



October 16, 2018

ROBERT MERRITT
1 Washington Square Village, Ste. 10-F
New York, New York 10012

Dear ROBERT MERRITT:

We have received the first offer from a major corporation to purchase your Hospital Outpatient Module product. The offer is \$5 million for the rights to manufacturer, with 4% royalties on net sales per unit. We suggest you do not accept an offer until after a working prototype is available for presentation.

It is very likely that each of the corporate buyers will require that you build a workable prototype of the product for demonstration; therefore, it would be advisable that you plan for the construction of the prototype as soon as possible. If you would prefer that we develop the prototype, we will require that we get started immediately, and the next possible date for placing your HOM in the design/production schedule is March. 15, 2019. If we have not placed the HOM in this design/production cycle, the next opportunity will not become available until June or July of next year.

Kurtis Charlton
Senior Director of New Products

October 16, 2018

Date

Turning ideas into products

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