

# DEVICE INVESTMENT AGREEMENT

Portrait Health, Inc. | Confidential

## PREAMBLE

This Device Investment Agreement reflects Portrait Health, Inc.'s commitment to investing in the growth of high-performing providers within the Portrait Legacy program. It is designed as a growth partnership — not a loan, financing arrangement, or debt obligation.

Portrait funds the device. Provider grows their practice. When the revenue milestone is reached, ownership transfers. That's the model.

This Agreement is entered into by and between **Portrait Health, Inc.**, a Delaware corporation ("Company"), and the undersigned provider or provider entity ("Provider"). It governs the terms under which Company agrees to fund the purchase of a specific device for use in Provider's practice under the Portrait Legacy program.

This Agreement remains in effect until the Revenue Requirement is fully satisfied, or until earlier termination in accordance with the terms below. Defined terms are set forth in **Exhibit B**.

## SECTION 1 — AGREEMENT PARAMETERS

The following parameters are agreed upon at execution and govern this Agreement. They are not subject to unilateral modification after signing.

Parameter	Agreed Value
<b>Investment Amount</b>	\$
<b>Revenue Requirement (2× Investment)</b>	\$

<b>Termination Cap (125% of Investment)</b>	\$
<b>Quarterly Utilization Baseline</b>	\$
Device Description	See Exhibit A
Device Ownership (Prior to Satisfaction)	Portrait Health, Inc.
Effective Date	Date of last signature below

## SECTION 2 — INVESTMENT

Company agrees to fund the total deployment cost of the device identified in **Exhibit A** ("Device") for Provider's practice in the Investment Amount set forth in Section 1. The Investment Amount reflects Portrait's total cost of deploying the Device into Provider's practice, including but not limited to device acquisition, delivery, installation, setup, onboarding, and related soft costs — similar in nature to closing costs in a real estate transaction. The Investment Amount may therefore exceed the device's standalone purchase price. The full breakdown of deployment costs is not required to be disclosed and the Investment Amount as stated in Section 1 is the sole figure governing this Agreement.

## SECTION 3 — REVENUE REQUIREMENT

Provider agrees to generate Qualified Revenue from treatments performed using the Device and processed through Company-designated systems in the Revenue Requirement amount set forth in Section 1. The Revenue Requirement is set at **2x the Investment Amount** and is fixed at the time of signing.

Upon full satisfaction of the Revenue Requirement:

- No financial repayment is owed to Company.
- Ownership of the Device transfers to Provider as described in Section 8.
- Provider's obligations under Sections 4, 6, and 7 survive ownership transfer for the duration of Provider's participation in the Legacy Program.

*There are no monthly payments, interest charges, or financing terms associated with this Agreement.*

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## SECTION 4 — REVENUE TRACKING AND REVENUE SHARE

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### 4.1 — System Requirements

All revenue generated from Device treatments must be processed exclusively through Company-designated EHR and payment systems. Revenue processed outside these systems does not count as Qualified Revenue and may constitute a material breach of this Agreement.

### 4.2 — Revenue Share (Ongoing & Post-Satisfaction Taper)

All revenue generated within the Portrait Legacy program — including Device treatment revenue — is subject to the standard revenue arrangement: **70% to Company, 30% to Provider**. Upon full satisfaction of the Revenue Requirement, the revenue share applicable to Device-specific revenue only shall transition per the following taper schedule, effective the first day of the month following satisfaction:

Period	Portrait	Provider
Pre-satisfaction	70%	30%
Year 1 post-satisfaction	50%	50%

Year 2 post-satisfaction	40%	60%
Year 3+ post-satisfaction (permanent)	30%	70%

The taper applies exclusively to Device-specific revenue under this Agreement. All other Legacy Program revenue continues at the standard 70/30 split. The taper schedule is fixed at signing and is not subject to unilateral modification by either party.

#### 4.3 — Mixed-Modality Attribution

Where a treatment involves the Device in combination with other modalities, only the portion directly and primarily attributable to the Device shall count as Qualified Revenue. Attribution is determined by Company in good faith.

#### 4.4 — Tracking Authority and Disputes

Provider is responsible for monitoring their own Qualified Revenue progress through Company-designated systems. Company has final authority in determining whether revenue qualifies. Provider may dispute a determination in writing within **30 calendar days** of identifying a discrepancy. Company will respond within **15 business days**. Disputes do not suspend Provider's obligations.

