



CONSIGNMENT INVENTORY AGREEMENT

This **Consignment Inventory Agreement** (this "Agreement") made effective as of the [redacted] day of [redacted], 20[redacted] (the "Effective Date") by and between [redacted] ("Company") and, Saint Luke's Health System, Inc. a Kansas nonprofit corporation ("System") on behalf of its Facilities (as defined herein).

WHEREAS, System desires for certain of its Facilities to be able to receive products on a consignment basis as provided for herein; and

WHEREAS, Company is willing to provide an inventory of products to Facilities on a consignment basis in accordance with the terms of this Agreement.

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the parties hereto agree as follows:

1. Facilities; Initial Consignment Inventory:

1.1 Company acknowledges and agrees that this Agreement is entered into by System for its benefit and for the express, intended benefit of its subsidiaries, Affiliates and for such entities for which it performs contracting services (where System, via a written agreement has been granted or delegated contracting authority) ("Client Entity"). As used herein, an "Affiliate" means, with respect to a specified entity, an entity that directly or indirectly through one or more intermediaries, controls or is controlled by System or is under common control with System, in each case where the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by membership, by contract interest or otherwise. Herein, each System subsidiary, System Affiliate and each Client Entity shall be a "Facility" and collectively the "Facilities". Company acknowledges and agrees each of the Facilities shall be and constitutes an intended third party beneficiary of the representations, warranties, covenants and agreements of the Company contained herein, and each of the Facilities shall be entitled to enforce the terms and provisions of this Agreement to the same extent as System. Company acknowledges that System and each Facility are separate legal entities; none of the obligations or liabilities of a Facility shall be treated as a joint obligation or liability of System or any other Facility. Company acknowledges and agrees that the Facility named on each Consignment Schedule shall be solely responsible to Company for payments associated with such Consignment Schedule, and that each Facility is solely responsible for its compliance with all of the terms herein. Nothing contained herein shall be considered a guarantee of purchase by System or any Facility. Herein all rights of System, and all warranties made by Company and all Company obligations hereunder, shall apply equally to each Facility that is the purchaser or recipient of Products hereunder.

1.2 Company agrees to provide Products to the Facilities on a consignment basis as set forth in individual consignment schedules (each a "Consignment Schedule"), substantially in the form of the sample Consignment Schedule attached hereto as Exhibit A. Each Consignment Schedule shall be incorporated into this Agreement and be governed by its terms, be independently numbered, be separate and distinct from one another and set forth: (i) the applicable Facility and such Facility's Consignment Location, (ii) a listing of the Company's products that will be included in the Consignment Inventory ("Products") and the quantities of such Products (the "Consignment Inventory"), and (iii) the term of

the Consignment Schedule. Herein references to Facility shall apply to each individual Facility named on a Consignment Schedule. Each Consignment Inventory shall be delivered to the Facility named in the applicable Consignment Schedule and placed by Company, at no charge to the Facility, in the Facility's areas and departments identified by the Facility (the "Consignment Location"). All Consignment Inventory must be shipped to the applicable Facility on a no charge purchase order provided to the Company by the Facility. Company represents and warrants that it shall provide Facility with not less than thirty (30) days advance written notice in the event there are any material changes to its Product packaging to allow sufficient time for proper notification to appropriate users within the System and Facility.

1.2.1 The Consignment Inventory is provided solely for each Facility's internal use. The Products and volume of Products within a Consignment Inventory may be altered only upon the mutual agreement of the applicable Facility's (or the System's) Director of Materials Management, or his or her designee and Company. Documentation of the Consignment Inventory will be held in the Facility's (or System's) Materials Management Department and updated as changes are made.

