

(B) THE ANNUAL CONTRACT WILL BE DEVELOPED BY THE CHIEF EXECUTIVE OFFICER AND, THE DEAN OF THE SCHOOL OF MEDICINE AND, THE DIRECTOR OF THE INSTITUTE, AND OTHER UNIVERSITY OFFICIALS AS DETERMINED BY THE CHANCELLOR. THE ANNUAL CONTRACT WILL BE SUBMITTED TO THE CHANCELLOR FOR CONSIDERATION, MODIFICATION, AND APPROVAL.

(C) THE BOARD OF DIRECTORS AND BOARD OF REGENTS MAY ESTABLISH PROCEDURES FOR THE APPROVAL OF THE ANNUAL CONTRACT.

(D) IF THE UNIVERSITY AND THE MEDICAL SYSTEM CORPORATION DO NOT ENTER INTO AN ANNUAL CONTRACT FOR ANY FISCAL YEAR, THE ANNUAL CONTRACT FOR THE PREVIOUS YEAR SHALL REMAIN IN FORCE UNTIL ANOTHER ANNUAL CONTRACT IS APPROVED.

13-1B-07.

(A) ON THE TRANSFER DATE THE BOARD OF PUBLIC WORKS, THE BOARD OF REGENTS, AND ANY OTHER REQUIRED STATE DEPARTMENT, AGENCY, OR BODY SHALL TAKE ALL LEGAL ACTION NECESSARY TO TRANSFER, AS A GRANT WITHOUT CONSIDERATION, THE MEDICAL SYSTEM ASSETS TO THE MEDICAL SYSTEM CORPORATION.

(B) IF IT IS NOT APPROPRIATE OR DESIRABLE TO TRANSFER TITLE TO ANY MEDICAL SYSTEM ASSETS, SUCH ASSETS SHALL BE LEASED TO THE MEDICAL SYSTEM CORPORATION OR OTHER LEGAL ARRANGEMENT EFFECTED GIVING CONTROL AND USE TO THE MEDICAL SYSTEM CORPORATION, THE CONSIDERATION TO BE A PAYMENT EQUAL TO ALL COSTS OF THE UNIVERSITY THAT BECOME DUE AFTER THE TRANSFER DATE WITH RESPECT TO PURCHASE, MAINTENANCE, OR REPAIR OF SUCH ASSETS.

(C) IF OWNERSHIP OF MEDICAL SYSTEM ASSETS CANNOT BE LEGALLY TRANSFERRED ON THE TRANSFER DATE, OWNERSHIP SHALL BE TRANSFERRED AS SOON AS PRACTICABLE AFTER IT IS LEGAL TO DO SO. IN ANY EVENT, PROVISIONS SHALL BE MADE, BY LEASE OR OTHER ARRANGEMENT, FOR THE MEDICAL SYSTEM CORPORATION TO HAVE CONTROL AND USE OF ALL MEDICAL SYSTEM ASSETS ON AND AFTER THE TRANSFER DATE.

(D) THE FOLLOWING CONDITIONS SHALL BE SATISFIED BEFORE TRANSFER OF THE MEDICAL SYSTEM ASSETS:

(1) THE MEDICAL SYSTEM CORPORATION MUST BE ESTABLISHED IN ACCORDANCE WITH THIS SUBTITLE; AND

(2) AN ANNUAL CONTRACT MUST BE IN EFFECT.

(E) THE APPROVAL OF SUCH TRANSFER BY THE BOARD OF PUBLIC WORKS SHALL CONSTITUTE A CONCLUSIVE DETERMINATION THAT:

(1) SUCH TRANSFER IS IN COMPLIANCE WITH THIS SUBTITLE;

(2) THE ARTICLES OF INCORPORATION OF THE MEDICAL SYSTEM CORPORATION ARE IN PROPER FORM; AND