

EXHIBIT D

IHE ALDO CASTAÑEDA INSTITUTE

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CH-1272 GENOLIER, SUISSE**

William I. Norwood, M.D., Ph.D

Tel. 41 22 366-9400

Fax. 41 22 366-9446

29 July, 1997

Robert A. Doughty, M.D., Ph.D.
Medical Director; duPont Hospital for Children
1600 Rockland Road
P.O. Box 269
Wilmington, DE 19899

Dear Dr. Doughty:

I was delighted to receive your letter of employment dated July 24, 1997 and I am happy to accept the stated terms.

We are all most excited with what is certainly a unique opportunity to work with such an outstanding Foundation and its superior facilities and people to institute what should be a prominent program for the care and management of children with congenital heart disease.

Although this letter is brief, I look forward to seeing you again soon in Wilmington.

Sincerely,



William I. Norwood



1800 Rockland Road
P.O. Box 289
Wilmington, Delaware 19899
Telephone (302) 681-4000

July 24, 1997

William I. Norwood, M.D.
Aldo Castaneda Institute
Genolier, Switzerland

Dear Dr. Norwood:

It is with great pleasure that we confirm our offer to you to serve as Director of the Nemours Cardiac Center effective at a mutually acceptable date in 1997. We are anxious to have you join us. In this role you will report to the Medical Director of the Alfred I. duPont Institute and General Manager of the Foundation.

Your annual base salary will be \$800,000 which will be disbursed on a monthly basis. Fringe benefits will be standard ones for the hospital's full-time physicians. You will receive a minimum guaranteed bonus payment of \$400,000 (disbursed quarterly).

As you are aware, the Board of Trustees of the Nemours Foundation approved a Cardiothoracic Surgery Business Plan on July 23, 1997. You will be directly responsible for implementing that Business Plan and expending the resources described therein in developing your vision of a nationally recognized pediatric cardiothoracic surgery program at the Alfred I. duPont Hospital for Children. Once that program is up and running successfully we anticipate initiating a similar program in Orlando, Florida in conjunction with our affiliated partner the Orlando Regional Health Center. You will serve as the Director of this initiative as well.

You must successfully obtain Delaware licensure and complete the hospital's Medical Staff application process prior to commencing employment. You must initiate enrollment with the insurance carriers with which we are currently contracted. These activities may be coordinated through Mrs. Jodi Schirring (302) 651-5910. You will be receiving further information from her office.

I am very excited about the opportunity to work with you in helping create what I believe will be a unique national resource for children with congenital heart disease.

Sincerely,

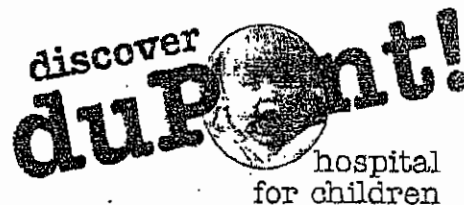
Robert A. Doughty, M.D., Ph.D.
Medical Director, duPont Hospital for Children

cc: Gina Altieri
Thomas Ferry
Joseph Hoffman



- The Nemours Foundation
- Thomas Jefferson University
- Medical Center of Delaware

RPA 9



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1 it's more of a clinical assignment.
 2 And since there are only two
 3 cardiovascular surgeons, being the
 4 chief just means I'm --
 5 Q. I got it. That's fine.
 6 I'd like to ask you to describe,
 7 where it says 2000 to 2004, it's the
 8 second one up from the bottom in that
 9 section, "Chief Executive of the
 10 Practice, The Nemours Cardiac Center,
 11 Operating Division of The Nemours
 12 Foundation, Jacksonville."

13 It was my understanding
 14 that The Nemours Cardiac Center in
 15 Orlando closed at some point. Is
 16 that right? It is closed?

17 MS. PETROSKY: Objection to
 18 form.

19 THE WITNESS: Well, to
 20 broadly answer your question by
 21 taking a step back --

22 BY MS. BLANCO:

23 Q. Sure.

24 A. -- when I was hired as

Page 19

1 director of what was going to be
 2 called The Nemours Cardiac Center in
 3 1997, there was a mandate to
 4 establish a cardiac program based at
 5 Alfred I. Dupont Hospital in
 6 Wilmington, followed sometime later
 7 by the establishment of a sister
 8 center, a similar cardiac center or
 9 program in Orlando at Arnold Palmer
 10 Hospital.

