical startup. If there are unexpected costs as product development progresses, Robbie and Ron to review.
- a. Robbie will prepare a proposed schedule indicating anticipated use of funds and drawdown schedule. The schedule will be discussed and mutually agreed between Robbie and Ron before funding
 - b. Financing will be in the form of a loan. Interest rate will be the lowest applicable Federal rate per IRS regulations.
 - c. Details of repayment terms TBD, but the general intent is that repayment will be due when Airus Medical manufacturing operation is operating positive cash flow inclusive of reasonable salary for Robbie. A portion of profit on Airus Medical's sales to Blue Chip will be applied toward loan reduction. However, there will be a firm outside due date of 4 years.
 - d. The loan will have a first priority lien. However, Blue Chip will agree to subordinate the lien if Airus Medical reasonably requires additional bank loans.

7. Misc.

- a. Product liability insurance. Blue Chip will maintain product liability insurance covering its US distribution. This insurance will cover as an additional insured Airus Medical as the manufacturer of the AFT bed. However, this product liability insurance will not cover Airus Medical or products in commerce or use via Airus Medical's retained rental business in NC, SC, GA and FL. (That is, if Airus Medical will actually engage in the rental business in NC, SC, GA and FL, Airus Medical will need its own product liability insurance to cover that retained rental business and to cover the manufacture of the AFT beds in use via that retained rental business.)
- b. Robbie to notify Tony/CareMed/Prius Healthcare etc. that they have no right to AFT bed design and may not display or market worldwide without Airus Medical's prior written approval. Airus Medical will not give any such approval without first getting Blue Chip's prior approval.
- c. Exclusivity.
 - i. Airus Medical will not manufacture, sell or distribute AFT beds except
 - 1. to Blue Chip
 - 2. for Airus Medical's reserved rental business in NC, SC, GA and FL

- ii. Airus Medical will not license or sell AFT bed technology or manufacture rights without Blue Chip's prior approval.
 - iii. Airus Medical will not license or sell Airus Medical branding rights without Blue Chip's prior approval.
 - iv. Airus Medical will not subcontract manufacture of AFT beds without Blue Chip's prior approval.
 - v. Blue Chip will only distribute and sell AFT beds under the Airus Medical trademark.
 - vi. Blue Chip will not source AFT beds from vendors others than Airus Medical without Airus Medical's prior approval.
 - vii. Blue Chip will not distribute AFT beds that compete with Airus Medical's AFT beds. In this regard, it is understood that Blue Chip may continue to distribute mattresses and other products using other wound care, pressure relief and other specialized mattress technologies.
- d. Product warranty, service, repair and replacement.
- i. Airus Medical will issue and be responsible for a product warranty. Warranty scope and duration TBD.
 - ii. Airus Medical will be responsible for product warranty claims, including labor and parts.
 - iii. Blue Chip will be responsible for routine product service calls on products distributed through Blue Chip/Blue Chip distribution channels. Airus will provide parts as required for routine service calls. Parts for in-warranty repairs/replacement will be at no charge; parts for out-of-warranty repairs/replacement will be at cost.
- e. Certain default circumstances, IPM will grant to Blue Chip exclusive license to AFT bed technology and manufacture rights, and Airus Medical will grant to Blue Chip access to all vendors/sources of supply, but Blue Chip may utilize these rights only if
- i. Airus Medical is insolvent, or
 - ii. Airus Medical is persistently unable to deliver required quantity or quality of AFT beds
- f. Blue Chip exclusivity will continue for at least four years. Exclusivity for Year 5 will be conditioned upon Blue Chip achieving sales target of six units per month on average for Years 1 through 4 inclusive. Blue Chip exclusivity for subsequent years will be conditioned upon achievement of prior year's targeted number of unit sales. Starting in Year 5, targeted number of unit sales will increase by 10% per year.
- g. Territory overlap. As noted, Airus Medical is reserving AFT bed rental business in NC, SC, GA and FL. The parties will develop protocols to identify and trace AFT beds once they are in the marketplace, and to

- i. limit the sale and rental of beds intended for markets outside of NC, SC, , GA and FL from being rented within NC, SC, GA and FL except with Airus Medical's permission
- ii. limit the sale or rental of beds intended for markets within NC, SC, GA and FL from being sold or rented outside of NC, SC and FL except with Blue Chip's permission
- h. Non-competes. Robbie, IPM, Airus Medical personnel and IPM personnel will sign agreements that for duration of their participation with Airus Medical and/or IPM plus five years (i) they will not compete with Airus Medical or IPM, and (ii) any AFT bed improvements and enhancements they conceive or develop will belong to IPM.