## SECTION 5 — ELIGIBILITY AND EARNED OPPORTUNITY

Device investments are an earned opportunity, available to providers who have demonstrated sustained performance. By signing, Provider represents and warrants they meet all eligibility requirements:

- At least **18 months** of active participation in the Portrait Legacy program
- Maintenance of the applicable revenue tier for **6 consecutive months**
- Average monthly Qualified Revenue of at least **\$35,000** over the prior 6 months, with no more than one (1) month below \$30,000
- No outstanding cash balances owed to Company

- Current compliance with all documentation, charting, and audit requirements
- Good operational standing with no pending defaults or unresolved breaches
- Minimum personal credit score of **750**, as verified by Company prior to execution (Company may approve below 750 at sole discretion; a credit report is required in all cases)

Company has relied on information provided by Provider in approving this Investment. Material misrepresentation constitutes grounds for default under Section 15.

## SECTION 6 — ACTIVE AND GOOD FAITH USE

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Provider agrees to actively offer and perform treatments using the Device, make commercially reasonable efforts to generate Qualified Revenue, accurately record all Device-related revenue through Company-designated systems, and comply with all applicable clinical guidelines and protocols.

Extended non-use without Company approval, diversion of Device-eligible patients without clinical justification, or processing of Device revenue outside Company systems may each constitute a material breach. Revenue generated from treatments performed on Provider, Provider's immediate family members, or any related party shall not count as Qualified Revenue. Any attempt to artificially satisfy the Revenue Requirement through such transactions shall constitute a material breach and may be treated as an event of default under Section 15.

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## SECTION 7 — QUARTERLY UTILIZATION AND PERFORMANCE REVIEW

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7.1 — Utilization Baseline

**Utilization Baseline = Revenue Requirement ÷ 12 quarters**

The Utilization Baseline reflects the quarterly device revenue pace required to satisfy the Revenue Requirement within the target timeframe, confirmed in Exhibit A and Section 1.

#### 7.2 — Underperformance Review

If Provider does not meet the Utilization Baseline in any calendar quarter, Company will notify Provider in writing within 30 days of quarter close and initiate a collaborative performance review. Company will work with Provider in good faith to identify contributing factors including seasonality, patient volume, or operational challenges.

#### 7.3 — Consecutive Failure

Failure to meet the Utilization Baseline for **two (2) consecutive calendar quarters**, without meaningful improvement or a mutually agreed remediation plan, shall constitute an event of default under Section 15.

#### 7.4 — Force Majeure

The Utilization Baseline obligation is suspended during any Force Majeure Event (natural disasters, government-mandated closures, public health emergencies) for up to **90 consecutive days**. Provider must notify Company in writing within 5 business days of onset. This provision does not apply to payment obligations that arose prior to the event.

## **SECTION 8 — DEVICE OWNERSHIP AND USE RIGHTS**

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#### 8.1 — Pre-Transfer and Security Interest

Until the Revenue Requirement is fully satisfied, the Device remains the sole property of Company. Provider holds a limited, non-transferable right to use the Device within the approved practice location(s) listed in Exhibit A. Provider hereby grants Company a security interest in the Device, and Company is authorized to file a UCC-1 financing statement. Upon satisfaction, Company shall file a UCC-3 termination statement within ten (10) business days.

#### 8.2 — Transfer of Ownership

Upon full satisfaction of the Revenue Requirement and confirmation that Provider is in good standing, Company will issue written confirmation of ownership transfer to Provider.

#### 8.3 — Post-Transfer Obligations

Ownership transfer does not modify Provider's obligation to process all Device-related revenue through Company-designated systems. The post-satisfaction taper schedule in Section 4.2 applies effective the first day of the month following satisfaction. The Utilization Baseline obligation under Section 7 continues following title transfer.

#### 8.4 — Restrictions

Prior to ownership transfer, Provider may not sell, lease, transfer, relocate, sublicense, or encumber the Device without prior written consent from Company. Provider shall maintain the Device in good working condition per manufacturer guidelines, promptly notify Company of any damage, malfunction, theft, or loss, and bear financial responsibility for damage from misuse or negligence. Unauthorized transfer or removal constitutes an event of default.

#### 8.5 — Insurance

Company shall maintain property and casualty insurance covering the Device at full replacement value while Company retains ownership. Upon transfer to Provider, Provider shall obtain and maintain equivalent coverage at Provider's expense and provide a certificate of insurance within 10 days of ownership transfer and within 10 days of each annual renewal.