11 That mandate dictated that
 12 once the program in Wilmington was up
 13 and running, that the activity would
 14 begin to establish, as I said, a
 15 sister program in Orlando.

16 That did take place,
 17 initially beginning in Orlando
 18 sometime in the fall of 1999. That
 19 program pulled together a number of
 20 physicians, nurses, and technicians
 21 under a program design at the
 22 hospital.

23 And it took on clinical
 24 activity that lasted for a period of

Page 20

1 time. That program then was
 2 discontinued at some point.

3 So at present, when I was
 4 there at present, the activity was
 5 totally based out of Wilmington at
 6 the A.I. DuPont Hospital.

7 Q. Okay. Is there or was
 8 there up until 2004 an operating
 9 entity known as The Nemours Cardiac
 10 Center in Florida?

11 A. I think the date of 2004 is
 12 incorrect --

13 Q. Okay.

14 A. -- as it relates to
 15 operating division. No, I'm sorry.
 16 No. Now I've misread. It says 2000
 17 to 2002.

18 Q. Right. That's the listing
 19 as chief. Is that what you're
 20 looking at?

21 A. Yes.

22 Q. Okay. And then the one
 23 below that --

24 A. The one below that is chief

Page 21

1 executive of the practice, Nemours
 2 Cardiac Center, Operating Division of
 3 The Nemours Foundation, Jacksonville.

4 There was a point when, for
 5 administrative convenience, budgeting
 6 and financial and recruiting
 7 considerations, it was useful to come
 8 under the designation of chief
 9 executive of the practice.

10 Q. Okay. But there was no
 11 clinical operation in Jacksonville
 12 for The Nemours Cardiac Center?

13 A. That's correct.

14 Q. Okay. You said that there
 15 was a mandate to open and operate a
 16 sister center in Orlando. Where did
 17 the mandate come from?

18 A. Mandate may be a word that
 19 carries certain connotations and
 20 meanings that are not necessarily
 21 accurate in terms of reality.

22 It was made known to me
 23 that there should be a cardiac center
 24 in Wilmington at Alfred I. Dupont

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1 Hospital. And then at some point a
2 sister center would be developed at
3 Arnold Palmer Hospital.

4 Q. Okay. When you were hired
5 by The Nemours Foundation, was it
6 your understanding at that time that
7 there would be two clinical centers?

8 A. That was stipulated in my
9 offer letter, yes.

10 Q. Okay. Who was the
11 individual or individuals that you
12 were talking with, negotiating with,
13 whatever you want to call it, in
14 terms of your hiring by The Nemours
15 Foundation?

16 A. I'm sorry. I don't
17 understand your question.

18 Q. Sure. At some point in
19 time there must have been a contact
20 made, either by you or by somebody
21 from The Nemours Foundation, in terms
22 of your hiring or coming to The
23 Nemours Foundation. I'm trying to
24 find out who those individuals were

Page 24

1 participated in developing an
2 understanding of the cardiac program,
3 how it was to be organized and
4 disposed.

5 Other pertinent people
6 would have included Dr. Dougherty;
7 Mr. Ferry; probably less important
8 from a developmental point of view, a
9 man named Dr. Ketrick.

10 Q. Okay. They're the ones
11 that you can remember?

12 A. Yes.

13 Q. Okay. I have one -- let's
14 see if I can find it. I don't know
15 if it's page 14 on yours. Yeah, it
16 would be, of your CV, No. 158 of your
17 publications, the "Fontan Completion
18 in Young Infants. Have the Rules
19 Changed?"

20 Is that the publication of
21 the abstract of the same name that's
22 listed later in the CV, or is that a
23 full journal article, if you know?

24 A. Well, I can tell you

Page 23

1 that were involved in that process.

2 A. You're asking how was it or
3 who was it that --

4 Q. Yes.

5 A. -- initiated a potential
6 relationship between The Nemours
7 Foundation --

8 Q. Correct.

9 A. -- and myself and others
10 under my direction?

11 Q. Correct.

12 A. There were a number of
13 people who were involved in an
14 initial recruiting process, if you
15 will. The principal individual was
16 the general manager of The Nemours
17 Foundation -- that was the title at
18 the time I believe -- a gentleman
19 named Jeffrey Wandsworth, Jeff
20 Wandsworth.

21 Q. Okay. Anyone else that you
22 can recall?

23 A. There were a number of
24 people at meetings that we had and

Page 25

1 everything in the section that you
2 referred to is a manuscript that
3 appeared after peer review in the
4 Annals of Thoracic Surgery in 2004.