Initial and date if agreed:

Ron Resnick:



November 11, 2010

Robbie Bonifay:



November 9, 2010

EXHIBIT B

**2011-Blue Chip Medical Products, Inc
Check Register**

For the Period From Jan 1, 2010 to Dec 31, 2012

Filter Criteria includes: 1) Vendor ID's from AIRUS MEDICAL to AIRUS MEDICAL. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount	Account ID	Account Descriptio
14940	10/14/10	AIRUS MEDICAL LL	10100	15,000.00	50000 10100	Purchases <Inactive Account>
15048	11/11/10	AIRUS MEDICAL LL	10300	60,000.00	10600 10300	Intangible Rights Provident Checking A
15253	1/28/11	AIRUS MEDICAL LL	10300	72,500.00	10503-4 10300	Airus loan Provident Checking A
15373	3/18/11	AIRUS MEDICAL LL	10300	129,450.0	10503-4 10300	Airus loan Provident Checking A
15533	5/26/11	AIRUS MEDICAL LL	10300	85,300.00	10503-4 10300	Airus loan Provident Checking A
15694	8/9/11	AIRUS MEDICAL LL	10300	40,523.00	10503-4 10300	Airus loan Provident Checking A
15731	9/1/11	AIRUS MEDICAL LL	10300	109,614.8	20000 10300	Accounts Payable Provident Checking A
15846	10/21/11	AIRUS MEDICAL LL	10300	69,890.23	20000 20000 20000 50000 50000 10300	Accounts Payable Accounts Payable Accounts Payable Purchases Purchases Provident Checking A
15892	11/3/11	AIRUS MEDICAL LL	10300	7,633.77	76500 10300	Travel Expense Provident Checking A
16003	12/31/11	AIRUS MEDICAL LL	10300	10,841.81	20000 50000 10300	Accounts Payable Purchases Provident Checking A
16086	2/9/12	AIRUS MEDICAL LL	10300	75,375.00	20000 50000 10300	Accounts Payable Purchases Provident Checking A
16164	3/16/12	AIRUS MEDICAL LL	10300	13,680.82	20000 50000 50000 50000 10300	Accounts Payable Purchases Purchases Purchases Provident Checking A
16219	4/12/12	AIRUS MEDICAL LL	10300	17,194.87	20000 65500 10300	Accounts Payable Freight Expense Provident Checking A
16236	4/24/12	AIRUS MEDICAL LL	10300	607.05	76500 10300	Travel Expense Provident Checking A
16287	5/10/12	AIRUS MEDICAL LL	10300	100,000.0	20000 10300	Accounts Payable Provident Checking A
16308	5/23/12	AIRUS MEDICAL LL	10300	96,503.00	20000 10300	Accounts Payable Provident Checking A
16508	8/30/12	AIRUS MEDICAL LL	10300	4,272.00	20000 20000 20000 20000 10300	Accounts Payable Accounts Payable Accounts Payable Accounts Payable Provident Checking A
16657	11/7/12	AIRUS MEDICAL LL	10300	75,673.78	20000 20000 65500	Accounts Payable Accounts Payable Freight Expense

**PLAINTIFF'S
EXHIBIT**

2

2011-Blue Chip Medical Products, Inc
Check Register
For the Period From Jan 1, 2010 to Dec 31, 2012

Filter Criteria includes: 1) Vendor ID's from AIRUS MEDICAL to AIRUS MEDICAL. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount	Account ID	Account Descriptio
					10300	Provident Checking A
Total				<u><u>984,060.1</u></u>		