1.2.2 Company, absent the Facility's written agreement, may only place Products in the Consignment Inventory and in the Consignment Location for use by the Facility. Except as otherwise provided herein, Products placed in the Consignment Inventory at a Facility may not be taken from the Consignment Inventory and used by Company with other customers. If Company has a need to remove any Products from the Consignment Inventory, the Company may contact the Facility's (or System's) Director of Materials Management, or his or her designee, to make the request. Upon written consent from the Facility's (or System's) Director of Materials Management, or his or her designee, the Facility and Company shall make any necessary arrangements for the Product removal, and Company will execute documentation as requested by Facility to evidence the removal of any Product. Upon written consent from the Facility's (or System's) Director of Materials Management, or his or her designee, which consent will not be unreasonably withheld, the Facility and Company shall make any necessary arrangements for the Product removal, and Company will execute documentation as requested by the Facility to evidence the removal of any Product.

2. **Inventory Replacements:** Company shall maintain a level of Consignment Inventory at each Facility such that the Facility will have at hand a supply of Products sufficient to satisfy the customary volume and types of Products inventory used at the Facility. Within two (2) days of Products within a Consignment Inventory being opened, Accepted (as hereinafter defined) and used, the Facility (or System) will, if desired and/or necessary, order replacement Products from Company to be placed in the Consignment Inventory using a Purchase Order ("PO") issued by the Facility's (or System's) Materials Management Department. Company, upon receipt of a PO, will invoice the Facility for the Products within a Consignment Inventory that are opened, Accepted and used by the Facility. Company shall ship to the Facility the replacement Products in accordance a timely manner as additional Consignment Inventory. Shipment of replacement Products will be FOB Destination. Company is responsible for the risk of loss of any Consignment Inventory and Products that are lost or destroyed during shipment to the Facility. The delivery of any Consignment Inventory to a Facility must take place during the times and at the locations designated by the Facility.
3. **Ownership and Inspection:** Company shall retain all title to and rights in the Consignment Inventory until Products are removed from the Consignment Inventory and Accepted and used by the Facility.

Each Facility agrees to give Company's representative reasonable access, subject to Section 7 herein, upon advance notice and during normal business hours, to its Consignment Inventory to verify the quantity and condition of the Consignment Inventory. Company representatives may not enter the location of the Consignment Inventory without the Facility's permission. Company representatives while on site at a Facility or any of its facilities must comply with the System's and Facility's policies and procedures, as required per Section 7 herein. Company and the Facility will jointly count and reconcile Consignment Inventory on a quarterly basis. Representatives for Company and the Facility will each acknowledge the results of the Consignment Inventory count. Company will submit a detailed report of this inventory reconciliation to System and the Facility within one week after the inventory count has been conducted. Failure by Company to conduct any quarterly physical inventory with Facility during the term of this Agreement shall relieve the System and Facility of any obligation to make payment for any quantity variances from the initial Consignment Inventory for the duration of this Agreement and subsequent expiration. Excess Consignment Inventory will result in a credit being issued by Company to the Facility within thirty (30) days of the inventory. A Facility will issue a PO to Company for identified inventory shortages.

4. **Risk of Loss:** A Facility is responsible for any of the Consignment Inventory that is lost or destroyed while stored on the Facility's premises (except for any damage or losses caused in whole or in part by Company's or its agent's, employee's, representative's acts, omissions, negligence or misconduct). Facility shall pay Company for any such Consignment Inventory lost. Invoices generated for Consignment Inventory lost are due and payable within sixty (60) days of issue.

5. **Warranty.** Company warrants that the Products shall be processed, manufactured and labeled using first-class manufacturing practices, with all service levels being performed in a professional and workmanlike manner, in all respects in accordance with all applicable federal, state and local laws, rules, statutes and regulations and in a manner so as to ensure the safety of all persons and the preservation of property. Company warrants that it has and shall continue to have for the term of this Agreement, good title to the Products delivered to each Facility and without violating the property rights or interests of any third party inclusive of the intellectual property contained therein and that there is no actual or threatened suit by any third party based on an alleged violation of such right by Company. Company further warrants that each of the Products as delivered to and Accepted by a Facility (i) shall be free from defects in material and workmanship, (ii) will be merchantable, (iii) if ordered for a stated purpose, will be fit for such purpose, and (iv) shall conform to the labeling, instruction manuals and documentation for such Product(s) and the Company's representations and warranties regarding the functions and uses for which the Product is marketed. Company further warrants that Products shall conform to, be and shall remain in compliance with, all applicable federal, state and local laws, regulations, ordinances, regulations and codes, including, but not limited to: (i) those relating to the privacy or security of information including, but not limited to, HIPAA and corresponding regulations; (ii) Medicare and Medicaid law; and (iii) all laws and regulations relating to the licensing, regulation and accreditation of health care facilities, (inclusive of the requirements of The Joint Commission or other private accreditation organizations that have established standards relevant to medical care). Company further warrants that all Products have received FDA approval or will have 510K clearance prior to delivery to any Facility; and that all Products delivered to a Facility will be in compliance with FDA regulations. Company shall reimburse System and the applicable Facility for all direct costs and expenses associated with any breach of this warranty, including by