#### 8.6 — Loss or Destruction

If the Device is lost, stolen, or destroyed prior to satisfaction of the Revenue Requirement, Provider shall promptly notify Company and cooperate fully with any insurance claim. Insurance proceeds shall be paid first to Company up to the outstanding unrecouped Investment balance. Any shortfall shall be treated as an Amount Due per Section 10 and shall become immediately payable.

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## SECTION 9 — ACH AUTHORIZATION AND AUTOMATIC PAYMENT

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By executing this Agreement, Provider and Guarantor authorize Company (or its designated payment processor) to initiate electronic debit entries via ACH from the Designated Account below.

### 9.1 — Scope of Authorization

Company is authorized to debit the Designated Account for any Amount Due upon early termination or default under this Agreement, as calculated pursuant to Section 10.

### 9.2 — Timing

Company will initiate an ACH debit immediately upon the occurrence of a triggering event, without further notice or demand, subject to applicable ACH network rules.

### 9.3 — Per-Debit Safeguard

No single ACH debit shall exceed the lesser of: (i) the actual Amount Due; or (ii) the Termination Cap set forth in Section 1.

### 9.4 — Revocation

This ACH authorization may not be revoked without Company's prior written consent during the term of this Agreement. Attempted revocation without consent constitutes a default.

### 9.5 — Failed Debits

Returned items incur a \$35 fee per occurrence. Company may re-initiate within 30 days. Repeated failed debits constitute a default.

### 9.6 — Account Changes

Provider shall notify Company in writing at least 10 business days prior to any change in the Designated Account and provide updated information to maintain an active authorization at all times.

#### 9.7 — Designated Account Information

Bank Name

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Account Holder Name

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Routing Number

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Account Number

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Account Type (Checking or Savings)

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## SECTION 10 — EARLY TERMINATION

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### 10.1 — Amount Due Formula

**Amount Due = Revenue Requirement – Total Qualified Revenue**

The Amount Due shall not exceed the **Termination Cap of 125% of the Investment**

**Amount** and shall not be less than zero.

Plain Language: Portrait's goal is for Provider to generate the full Revenue Requirement through device treatments. If Provider exits early, Provider owes the difference between the

Revenue Requirement and what was actually generated — but never more than 125% of the original Investment amount, and never less than zero.

10.2 — Device Return

Provider must return the Device per Section 11.

10.3 — Satisfaction

Full payment of the Amount Due and return of the Device satisfies Provider's financial obligations under this Agreement. It does not entitle Provider to Device ownership unless otherwise agreed in writing.

10.4 — Notice Period

Early termination is subject to the 90-day notice requirement under Provider's Legacy Program agreement. All obligations under this Agreement remain in effect throughout the notice period.

10.5 — Liquidated Damages

The Amount Due, including the Termination Cap of 125%, constitutes a reasonable pre-estimate of Company's actual loss and is not a penalty. *Illustrative examples (based on a \$40,000 investment / \$80,000 Revenue Requirement / \$50,000 Termination Cap):*

Qualified Revenue Generated	Amount Due
\$0	\$50,000 (capped)
\$20,000	\$50,000 (capped)
\$40,000	\$40,000
\$60,000	\$20,000

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**\$80,000 (full satisfaction)**

**\$0 — ownership transfers**

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## SECTION 10.7 — VOLUNTARY BUYOUT OPTION

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### 10.7.1 — Eligibility

At any point after Provider has generated at least **50% of the Revenue Requirement** in Qualified Revenue and is in good standing, Provider may submit a written request to purchase the Device outright ("Voluntary Buyout").

### 10.7.2 — Buyout Price

$$\text{Buyout Price} = \text{Revenue Requirement} - \text{Total Qualified Revenue Generated}$$

The Buyout Price shall not be less than zero. No Termination Cap applies to a Voluntary Buyout.

### 10.7.3 — Company Discretion

A Voluntary Buyout is not a right of Provider. Company may approve or decline at its sole discretion and will respond within **15 business days**. Silence does not constitute approval.

### 10.7.4 — Payment and Effect

Upon Company's written approval, the Buyout Price is due within 10 business days. Upon receipt of full payment, Company will issue written confirmation of ownership transfer and file a UCC-3 termination statement within 10 business days. A Voluntary Buyout does not extinguish Provider's ongoing Legacy Program obligations, including the revenue share taper under Section 4.2 and the Utilization Baseline under Section 7.