**2013-Blue Chip Medical Products, Inc
Check Register**

For the Period From Nov 17, 2012 to Dec 31, 2013

Filter Criteria includes: 1) Vendor ID's from AIRUS MEDICAL to AIRUS MEDICAL. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount	Account ID
16802	1/17/13	AIRUS MEDICAL LL	10300	129.38	50000 10300
16860	2/21/13	AIRUS MEDICAL LL	10300	1,525.50	20000 10300
17071	5/23/13	AIRUS MEDICAL LL	10300	8,584.00	20000 20000 10300
17253	8/23/13	AIRUS MEDICAL LL	10300	17,058.79	50000 50000 10300
Total				<u>27,297.67</u>	

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10901		PROJECT NAME SUPPLY OF 1000	15048 10/26/2009
DATE		AMOUNT	
Nov 11, 2010		\$60,000.00	
PAY TO THE ORDER OF: Sixty Thousand and 00/100 Dollars			
AIRUS MEDICAL LLC 203 C THORPE RD SUMMERVILLE, SC 29483			
Memo:			

*not refundable
advance*

242R-52

**PLAINTIFF'S
EXHIBIT
2A**

YMB

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUTHERN PLACE
SUFFERN, NY 10601

PROPERTY OF BANK
SUFFERN, NY 10601

15253
18 MAR 2011

DATE

AMOUNT

Jan 28, 2011 \$ 772,500.00

FAY
TO THE ORDER OF: Seventy-Two Thousand Five Hundred and 00/100 Dollars

ORDER
OF:
AIRUS MEDICAL LLC
232 C THORPE RD
SUMMERVILLE, SC 29483

AD-CP-ED-SIGNATURE

Loan

*Airus Medical LLC
for deposit only*

FILE

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUFFERN PLACE
SUFFERN, NY 10901

15373
DATE

AMOUNT
Mar 18, 2011 \$ 129,450.00

One Hundred Twenty-Nine Thousand Four Hundred Fifty and 00/100 Dollars

AIRUS MEDICAL LLC
732 G THORPE RD
SUMMERVILLE, SC 29483

MEMORANDUM

FOR DEPOSIT ONLY TO THE CREDIT OF
PAYEE'S ACCOUNT
FIRST DEPOSIT BANK & TRUST CO., INC.

Loan

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10901	PROMPT SERVICE NATIONAL PAYEE	15533 MICR PRINTED
<i>df</i>	DATE	15533
May 18, 2011	AMOUNT	\$ 85,300.00
PAY TO THE ORDER OF Eighty-Five Thousand Three Hundred and 00/100 Dollars		
AIRUS MEDICAL LLC 202 C THORPE RD SUMMERVILLE, SC 29483		
Memo:		
10*		

Loan

Deposit only
Airus Medical LLC
[Signature]

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERIN PLACE SUFFERIN, NY 10901		CHECK NO. 15694 DATE
PAY TO THE ORDER OF Forty Thousand Five Hundred Twenty-Three and 00/100 Dollars AIRUS MEDICAL LLC 202 C THORPE RD SUMMERVILLE, SC 29483		AMOUNT \$40,523.00
Memo:		SIGNATURE

Loan

*Bill R...
Airus Medical LLC*

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10901		ACCOUNT NO. 15892 ISSUE DATE 06/04/2011
DATE Nov 3, 2011		AMOUNT \$ 7,633.77
PAY TO THE ORDER OF Seven Thousand Six Hundred Thirty-Three and 77/100 Dollars		
AIRUS MEDICAL LLC 212 C THORPE RD SUMMERSVILLE, SC 29483		
AUTHORIZED SIGNATURE <i>[Signature]</i>		

*Purchase
Travel + Deliver*

MICROFILMED COPY	
10/11	
<i>[Signature]</i>	

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUFFERN PLACE
SUFFERN, NY 10901

gok

18003
DATE 10.24.2011

AMOUNT
Dec 31, 2011 \$ 310,841.81

FOR
TO THE Ten Thousand Eight Hundred Forty-One and 81/100 Dollars
ORDER
OF
AIRUS MEDICAL LLC
201 G THORPE RD
SUMMERSVILLE, SC 29483

Memo:

AUTHORIZED SIGNATURE

Purchase

FOR DEPOSIT ONLY TO THE CREDIT OF
NIGHTINGALE D'AVELLE
FIRST CITIZENS BANK
MAINTENANCE OFFICE
COLUMBIA, S.C.