example only corrective action, withdrawal or recall requested by Company or by any governmental entity.

Company represents and warrants that (i) it is duly incorporated or organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization; (ii) it has the power, authority and legal right to enter into this Agreement and to sell and deliver the Products contemplated hereunder, and that it has taken all necessary corporate action to authorize execution of this Agreement; (iii) all necessary consents, approvals and authorizations of governmental authorities and other persons required to be obtained related to the performance of this Agreement have been or will be obtained and all approvals will be in full force and effect during the Term; and (iv) the execution and delivery of this Agreement will not conflict with or violate any requirement of any applicable law or regulation and does not materially conflict with or constitute a material default under any contractual obligation enforceable against it.

6. **Acceptance and Returns:** A Facility shall be deemed to have accepted Products when they are taken from the Consignment Inventory, opened, inspected and used with a patient/client (“Accepted”). In the event that any Products within the Consignment Inventory dispensed to a Facility is/are (i) rejected by the Facility, its physicians or patients, (ii) rejected for (a) any nonconformance with the terms and conditions of this Agreement, (b) shipping damage, and/or (c) failure of the Product(s) to comply with law or to meet the quality or safety rules or procedures of the Facility, and/or (iii) returned by a client and such return accepted by a Facility for any reason (e.g., product is defective), such Consignment Inventory shall be returned and the Facility (or System) shall promptly notify Company of the return and provide Company with information necessary for Company to process such rejection or return. Products so rejected will be returned to Company and Company shall pay all costs of shipping. The Facility (or System as applicable) shall receive, at Facility’s discretion, a full credit of purchase price, including, but not limited to the cost of the Product and all shipping costs, or the replacement of the Product(s) with no additional cost of shipping. Neither System nor any Facility is responsible (financially), and bears no responsibility for any Products within the Consignment Inventory that have expired. A Facility shall return such expired Products to Company at Company’s expense and Company shall promptly replace the expired Product.
7. **Compliance:** Each party is responsible for compliance with all applicable laws, rules, regulations, or ordinances which may relate to its respective activities and responsibilities under this Agreement. Company agrees to comply with Facility’s policies and the System’s Code of Business and Ethical Conduct made known to Company, as they may be modified from time to time. System and each Facility has the right to require Company to pay third-party imposed fines and/or penalties, and damages that may arise out of or may be imposed because of, Company’s breach or failure to comply with provisions of this Agreement or applicable law. All of Company’s representatives, agents, employees, and contractors (“Representatives”) intending to enter any Facility’s premises may do so only if all of the following conditions are met: (i) the Representative logs in through System’s vendor credentialing system (Rep Trax), (ii) reasonable advanced notice of the intended visit is given (iii) the Representative must be acceptable to the Facility, and (iv) the Representative must comply with all of the Facility’s policies and procedures while on site. All of Company’s representatives, agents, employees, and contractors will be required to, and shall comply with, the terms of this Agreement and Company will take all steps to ensure and be responsible for such compliance.