5 Q. Okay.

6 A. You asked about the
7 abstract that has the same name.

8 Q. I think it's No. 44 on the
9 last page.

10 A. Yes. That abstract
11 corresponds with what ultimately was
12 a manuscript published in the Annals
13 of Thoracic Surgery.

14 Q. Okay.

15 A. The abstract was related to
16 the 40th annual meeting of the
17 Society of Thoracic Surgeons, and the
18 Annals of Thoracic Surgery is the
19 publication associated with the
20 Society.

21 Q. Do you know who presented
22 the abstract at that meeting?

23 A. Dr. Pizarro.

24 Q. Okay. I see on here that

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1 were no in-house pediatric cardiac
2 anesthesiologists or intensivists,
3 there were no full-time pediatric
4 cardiologists, there were no
5 full-time anesthesiologists, there
6 were no nurses, technicians, et
7 cetera.

8 The first step in that
9 process is to lay out amongst
10 individuals who would be concerned
11 with the development of the program
12 the skeleton of personnel that was
13 necessary just in terms of sheer
14 numbers and expertise and
15 sub-specialty expertise, draw a line
16 after those slots, and then begin the
17 process of filling in those slots
18 with names of people that one knew,
19 whether it was me or other people.

20 As that skeleton outline
21 began to be filled in, the
22 individuals that were being recruited
23 were asked for their advice of
24 individuals that they knew who were

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1 personnel that might be interested in
2 filling certain roles in certain
3 parts of the program. But a large
4 chunk of it certainly from the very
5 beginning was a personal interaction
6 with individuals.

7 Q. Okay.

8 MS. BLANCO: Change the
9 tape.

10 THE VIDEOGRAPHER: This is
11 the end of tape two. We're going off
12 the video record.

13 (Discussion off the
14 record.)

15 THE VIDEOGRAPHER: We're on
16 the video record.

17 BY MS. BLANCO:

18 Q. Dr. Norwood, do you recall
19 when, what month the first clinical
20 case was at the cardiac center in
21 Wilmington?

22 A. It's my big recollection
23 that it was January 13th, 1998.

24 Q. Oh, an actual date. Was

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1 experienced and qualified in a number
2 of ways, personalities, knowledge,
3 experience, background, et cetera,
4 who would be potentially recruitable
5 or worthwhile talking to.

6 As more and more
7 individuals became imbued with the
8 idea and the concept, in spite of the
9 fact that this was just an absolutely
10 brand-new type of person with each
11 enthusiastic individual being
12 attracted to such a program, the
13 attractiveness to others mounted.

14 In fact, it was a matter of
15 getting a core group of individuals
16 whose gravity increased with each new
17 individual that came on board. I
18 mean, it wasn't rocket science. We
19 were looking at people that we knew,
20 people that we knew who knew people.
21 That was the process.

22 There was a little bit of
23 advertising done in journals to feel
24 certain -- to see if we could get

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1 John Walsh the administrator of the
2 cardiac center when it opened?

3 A. He was the chief
4 administrative officer.

5 Q. Okay. When The Nemours
6 Cardiac Center in Wilmington opened,
7 who were the surgeons other than
8 yourself at that time?

9 A. In and about that time or
10 relatively shortly thereafter there
11 were two surgeons, myself and Dr.
12 Richard Mainwaring.

13 Q. At what point in time did
14 Dr. Pizarro start at the Wilmington
15 Center?

16 A. I don't remember exactly.
17 My best recollection, it was sometime
18 in the year 2000.

19 Q. Okay. With regard to The
20 Nemours Cardiac Center in Orlando,
21 did you also do staff recruiting for
22 that center?

23 A. Recruiting of that staff
24 happened in a similar fashion as it

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1 did in Wilmington.

2 Q. Okay. And who, if you
3 remember, was interviewed for
4 surgical positions at the Orlando
5 Cardiac Center?

6 A. There were two individuals.
7 One, Dr. Mark Galantowicz; and
8 Christian Pizarro.

9 Q. Okay. And they were both
10 hired for the Orlando Center?

11 A. Yes.

12 Q. Okay. When, to your
13 recollection, did the Orlando Cardiac
14 Center open for patients?

15 A. I don't have as clear a
16 memory of the Orlando piece as I do
17 of Wilmington. Sometime in the year
18 2000 is my recollection.