From Bank

2/17/12

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUFFERN PLACE
SUFFERN, NY 10901

PROPERTY NAME
PROPERTY NO. 16086
DATE 10/19/2011

AMOUNT
Feb 9, 2012 \$ 578,375.00

PAY TO THE ORDER OF
PAY TO THE SEVENTY-FIVE THOUSAND THREE HUNDRED SEVENTY-FIVE AND 00/100 DOLLARS

ORDER OF
AIRUS MEDICAL LLC
202 C THORPE RD
SUMMERYVILLE, SC 29483

MEMORANDUM

AUTHORIZED SIGNATURE

90*

Purchase

9/16/12

MEMORANDUM

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10906	PROPERTY BANK SUFFERN, NY 10906	16164 16 MAR 2012 DATE
	AMOUNT	\$ 13,680.82
	Mar 16, 2012	
PAY TO THE ORDER OF THIRTEEN THOUSAND SIX HUNDRED EIGHTY AND 82/100 DOLLARS		
ORDER OF AIRUS MEDICAL LLC 202 C THORPE RD SUMMERVILLE, SC 29483		
MEMO:	[Signature]	

Purchase

Airus Medical LLC

[Faint, illegible text]

[Faint, illegible text]

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10901		PAYMENT NAME 18219
PAY TO THE ORDER OF AIRUS MEDICAL LLC 202 C THORPE RD SUMMERVILLE, SC 29483		DATE Apr 12, 2012
SEVENTEEN THOUSAND ONE HUNDRED NINETY-FOUR AND 87/100 DOLLARS		AMOUNT \$17,194.87

APR 12 2012

TO

Purchase

AIRUS MEDICAL LLC
 202 C THORPE RD
 SUMMERVILLE, SC 29483

AIRUS MEDICAL LLC
 for deposit only

BLUES CHIP MEDICAL PRODUCTS, INC.
7-11 SUFFERN PLACE
SUFFERN, NY 10901

16236
DATE

AMOUNT
\$ 1607.08
Apr 24, 2012

PAY TO THE ORDER OF
TO THE Six Hundred Seven and 05/100 Dollars

AIRUS MEDICAL LLC
202 C THORPE RD
SUMMERVILLE, SC 29483

Memo:

70*

Signature: [Handwritten Signature]

Travel

Signature

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10901		PREPARED BY SUFFERN, NY 10901	16287 MAY 10 2012
PAY TO THE ORDER OF: AIRUS MEDICAL LLC 202 C THORPE RD SUMMERVILLE, SC 29483		DATE May 10, 2012	AMOUNT \$100,000.00
Memo: [Barcode]		AUTHORIZED SIGNATURE	

*Airus Medical LLC
your deposit only*

Purchase

JMB

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUFFERN PLACE
SUFFERN, NY 10901

PROVIDENT BANK
SUFFERN, NY 10901

16308
NO. 2842779

DATE
May 23, 2012

AMOUNT
\$ 96,503.00

PAY TO THE ORDER OF
NINETY-SIX THOUSAND FIVE HUNDRED THREE AND 00/100 DOLLARS

AIRIS MEDICAL LLC
202 C THORPE RD
SUMMERVILLE, SC 29483

[Signature]

REPRESENTATIVE SIGNATURE

90

Purchase

*Airis Medical LLC
for deposit only*

BLUE CHIP MEDICAL PRODUCTS, INC 7-11 SUFFERN PLACE SUFFERN, NY 10901		PROBANT BLUE 6-2 PLAN BY 1988	16508 10 PRINTED
		DATE	
		AMOUNT	
		Aug 30, 2012	\$ 4,272.00
PAY TO THE ORDER OF: Four Thousand Two Hundred Seventy-Two and 00/100 Dollars			
OR:			
AIRIS MEDICAL LLC 226 B THORPE RD SUMMERVILLE, SC 29483			
MEMO:			
90#			