8. **Term and Termination:** This Agreement shall have an initial term of one (1) year from the Effective Date (“Initial Term”), and may be renewed for successive one (1) year terms (each a “Renewal Term” and collectively with the Initial Term, the “Term”) upon the mutual agreement of the parties. This Agreement, and any individual Consignment Schedule, may be terminated at any time and without cause upon sixty (60) days’ advance written notice by either party to the other. Termination of an individual Consignment Schedule will not serve to terminate this Agreement; termination of this Agreement will cause all individual Consignment Schedules, then in effect, to be terminated. This Agreement, and/or any individual Consignment Schedule, may be terminated immediately by either party upon material breach of this Agreement (or the individual Consignment Schedule) by the other party, if such breach is not cured to the reasonable satisfaction of the non-breaching party within thirty (30) days’ from the date of notice of breach. Upon termination or expiration of this Agreement for any reason all rights and obligations of the parties shall cease, except for those rights and obligations that accrue prior to termination and except as otherwise contemplated by this Agreement. Upon termination or expiration of this Agreement or any Consignment Schedule for any reason each Facility shall, in Facility’s sole discretion, either purchase the Consignment Inventory in its possession, or return to Company all of the Consignment Inventory remaining in the Facility’s possession or under the Facility’s control, at Company’s cost and expense or allow Company’s representative to retake possession of the Consignment Inventory.

If any law is enacted or becomes effective, any regulation is promulgated or becomes effective, any court or administrative agency decision is rendered, any administrative agency interpretation is issued, or similar action is taken that, in the opinion of legal counsel to System, is likely to cause any of the Agreement’s provisions to be in violation of law or compromise System’s or any Facility’s tax-exempt status, then the parties will use their best efforts, proceed with dispatch and without unnecessary delay, to reform this Agreement or negotiate a new agreement(s) so as to achieve, as nearly as possible, the original goals the parties reflected in this Agreement. If such reformation is not possible after a period of not less than six (6) months, the parties agree that this Agreement shall terminate without penalty.

If this Agreement is terminated within the first twelve months of the Effective Date, and to the extent the Company is a Stark Entity (as hereinafter defined), the parties agree that they will not enter into another agreement for the Products contracted for herein for the period of one (1) year from the Effective Date of this Agreement.

9. **Insurance:** The parties agree (through either policies of insurance or a program of self-insurance) to carry, and cause its personnel performing services hereunder to carry or be covered by, liability insurance covering liability for claims arising out of activities conducted under this Agreement. Each party shall maintain occurrence form, primary commercial general liability insurance in minimum limits of \$1,000,000.00 each occurrence and \$2,000,000.00 general aggregate, combined single limit on \$1,000,000.00 bodily injury and \$1,000,000.00 property damage and \$2,000,000.00 general aggregate.
10. **Indemnification:** Company shall indemnify, defend (with competent counsel reasonably acceptable to System) and hold harmless System, its Affiliates, the Client Entities and System subsidiaries and each such entity’s respective directors, officers, medical staff, agents, and employees (each, an “Indemnitee”) from and against any third party claims, demands, investigations, suits, or causes of action (each, a “Claim”) asserted against any Indemnitee with respect to actual or alleged losses,

liabilities, injuries, deaths, damages, fines, penalties, costs, and expenses (including attorneys' and other professionals' fees and expenses incurred by any Indemnitee and/or Company in connection with the defending against the subject Claim), relating to or arising out of: (i) breach by Company or its employees, agents, subcontractors, sub-manufacturers or assigns of the representations, warranties or other terms of this Agreement; (ii) Company's or its employees, agents, subcontractors non-compliance with or violation of any federal, state or local law, rule, regulation or ordinance; (iii) acts or omissions of Company or its employees, agents, subcontractors, sub-manufacturers, assigns, or its or their employees that are negligent, willfully wrongful, or in violation of this Agreement; (iv) the sale, license, recall, distribution or use of the Products; (v) any claims, actions, suits or governmental investigations or proceedings, brought against or involving any of them, which relate to or arise out of the manufacture or sale of the Products by Company or its subcontractors, sub-manufacturers or assigns including product liability claims (including negligence and breach of warranty claims, as well as traditional product liability claims); and/or (vi) any claim arising out of or relating to Company or its employees' or agents' release, use or transmittal of data in violation of this Agreement or any BAA then in effect.