19 Q. Okay. Did you, yourself,
20 do any surgeries at the Orlando
21 Cardiac Center?

22 A. A few.

23 Q. Okay. Did you have a
24 division of time or any type of

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1 A. I keep coming up with the
2 number 2000.

3 Q. Okay. Was that when your
4 license was issued in Florida?

5 A. I believe so, but I would
6 have to check on that.

7 Q. Okay.

8 A. I think that it might be --

9 Q. Oh, on your CV?

10 A. -- in here.

11 Q. I'm sorry. Yes, it says
12 "2000" on page 3. My apologies.

13 A. The year 2000, according to
14 this document.

15 Q. Yes.

16 MR. GIMBEL: Just so the
17 record is clear, we're referring to
18 Norwood No. 1?

19 MS. BLANCO: Correct, yes.

20 BY MS. BLANCO:

21 Q. At any point in time did
22 the credentialing committee of the
23 Florida Board of Medicine raise any
24 questions about the number of

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1 schedule that you would have between
2 Wilmington and Orlando?

3 A. No formal schedule.

4 Q. Okay. Did you have to
5 apply for staff privileges at Arnold
6 Palmer Hospital?

7 A. Yes.

8 Q. Okay. And were those staff
9 privileges granted?

10 A. Yes.

11 Q. Okay. Do you recall when
12 they were granted?

13 A. I don't recall
14 specifically. It would have been
15 sometime in 2000, I believe.

16 Q. Okay. When you were hired
17 by The Nemours Foundation to open
18 these cardiac centers, at that time
19 did you have a license to practice
20 medicine in the State of Florida?

21 A. No.

22 Q. Okay. Do you recall at
23 what point you applied for a license
24 to practice in Florida?

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1 malpractice suits that had been filed
2 against you at the time you applied
3 for your Florida license?

4 A. I'm sorry. Could you ask
5 that again?

6 Q. At any point in time did
7 the credentials committee of the
8 Florida Board of Medicine raise any
9 questions about the number of
10 malpractice suits that had been filed
11 against you at the point in time
12 which you had applied for your
13 Florida license?

14 MR. GIMBEL: Objection to
15 the form of the question.

16 MS. PETROSKY: Objection to
17 form.

18 THE WITNESS: I don't know
19 if there is such a thing as a
20 credentials committee for the Board
21 of Medicine in Florida. I had
22 conversation with members of the
23 board, and some of it related to
24 malpractice suits.

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1 BY MS. BLANCO:

2 Q. Okay. Did you personally
3 appear before members of the board to
4 discuss those malpractice suits
5 before your license was issued?

6 A. I met with some members of
7 the board.

8 Q. And do you recall what
9 their questions were?

10 MS. PETROSKY: I'm going to
11 object, but you can answer.

12 THE WITNESS: I don't
13 remember their questions
14 specifically. They had an interest
15 in what some of them were about.

16 BY MS. BLANCO:

17 Q. Okay. Do you recall who
18 the administrator of the cardiac
19 center was in Orlando when the center
20 opened, if there was one?

21 A. John Walsh.

22 Q. At what point did Didget
23 Ruscetta take over as the cardiac
24 center administrator?

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1 A. He was never the
2 administrator. He was an
3 administrative assistant who
4 worked -- who reported to Dr. -- I
5 mean to John Walsh.

6 Q. Who was, Ms. Ruscetta? I'm
7 just confused myself. You said that
8 Didget Ruscetta reported to John
9 Walsh; is that what you meant?

10 A. Yes.

11 Q. Okay. What was the reason
12 for the closing of the cardiac center
13 in Orlando?

14 MS. PETROSKY: I object.

15 THE WITNESS: The
16 individuals, physicians and
17 otherwise, of the cardiac center in
18 Orlando were recruited with, in no
19 small measure, the concept of a
20 programmatic design that would
21 function within the Arnold Palmer
22 Hospital.

23 The Arnold Palmer Hospital
24 is not an entity with -- I'm not

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1 saying this right -- direct ties with
2 The Nemours Foundation. There was a
3 working agreement that came about
4 sometime in 1997, is my recollection,
5 early 1997, whereby The Nemours
6 Foundation or The Nemours Children's
7 Clinic in Orlando would provide
8 pediatric specialty services within
9 or with or for Arnold Palmer Hospital
10 for Children and Women.

11 Now, all specialty services
12 weren't umbrellaed by The Nemours
13 Foundation, but the majority of them
14 were. The hospital, on the other
15 hand, was owned and run by an entity,
16 O-R-H-S, Orlando Regional Health.

