



Letter of Participation
(Michigan Ambulatory Surgery Association)



THIS LETTER OF PARTICIPATION ("LOP") is entered into as of the ____ day of _____, 201__ ("LOP Date") by and between the undersigned facility and its related entities, as listed on Attachment A if applicable, and as amended from time to time (collectively "Member"), and Intalere, Inc., a group purchasing organization ("Intalere").

Member is a participant in the Michigan Ambulatory Surgery Association ("MASA"), and is therefore entitled to enter into this agreement. Member operates a health care or other facility that purchases a variety of products and services ("Products") needed for Member's business from various suppliers and distributors ("Suppliers") of such Products; and Intalere is a national GPO with a mission focused on elevating the operational health of America's healthcare providers by designing tailored, smart solutions that deliver optimal cost, quality and clinical outcomes. Intalere enters into arrangements with numerous Suppliers to furnish Products and provide support services and access to its group purchasing programs and services (collectively, the "Programs") to institutions or facilities who choose to affiliate with Intalere.

GROUP PURCHASING AGENT. Member designates Intalere as one of its national group purchasing agents, and authorizes Intalere to negotiate and enter into agreements with Suppliers in order to make Products available to Member. As such group purchasing agent, Intalere shall not have authority to bind Member without its prior written permission, and Intalere's duties shall be limited to negotiating prices and other terms with Suppliers. Member's eligibility to access specific Intalere Supplier contracts shall be established based on Member's identified class of trade. Member is not obligated to make any purchase under this LOP.

MEMBER AGREES:

- To purchase Products only for Member's own use, and to abstain from any resale, diversion, or other use of such Products as may be prohibited by applicable law. Notwithstanding any contrary GPO designation stated above, should Member desire to access the Intalere Pharmacy Program, they agree to execute the Intalere Pharmacy Program Primary GPO Declaration and Own Use Form in addition to this LOP.
- To execute an Intalere contract designation form and abide by the terms and conditions of individual Programs in which Member chooses to participate.
- Member agrees to work collaboratively with Intalere and specifically agrees not to seek or accept price reductions or other changes to the terms of the contracts negotiated by Intalere with any Suppliers, unless Intalere expressly consents to such changes in advance and in writing.
- Member agrees that while Intalere shall provide sufficient account representation for Member to ensure Supplier compliance with all contract terms and conditions, Intalere shall not be liable for any denied pricing, chargeback, refusal of Suppliers to honor contract pricing, or failure of Suppliers to deliver Products in a timely fashion or of the requisite quality.
- To ensure Supplier compliance with applicable contract terms, Member agrees to cooperate with Intalere upon written notice of a reasonable request to audit, by providing all relevant purchase order data and/or Supplier invoice data pertaining to purchases from Suppliers for which Member has signed a relevant designation or commitment form. Any such reviews shall be conducted during normal business hours and in a manner that, as much as reasonably possible, minimizes disruption to the business and operations of the Member. Intalere shall bear its own costs of any such audit.
- **MEMBER ACKNOWLEDGES THAT INTALERE, NOT BEING THE MANUFACTURER, WHOLESALER OR DISTRIBUTOR OF THE PRODUCTS, MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, CONDITION, OR OTHER ATTRIBUTE OF THE PRODUCTS OFFERED BY SUPPLIERS UNDER THE TERMS OF INTALERE CONTRACTS.** Therefore, Member agrees to indemnify and hold harmless Intalere upon demand from and against any and all suits, claims, damages and expenses (including but not limited to reasonable attorneys' fees) arising out of or resulting from damage to property or injury to persons that is caused by or arises out of any of the Products purchased under Intalere's contracts, or the use of such Products

SAFE HARBOR NOTICE REGARDING SUPPLIER PAYMENTS TO INTALERE. Intalere hereby notifies Member that payments, not to exceed three (3) percent of all reported purchases made by or on behalf of Member under the Programs, may be made by Suppliers to Intalere. Any GPO contracts with payments above or with the potential to exceed three (3) percent of all reported purchases made by or on behalf of Member shall be identified as such on the Intalere Contract Data Sheets. All such Intalere Contract Data Sheets are incorporated herein by reference, and shall be in substantially the form set forth and accessible to Member through (a) Intalere's electronic catalog, and/or (b) Intalere's website, www.intalere.com. Intalere will disclose in writing to Member, at least annually, and to the Secretary of the Department of Health and Human Services upon request, the amounts received by Intalere from Suppliers based upon reported purchases made through GPO contracts by or on behalf of Member.