Company represents and warrants that no Product infringes upon any trademark, patent, copyright, or any similar property rights. Company shall indemnify, defend (with competent counsel reasonably acceptable to System) and hold harmless each Indemnitee from and against any Claims asserted against any Indemnitee based upon any assertion that (i) any Indemnitees' use of a Product infringes on any patent, copyright, trade secret or other proprietary or contractual right of any third party; and/or (ii) the marketing, advertising, use or sale of any Product constitutes an infringement of any patent, trademark, copyright, or other proprietary right of any third party. Company at its own expense and option shall either (i) procure for System the right to continue using Products; (ii) replace the infringing Products with non-infringing Products; or (iii) accept return of the enjoined Products and refund the full purchase price (plus shipping costs).

System or the applicable Indemnitee will provide Company ("indemnitor") with timely notice of any Claim for which indemnification will be sought hereunder; provided, however, that failure to provide timely notice shall relieve the indemnitor of its duty to indemnify only to the extent such delay prejudices the indemnitor. System or the applicable Indemnitee will permit the indemnitor to assume full responsibility for the investigation of, preparation for, and defense of any Claim for which indemnification is sought, provided System or the applicable Indemnitee may, in its discretion, assist in such indemnity. The indemnitor may not compromise or settle any such Claim without System prior written consent. System and/or the applicable Indemnitee shall have the right in its sole discretion and at its sole expense to select and obtain representation by separate legal counsel.

- 11. Regulatory Compliance:** Company represents and warrants that neither it nor any of its employees, directors, officers, equity owners, personnel, subcontractors or agents under this Agreement (collectively, "Company Personnel") are excluded from participation, or are otherwise ineligible to participate, in a "federal health care program" (as defined in 42 USC §1320a-7b(f)) or in any other government payment program, and that no such action is pending. Company will assess the status of the Company Personnel prior to hire or contracting and on a monthly basis thereafter as required by the United States Department of Health and Human Licensed Services or the Centers for Medicare and Medicaid Licensed Services. Company will notify System in writing within three days of either of the following: (a) the discovery of any debarment, exclusion, suspension or other event that makes Company or any Company Personnel ineligible to participate in a federal health care program or any other government payment program; or

(b) any conviction of Company or any of the Company Personnel of a criminal offense that falls within the scope of 42 USC §1320a-7(a), even if they have not yet been excluded, debarred, suspended or otherwise declared ineligible. Such notice will contain reasonably sufficient information to allow System to determine the nature of any sanction. Company will be responsible for any and all expenses and lost revenue incurred by System as a result of Company's failure to screen or to notify System of any such occurrence. Company will also be responsible for any and all related expenses and lost revenue directly or indirectly caused by Company's failure to identify excluded individuals, including reimbursement of System for any amounts System is required to repay to any federal health care program or any amounts that System is unable to bill for reimbursement because of the involvement of an excluded individual in the provision of the Services. If Company is in breach of this Section or upon the occurrence of such exclusion, debarment, suspension or conviction of Company or any Company Personnel, whether or not notice is given, System may immediately terminate this Agreement.

The parties agree to comply with all applicable laws, rules and regulations, including but not limited to, those laws prohibiting payment for referrals. Both parties agree that the Agreement has been entered into so that the Facilities may obtain necessary products and supplies in order to better fulfill the charitable mission of serving the health and medical needs of its patients and the community served by the Facility. Accordingly, the parties agree that it is not a purpose of this Agreement to generate referrals for services or supplies for which payment may be made in whole or in part under any federal healthcare program.