17 Although we had envisioned
18 and wanted to have sister programs in
19 Wilmington and Orlando functioning on
20 a par, both organizationally and
21 functionally, which would promote a
22 resonating total program of combined
23 Orlando and Wilmington activity where
24 ultimately we would certainly be

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1 exchanging ideas but even personnel,
2 some patients being for certain
3 reasons taken care of in Orlando,
4 some in Wilmington, so that the total
5 experience would be combinable in
6 such a fashion that there would be a
7 resonance whereby the whole would be
8 greater than the sum of the parts, if
9 you will.

10 Now, the Alfred I. DuPont
11 Hospital for Children is a Nemours
12 entity, owned and managed by The
13 Nemours Foundation.

14 The discrepancy in that
15 organizational structure between
16 Wilmington and Orlando reflected
17 itself, at least in Orlando, in the
18 form of -- a certain level of tension
19 was in place in Orlando that didn't
20 exist in Wilmington; although many
21 meetings were had with
22 administrations of The Nemours
23 Foundation, not just me, but
24 high-level interactions, and with the

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1 administration of Arnold Palmer
2 Hospital as well as RHS.
3 The level of tension was of
4 such a nature that a number of the
5 principals in The Nemours Cardiac
6 Center grew increasingly
7 uncomfortable with their situation
8 and circumstances.

9 At some point, in spite of
10 all of the efforts of individuals on
11 both sides, it became increasingly
12 apparent that the kind of program
13 envisioned not just by me, but the
14 people recruited for The Nemours
15 Cardiac Center in Orlando, it became
16 clear that it was going to be a
17 difficult situation to persist,
18 maintain or overcome.

19 And it was through mutual
20 agreements by the administrative and
21 managing individuals of the
22 organizations and entities involved
23 that the program in the form that it
24 was was not sustainable.

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1 THE WITNESS: I'm not sure
2 of the full inference of your use of
3 the term modified hemi-Fontan.

4 Dr. Galantowicz was a free
5 and independent caregiver, physician,
6 and to what degree and how he did a
7 hemi-Fontan operation, or whether he
8 even did a hemi-Fontan operation at
9 any one point in time, I don't have
10 full appreciation of.

11 BY MS. BLANCO:

12 Q. To your knowledge, was the
13 catheter-facilitated Fontan ever
14 performed at the Orlando Nemours
15 Cardiac Center?

16 MS. PETROSKY: Objection.

17 MS. BLANCO: What's wrong
18 with the form of that?

19 MS. PETROSKY: I don't
20 know what you mean by catheter
21 facilitated --

22 MS. BLANCO: I mean the
23 catheter-facilitated Fontan.

24 BY MS. BLANCO:

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1 BY MS. BLANCO:

2 Q. I think you said that Dr.
3 Pizarro had come up to Wilmington in
4 2000. Was there another surgeon
5 working in Orlando with Dr.
6 Galantowicz at that time until the
7 Orlando center closed?

8 A. No.

9 Q. What role, if any, did Dr.
10 Galantowicz play in the surgical
11 modification to the hemi-Fontan?

12 MS. PETROSKY: Objection.

13 THE WITNESS: I'm not sure
14 what you're asking.

15 BY MS. BLANCO:

16 Q. Did he contribute to any
17 design or technique used during a
18 modified hemi-Fontan procedure; in
19 other words, a hemi-Fontan designed
20 to surgically set the patient up for
21 the Fontan completion in the cath
22 lab?

23 MS. PETROSKY: Objection to
24 the form.

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1 Q. Do you know what I mean,
2 Doctor?

3 A. Not exactly.

4 Q. A Fontan procedure which
5 instead of being an open heart
6 sternotomy circulatory arrest
7 procedure is done in the
8 catheterization laboratory.

9 A. What procedure is that?
10 I'm sorry.

11 Q. The catheter-facilitated
12 Fontan, I believe you participated in
13 the writing of an abstract concerning
14 that specific procedure.

15 A. I'm sorry. I didn't hear
16 the last part of your question.

17 Q. Did you publish an abstract
18 in Circulation in 2003 with Dr.
19 Murphy and Dr. Murdison concerning
20 the completion of Fontan by catheter?

21 A. An abstract stemming from a
22 presentation to the American Heart
23 meeting was published in a typical
24 fashion in the journal Circulation.