Qualified Revenue Generated	Buyout Price	Available?
\$0 – \$39,999	N/A	No — 50% threshold not met

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\$40,000	\$40,000	Yes — at Company's discretion
\$50,000	\$30,000	Yes — at Company's discretion
\$60,000	\$20,000	Yes — at Company's discretion
\$70,000	\$10,000	Yes — at Company's discretion
<b>\$80,000 (full)</b>	<b>\$0</b>	<b>Ownership transfers automatically</b>

**SECTION 11 — DEVICE RECOVERY AND SURRENDER**

Upon early termination or default, Provider shall return the Device to Company within **ten (10) business days** of written notice, cooperate with retrieval, and return the Device in the condition per the Baseline Condition Report (Section 12.2). Failure to return the Device may result in legal action; Company may recover associated costs including reasonable attorneys' fees. Provider's failure to return the Device entitles Company to seek immediate injunctive relief without the requirement to post a bond. Company may recover outstanding balances through ACH debit, offset against final earnings, direct invoice, or any available legal remedy.

**SECTION 12 — DEVICE CONDITION AND MAINTENANCE**

12.1 — Provider Responsibility

Provider is responsible for the care, proper use, and routine maintenance of the Device in accordance with manufacturer guidelines throughout the term of this Agreement.

12.2 — Baseline Condition Report

At the time of Device delivery, Company will document the Device's condition in a written Baseline Condition Report, which Provider shall sign. Liability for damage upon return will be assessed against this baseline, subject to reasonable wear and tear.

#### 12.3 — Manufacturer Service

Provider shall follow the manufacturer's recommended service schedule. The manufacturer service contact is identified in Exhibit A. Provider shall promptly notify Company of any warranty claims, recalls, or service issues affecting the Device.

## SECTION 13 — LOSS OR DESTRUCTION

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If the Device is lost, stolen, or destroyed prior to satisfaction of the Revenue Requirement, Provider shall promptly notify Company and cooperate fully with any insurance claim. Insurance proceeds shall be paid first to Company up to the outstanding unrecouped Investment balance. Any shortfall shall be treated as an Amount Due per Section 10 and shall become immediately payable.

## SECTION 14 — ONE ACTIVE DEVICE INVESTMENT

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Provider may not hold more than one (1) active Device Investment Agreement at a time. Eligibility for a subsequent Agreement requires full satisfaction of the Revenue Requirement and completion of all obligations under any prior Agreement. Company may approve exceptions at its sole discretion.

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## SECTION 15 — EVENTS OF DEFAULT

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Each of the following constitutes an event of default:

- Failure to meet the Utilization Baseline for two (2) consecutive quarters without a mutually agreed remediation plan (Section 7.3)

- Early termination of or exit from the Portrait Legacy program
- Processing of Device-attributable revenue outside Company-designated systems
- Unauthorized sale, transfer, encumbrance, or removal of the Device
- Failure to cooperate with Company's insurance claim process under Section 8.5
- Revocation or interference with the ACH authorization (Section 9)
- Insolvency, assignment for benefit of creditors, or commencement of bankruptcy proceedings
- Material misrepresentation in connection with eligibility or Device use
- Material breach of this Agreement, uncured within five (5) business days of written notice

Upon default, Company may declare the outstanding Amount Due immediately payable, demand return of the Device, and pursue all available legal and equitable remedies including ACH debit pursuant to Section 9.

## SECTION 16 — PERSONAL GUARANTEE

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The undersigned Guarantor personally and unconditionally guarantees Provider's financial obligations under **Sections 10 and 11** of this Agreement. This guarantee is limited to the financial repayment and device return obligations in those sections, remains in effect until all obligations are fully satisfied, and terminates automatically upon full satisfaction of the Revenue Requirement with written confirmation from Company within five (5) business days.

Guarantor's signature below constitutes a separate, binding guarantee instrument.

## SECTION 17 — ASSIGNMENT

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Company may assign this Agreement without Provider's consent, including in connection with a merger, acquisition, or restructuring. Provider may not assign this Agreement

without Company's prior written consent. Unauthorized assignment is void and constitutes an event of default.

## SECTION 18 — INDEPENDENT RELATIONSHIP

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Nothing in this Agreement creates an employment relationship, partnership, joint venture, or agency between the parties. Provider operates as an independent contractor and is solely responsible for their own tax obligations, licensing, and regulatory compliance.

## SECTION 19 — LIMITATION OF LIABILITY

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Company shall not be liable to Provider for any indirect, incidental, consequential, punitive, or special damages arising out of or related to this Agreement, including lost profits or loss of business opportunity.