CONFIDENTIALITY. For purposes of this LOP, "Confidential Information" means any information exchanged from time to time during the term of this LOP which is proprietary to or maintained in confidence by Intalere, including without limitation, the Intalere Program Materials, Supplier pricing terms and conditions, any computer software, access to any database, and any other type of information, regardless of the form in which it is stored or transmitted. Member acknowledges and agrees that it will treat all Confidential Information with the same degree of care as Member accords to its own Confidential Information, but in no case less than reasonable care. Member will not use, disseminate, or disclose to third parties any Confidential Information, without the prior written consent of Intalere, except to the extent required by law. Member acknowledges that substantial and irreparable harm would be suffered by Intalere in the event that Member should disclose any Confidential Information to any third party, including any competitor of Intalere, either during or after the term of this LOP. Upon termination of this LOP, Member will return to Intalere all originals and copies of the Confidential Information, retaining no copies. Intalere agrees to maintain the confidentiality of information relating to Member's purchasing practices and financial status not available in the public domain. Such information as provided by Member shall be solely for the evaluation and enhancement of Intalere's Products. Notwithstanding anything herein to the contrary, Member hereby authorizes Intalere, and its agents and employees, to release to a representative designated by MASA any information and documents (or copies thereof) relating to the purchasing history of Member and authorizes such representative to consult with Intalere relating to such information. Neither party to this LOP shall disclose the contents of this LOP to any third party, except as may be required by law or as necessary to carry out the terms and conditions of this LOP, without the express written consent of the other party.

TERM & TERMINATION. The initial term of this LOP will be for one year commencing on the date it is signed by Intalere. This LOP will renew annually for an additional period of one year upon expiration of the initial and any subsequent renewal terms of the LOP. Either party may cancel this LOP after the initial term by providing ninety (90) days written notice.

COMPLIANCE WITH LAWS. Both parties agree to comply with all applicable federal, state, and local laws. To the extent Member receives discounts, rebates, sharebacks, or any other price reductions or revenues as a result of purchases made under this LOP, Member acknowledges that it may have an obligation under federal or state law to report such discounts, rebates, sharebacks, price reductions, or revenues to federal or state healthcare programs or other payors, and agrees to comply with such laws. This LOP shall be governed by and construed and enforced in accordance with the internal laws of the state of Missouri, determined without reference to conflict of laws principles.

MISCELLANEOUS. Intalere hereby notifies Member that it has engaged MASA to act as its marketing agent to recruit new Members to Intalere. In consideration of these marketing services and the recruitment of Member, Intalere shall pay MASA a percentage of the posted gross contract administrative fees it collects from Suppliers attributable to purchases of Products made by or on behalf of Member. All notices and other communications required or permitted to be given under this LOP shall be in writing and shall be deemed given when delivered in person, sent via e-mail, or when mailed by certified mail, return receipt requested, addressed to the parties at their respective business addresses set forth below (or to such other business address or e-mail address as the recipient may have notified the sender in such manner). If any provision of this LOP is found to be unlawful, invalid, or unenforceable, then the remainder of this LOP shall not be affected thereby and shall remain in full force and effect so long as no party is deprived of the material benefits afforded to such party under this LOP. Member warrants that it has legal authority to enter into this LOP on behalf of each of the entities listed on the Attachment A. This LOP shall apply collectively to the entities identified above and in Attachment A of this LOP. Member shall provide prompt written notice to Intalere of all additions and changes to Attachment A. Each signatory to this LOP represents and warrants that he or she has all necessary capacity and authority to act for, sign on behalf of and bind the respective entity. This LOP may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall together be deemed to constitute one agreement. This LOP constitutes the entire agreement between the parties with respect to its subject matter and constitutes and supersedes all prior agreements, representations and understandings of the parties, written or oral.

[Remainder of page left intentionally blank.]

AUTHORIZATION TO SIGN. Member appoints Intalere as its agent to act on its behalf solely for the limited purpose of the execution of all contract access forms, deemed reasonably necessary to inform any manufacturers, distributors or vendors, of the Member's participation in an Intalere Program. Said authorization does not extend to the execution of bilateral commitments which are beyond the limited purpose described above. This Authorization to Sign shall be effective as of the LOP Date and shall remain in full force and effect for the length of the LOP or until the undersigned Member delivers written notice to Intalere of its revocation.

The undersigned agrees to participate in the Intalere group purchasing program as outlined above.

MEMBER:

BY: _____
(Signature)

PRINTED NAME: _____

TITLE: _____

E-MAIL: _____

DATE: _____

FACILITY NAME: _____

ADDRESS: _____

INTALERE, INC.:

BY: _____
(Signature)

Joe Tibbs

Vice President, Sales Operations

joe.tibbs@Intalere.com

DATE: _____

Intalere

Two CityPlace Drive, Suite 400

St. Louis, MO 63141

Please return signed LOP to Intalere Membership
by fax to (724)553-3534; or by email to membershipcentral@intalere.com;
or by mail to Intalere, Membership, 100 Global View Drive, Suite 300, Warrendale, PA 15086

Attachment A - Member and related entities as amended from time to time