Purchase

Dr. [Signature]

WAT

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUFFERN PLACE
SUFFERN, NY 10001

PROBENT BANK
SUFFERN, NY 10001

16657
@ 000219

DATE

AMOUNT

Nov 7, 2012 \$ 75,673.78

PAY TO THE ORDER OF: Seventy-Five Thousand Six Hundred Seventy-Three and 78/100 Dollars

AIRUS MEDICAL LLC
281 B THORPE RD
SUMMERVILLE, SC 29483

Monoco

10*

UN-COLLECTED SIGNATURE

Purchase

PAID

BLUE CHIP MEDICAL PRODUCTS, INC
 7-11 SUFFERN PLACE
 SUFFERN, NY 10901

PROPERTY NAME
 BLUE CHIP, NY 10901

16802
 01/17/2013
 DATE

AMOUNT
 \$ 5129.38

Jan 17, 2013

PAY TO THE ORDER OF
 One Hundred Twenty-Nine and 38/100 Dollars

OP:
 AIRUS MEDICAL LLC
 246 S THORPE RD
 SUMMERVILLE, SC 29483

Memorandum

90*

Burche

Batch: 000861
 Date: 01/30/13

Signature: *[Handwritten Signature]*

33432 00000 661

BLUE CHIP MEDICAL PRODUCTS, INC
 7-11 SUFFERN PLACE
 SUFFERN, NY 10901

17071
 DATE

AMOUNT
 \$ 8,584.00
 May 23, 2013

PAY TO THE ORDER OF
 Eight Thousand Five Hundred Eighty-Four and 00/100 Dollars

MEMORANDUM
 AIRUS MEDICAL LLC
 125 C HODGE ROAD
 SUMMERVILLE, SC 29483

Memo:

Overclose

Branch: 221
 Seq: 73
 Batch: 001794
 Date: 05/28/13

FOR DEPOSIT ONLY TO CREDIT OF
 WITHIN NAMED PAYEE
 FIRST CITIZENS BANK
 HAWAIIAN OFFICE
 OOLUNUA, HI

Reddy

Seq: 001794 05/28/13 Batch 1, 794

4/12/13

BLUE CHIP MEDICAL PRODUCTS, INC
7-11 SUFFERN PLACE
SUFFERN, NY 10001

17253

DATE

Aug 23, 2013

AMOUNT \$17,058.79

PAY TO THE ORDER OF: Seventeen Thousand Fifty-Eight and 79/100 Dollars

AIRUS MEDICAL LLC
125 C HOOGE ROAD
SUMMERVILLE, SC 29483

10*

Purchase + Refunded

FOR DEPOSIT ONLY TO BE MADE
WITHIN 60 DAYS OF DATE OF
ISSUE BY FIRST CITIZENS BANK
NATIONWIDE OFFICE
COLUMBIA, SC

Branch: 221
Seq: 26
Batch: 002596
Date: 08/26/13

2/12/13

Seq: 00026 08/26/13 Batch 2, 336

	QTY	COST	
BEDS	9	\$8,100.00	\$ 72,900.00
			\$ -
WHEELBASES	13	\$1,244.00	\$ 16,172.00
			\$ -
BLOWERS	1	\$2,227.00	\$ 2,227.00
			\$ -
TRAPEZE HANDLES	10	\$86.25	\$ 862.50
			\$ -
			\$ -
FOOT PEDALS	4	\$78.00	\$ 312.00
			\$ -
			\$ -
IV ADAPTORS	2	\$27.50	\$ 55.00
			\$ -
LIFTING POLES	5	\$135.00	\$ 675.00
			\$ -
STANDING BRACKETS	4	\$132.25	\$ 529.00
			\$ -
BUCKETS OF BEADS	134	\$29.00	\$ 3,886.00
			\$ -
BED SERIAL#'S			\$ 97,618.50
A10284			
A10275			
A10289			
A10295			
A10298			
A10282			
A10283			
A10279			
A10251			
BLOWER SERIAL# 110628002			

PLAINTIFF'S
EXHIBIT
4