## SECTION 20 — GOVERNING LAW AND DISPUTE RESOLUTION

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This Agreement is governed by the laws of the **State of California**, without regard to conflict of law principles. Any dispute not resolved through Section 4.4 shall be resolved by final and binding arbitration administered by **JAMS** pursuant to its Comprehensive Arbitration Rules, with the seat of arbitration in **Los Angeles, California**. The parties expressly waive their right to a jury trial. Either party may seek emergency injunctive relief from a court of competent jurisdiction in Los Angeles County. Each party shall bear its own attorneys' fees and costs, except that the arbitrator may award fees to the prevailing party in the event of a frivolous or bad-faith claim.

## SECTION 21 — GENERAL PROVISIONS

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- **Entire Agreement.** This Agreement, together with the Portrait Legacy agreement and all Exhibits, constitutes the entire understanding regarding the Device investment and supersedes all prior discussions or representations.
- **Amendments.** This Agreement may only be modified by a written addendum signed by both parties.
- **No Waiver.** Failure to enforce any provision shall not constitute a waiver of future enforcement rights.
- **Severability.** If any provision is found unenforceable, the remaining provisions remain in full force.
- **Counterparts.** This Agreement may be executed in counterparts, including electronic signatures via any commercially recognized platform.
- **Notices.** All notices shall be in writing and delivered by email (with confirmation of receipt) or overnight courier to the addresses in the signature block below.

## SECTION 22 — PROGRAM INTENT

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This Agreement is designed to support Provider's clinical and business growth through Portrait's investment in advanced treatment technology; align Company's investment with Provider's demonstrated performance and commitment to the Legacy Program; and establish a clear, fair, and scalable framework — one that protects Portrait's investment while creating a meaningful, earned opportunity for Provider growth.

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## SIGNATURES

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*By signing below, each party agrees to be bound by the terms of this Agreement, including the ACH authorization in Section 9.*

**Provider (Individual or Authorized Representative of Entity):**

Name: \_\_\_\_\_ Title/Credentials: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Entity Name (if applicable): \_\_\_\_\_

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**Guarantor (Personal Guarantee — Section 16):**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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**Portrait Health, Inc.:**

Authorized Representative: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## EXHIBIT A — DEVICE DETAILS

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*This Exhibit must be completed and executed by both parties. This Agreement is not binding until Exhibit A has been fully completed and signed. As purchase has not yet been made, the exact device purchased is subject to change.*

Field	Detail
Device Name / Model	
Manufacturer	

Serial Number (if known at execution)

Manufacturer Service Contact

Investment Amount \$

Revenue Requirement (2x Investment) \$

Termination Cap (125% of Investment) \$

Quarterly Utilization Baseline (Rev Req ÷ 12) \$

Primary Treatment Category

Approved Practice Location(s)

Estimated Delivery Date

Warranty Expiration Date

Provider / Guarantor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Portrait Health, Inc. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Exhibit B - Definitions

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Term	Definition
<b>Agreement</b>	This Device Investment Agreement, including all exhibits and addenda.
<b>Amount Due</b>	Revenue Requirement – Total Qualified Revenue, capped at the Termination Cap and not less than zero, per Section 10.1.

<b>Baseline Condition Report</b>	Written documentation of the Device's condition at delivery, signed by both parties per Section 12.2.
<b>Device</b>	The specific equipment funded by Company and identified in Exhibit A.
<b>Effective Date</b>	The date of the last signature on this Agreement.
<b>Investment Amount</b>	Total amount funded by Company for Device deployment, including acquisition, delivery, installation, setup, onboarding, and related soft costs.
<b>Legacy Program</b>	The Portrait Legacy program, as governed by Provider's agreement with Company.
<b>Post-Satisfaction Taper</b>	Revenue share schedule for Device-specific revenue after full satisfaction: 50/50 (Year 1), 40/60 (Year 2), 30/70 permanent (Year 3+). Applies to DIA Device revenue only.
<b>Qualified Revenue</b>	Gross revenue from treatments directly performed using the Device on bona fide third-party patients through Company-designated systems, excluding refunds, chargebacks, related-party transactions, and non-device-attributable amounts.
<b>Revenue Requirement</b>	Total Qualified Revenue Provider must generate for ownership transfer. Set at 2× the Investment Amount.
<b>Termination Cap</b>	Maximum Amount Due upon early termination or default: 125% of the Investment Amount.
<b>Utilization Baseline</b>	Minimum quarterly device-attributable Qualified Revenue: Revenue Requirement ÷ 12 quarters.
<b>Voluntary Buyout</b>	Provider's election under Section 10.7 to purchase the Device outright after reaching 50% of the Revenue Requirement, subject to Company's sole discretion.