Each party is responsible for compliance with all applicable laws, rules, regulations, or ordinances which may relate to its respective activities and responsibilities under this Agreement. The purpose of the Agreement is to enter into a commercially reasonable and fair market value arrangement. The parties in good faith believe that this Agreement fully complies with the provisions of 42 U.S.C. 1320a-7b (the Medicare/Medicaid "Anti-Kickback Statute"). Neither System nor Company are, by virtue of this Agreement or otherwise, willfully offering, paying, soliciting, or receiving remuneration in return for referring an individual to or from each other for the furnishing of any item or service reimbursed under the Medicare or other federal or state health care programs. Pricing hereunder does not take into account the volume or value of any referrals or business otherwise generated between the parties for which payment may be made in whole or in part under Medicare or a state health care program. The parties shall comply with the reporting requirements of 42 C.F.R. §1001.952(h), regarding "safe harbor" protection for discounts under the Anti-Kickback Statute. Company represents and warrants that any discount or rebate provided to System satisfies the requirements of the Anti-Kickback Statute Safe Harbor at 42 C.F.R. §1001.952(h); in no event shall Company offer or provide any discounts or rebates that involve the impermissible bundling of Products or the involve multiple Products where such Products are not reimbursable under the same Federal Healthcare Program using the same methodology. Company warrants that, if a rebate or discount involves multiple Products, that all of the Products provided are reimbursable under the same Federal Healthcare Program using the same methodology. Company shall disclose to System and shall disclose to the Facility named on each invoice, or as otherwise agreed in writing, the amount of any discount or rebate relating to the Product. The statement shall inform the Facility and System in a clear and simple manner of the amount of the discount or rebate so as to enable System and the Facilities to satisfy its/their obligations to report such discount or rebate to Medicare.

Company shall monitor adverse event and other failure reports or complaints and promptly advise System of information indicating a significant trend of adverse events, consumer or practitioner complaints, or failures or injuries related to the use of the Products. Company agrees to send all Product notices (inclusive of notices of any changes affecting the Products and notices of new products) to System. Company will promptly provide System (via letter, e-mail or other similar form of communication) with any and all information regarding any routine backorders of Products, Product changes, Product packaging changes, safety announcements, and clinical information regarding Products. Company shall immediately provide System with a copy of all communications from Company and/or the FDA advising of a recall, request for a recall, market withdrawal, safety alert, or a non-routine issue of Product availability (e.g. significant backorders of Products). Company shall provide System with written notice of any Class I recall, whether voluntary or initiated by the FDA, affecting any of the Products within twenty-four (24) hours of Company's receipt of any such request for a recall, or shorter period of time provided in the recall strategy. Company shall reimburse each Facility and System for any costs actually incurred by the Facility(ies) and/or System in complying with any recall instructions and processes provided by Company. In addition, Company shall, at no additional cost to a Facility or System, replace any such Products which are the subject of a recall with Company products which have been approved by System as being clinically equivalent to the recalled products.

The parties shall abide by the requirements of 41 C.F.R. 60-1.4(a), 60-300.5(a) and 60-741.5(a), and the posting requirements of 29 C.F.R. Part 471, appendix A to subpart A, if applicable. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

Company represents, warrants and covenants that: (i) it is fully aware of and shall comply with, and in the performance of its obligations to System shall not take any action or omit to take any action that would cause either party to be in violation of: (a) the U.S. Foreign Corrupt Practices Act, (b) any other applicable anti-corruption laws, or (c) any regulations promulgated under any such laws; (ii) neither it nor any Company Personnel is an official or employee of any government (or any department, agency or instrumentality of any government), political party, state owned enterprise or a public international organization such as the United Nations, or a representative or any such person (each, an "Official"); (iii) neither it nor any Company Personnel has offered, promised, made or authorized to be made, or provided any contribution, thing of value or gift, or any other type of payment to, or for the private use of, directly or indirectly, any Official for the purpose of influencing or inducing any act or decision of the Official to secure an improper advantage in connection with, or in any way relating to: (a) any government authorization or approval involving System, or (b) the obtaining or retention of business by System; and (iv) it shall not in the future offer, promise, make or otherwise allow to be made or provide any such payment and it shall take all lawful and necessary actions to ensure that no such payment is promised, made or provided in the future by it or any Company Personnel.

In relation to and for purposes of compliance with the “Stark” law, 42 U.S.C. § 1395nn, Company represents and warrants that: (i) it is not a physician owned distributor or “POD”, (ii) it is not owned by one or more providers or physicians (as defined by the Stark law, and (iii) there are no physicians or providers with investment interests in the Company, in the case of (ii) and (iii) where any such ownership or investment interest would cause this arrangement to create a financial relationship between a “DHS entity” and a physician (hereinafter a “Stark Entity”). In the event the above representation and warranty changes so that it is inaccurate, Company will provide System with prompt written notice and the parties will negotiate any amendments to this Agreement necessary to ensure compliance with the Stark law.

- 12. Access to Books and Records:** If applicable, the parties agree to make books and records available and to require any subcontractor to make books and records available, upon request of the Secretary of the U.S. Department of Health and Human Services or the Comptroller General of the United States or their duly authorized representatives for up to four (4) years following the furnishing of goods or services under this Agreement pursuant to Section 1861(v) (1) (I) of the Social Security Act.
- 13. Confidentiality:** During the course of performance of the Agreement, it is expected that Company will learn of certain confidential and proprietary information and/or trade secrets (“Confidential Information”) of System and/or the Facilities. Facility and System Confidential Information includes, but is not limited to, (i) all information concerning any Facility’s and/or System business affairs, proprietary information and trade secrets, internal reports, patient lists, marketing plans, purchasing information, pricing information, strategic plans, sales tracings, financial and other business information and clinical information, (ii) all information Company knows or reasonably should know is to be or should be treated as confidential, and (iii) all materials that are marked as confidential or proprietary. Without limitation of the above, all Personal Information is included in the definition of Confidential Information. All Confidential Information is and remains, System (and the applicable Facility’s) property. Company warrants that it will not, directly or indirectly, (a) use any Confidential Information for any purpose that is not directly and solely related to the performance of its obligations under the Agreement, (b) publish or disclose any Confidential Information to any third party, or (c) use the Confidential Information in any manner for its business development or any commercial purposes. For sake of clarity, Company expressly agrees that it will not monetize or use any Confidential Information (regardless of whether it is aggregated or de-identified). Company shall maintain the Confidential Information in a secure manner that is at least as protective as that which Company uses with respect to its own confidential and proprietary information, but in no event shall Company provide Confidential Information less than reasonable protection. Company will take such action as necessary, including agreements with or instructions to its employees and agents, to enable it to perform its obligations with respect to Confidential Information. Company expressly acknowledges and agrees that any documents, data and information (“Information”) that it discloses or provides to System or a Facility pursuant to this Agreement (whether provided directly or indirectly, in whatever form or medium, and regardless of whether such Information is marked as “confidential”) will become, upon disclosure/provision, System property and may be used and disclosed by System for any purpose. Company hereby warrants that it has the legal right and ability, and without violation of any (i) third party intellectual property right, or (ii) duty of confidentiality owed to a third party, to disclose and provide its Information to System and that, upon such disclosure/provision, System will be the owner of such Information. Both parties acknowledge that a breach or attempted breach of Section 13 may cause the Facilities and System irreparable damage and that damages at law will be an insufficient

remedy. Accordingly, both parties agree that System shall be entitled as a matter of right to injunctive relief in the Sixteenth Circuit Court of Jackson County, Missouri or the United States District Court for the Western District of Missouri, without necessity of bond or proof of damages, in order to restrain the breach or threatened breach of Confidential Information.

Company warrants that its provision of the Products (and any related services hereunder) does not require possession or use of, or access to, any Protected Health Information (“PHI”) or Electronic Protected Health Information (“ePHI”), each as defined by HIPAA. Company shall not seek to receive, possess, access or maintain any PHI or ePHI on behalf of System or any Facility. Company further agrees that, if deemed necessary by System in relation to any such Company access or in relation to any functions or duties of Company under this Agreement, Company will execute a business associate agreement (“BAA”) that complies with the Health Insurance and Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. §1320d, et seq., and the regulations promulgated there under (“HIPAA”); failure of Company to execute the System provided BAA will be a breach of this Agreement by Company and, without limitation of System rights, System may immediately terminate this Agreement without penalty. Without limitation of the above, in the event of an unauthorized use or disclosure by Company, its employees, agents or subcontractors of personally identifiable information possessed or held by System or Facilities (collectively “Personal Information”), Company shall take the following action with respect to such unauthorized use or disclosure: (a) promptly communicate the nature of the unauthorized use or disclosure to those persons and/or entities whose Personal Information was or likely was involved in an unauthorized use or disclosure (“Affected Individuals”) via written correspondence approved by System legal counsel; (b) if the unauthorized use or disclosure of Personal Information could lead to identity theft or related financial risk to the individual subject(s) of such Personal Information, purchase identity theft monitoring services from a major credit reporting service for each Affected Individual offered such service by System provided such Affected Individual agrees in writing to waive all claims against System for such disclosure for a period of time mutually agreed to by System and Company, but not less than three (3) years; (c) comply with any and all laws, regulations, governmental orders or other governmental requirements applicable to such unauthorized use or disclosure of Personal Information; and (d) take all action commercially reasonable to mitigate any damages of System relating to the unauthorized use or disclosure of Personal Information.

- 14. Miscellaneous.** This Agreement and any exhibits and Consignment Schedules properly incorporated herein from time to time are the complete Agreement and shall supersede any and all prior and contemporaneous understandings and agreements either oral or in writing related to the subject matter hereof. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any amendment or modification to this Agreement must be in writing and signed by the parties. Notwithstanding any language to the contrary in any purchase order, invoice, acknowledgement of order, contract or other document that Company submits to System or any Facility, System and the Facilities reject any additional or different terms stated in any such document from Company unless System expressly accepts such terms in a signed writing. Neither party may assign or transfer this Agreement or any of its obligations hereunder to a third party without the written consent of the other party. The laws of the State of Missouri govern this Agreement and venue shall be in the state courts located in Jackson County, Missouri or, if applicable, the federal courts located in the Kansas City, Missouri. The failure



of either party to strictly enforce any provision of this Agreement will not be construed as a waiver thereof or as excusing the defaulting party from future performance. Any waiver of any of the covenants, conditions or provisions of this Agreement must be in writing and signed by a duly authorized representative of the party against whom enforcement of such waiver is sought. One or more waivers of any covenants, condition or provision of this Agreement shall not be construed as a waiver of a subsequent breach or of any other covenant, condition or provision.

15. **Notices.** All notes under this Agreement shall be given in writing to the following applicable address:

If to Company: _____

Attn: _____

With a copy to: _____

Attn: _____

If to Saint Luke's: Saint Luke's Health System
901 E. 104th Street, Mailstop 600
Kansas City, MO 64131
Attn: Vice President of Supply Chain

With a copy to: Saint Luke's Health System
901 E. 104th Street, Mailstop 900S
Kansas City, MO 64131
Attn: Sr. Vice President & General Counsel

Signatures on Following Page



IN WITNESS WHEREOF, the parties have signed this Agreement on the date set forth above.

Saint Luke's Health System, Inc.

[Company Name]

Signature

Signature

Name

Name

Title

Title

Date

Date



EXHIBIT A
Form of Consignment Schedule

Consignment Schedule #[] to
Consignment Inventory Agreement

This Consignment Schedule #[] to the Consignment Inventory Agreement, entered into by and between Saint Luke's Health System, Inc. ("Saint Luke's"), a Kansas nonprofit corporation, and [Company Name] ("Company") a [entity type] ("Agreement") is hereby incorporated into the Agreement and is governed by the terms therein. Terms not otherwise defined herein shall have the meaning set forth in the Agreement.

This Consignment Schedule shall be for and apply to the Facility named herein.

Term: This Consignment Schedule shall commence on the ___ day of _____, 20__ and continue for a period of one (1) year, unless terminated as provided for in the Consignment Inventory Agreement.

Facility:

Consignment Inventory Location:

Part Number, Description and Quantity of Consignment Inventory: