STATE OF UTAH "BEST VALUE" COOPERATIVE CONTRACT
CONTRACT NUMBER: MA264

Contract last updated on 11/05/2015

Revision number: State of Utah Purchasing Agent: Brenda Veldevere
State of Utah Phone: (801) 538-3142
Purchasing Email: bveldevere@utah.gov
Agent:

ITEM: MEDICAL, HOSPITAL AND PERSONAL CARE ITEMS (MMCAP)

VENDOR: VC0000127757 MEDLINE INDUSTRIES
ONE MEDLINE PLACE
MUNDELEIN, IL 60060

For Product Related Questions such as: “Is this product available for purchase
under this contract,” Please contact Michael O’Ryan by phone at (847) 643-4759
or by email at moryan@medline.com

EFFECTIVE DATES: 9/01/12 – 05/31/2016
(Potential Contract Renewals through 05/31/2017)

Order Placement: Orders should be placed online at www.medline.com once the facility
is registered with a Medline account or through the customer service contact
information listed below.

CUSTOMER SUPPORT
TELEPHONE: (800) 633-5463
FAX: (800) 351-1512
EMAIL: customerservice@medline.com
HOURS: M-F, 7:00-7:00 pm CST

When ordering please reference MMCAP Contract #MMS12010
to obtain MMCAP contract pricing.

WHO MAY ORDER:
This contract was competitively bid by the State of Minnesota on behalf of MMCAP (Minnesota
Multistate Contracting Alliance for Pharmacy) a Cooperative Purchasing Organization in which Utah is a
member.

In order to purchase from this MMCAP Contract you must have an MMCAP facility member number. If
you do not have an MMCAP facility member number, please contact Brenda Veldevere at
bveldevere@utah.gov for an MMCAP Facility Membership Agreement Form.
INTERNET HOMEPAGE: WWW.MEDLINE.COM

GENERAL CONTACT: MICHAEL O’RYAN
TELEPHONE: (847) 643-4759
FAX NUMBER: (847) 949-2497
EMAIL ADDRESS: moryan@medline.com

USAGE CONTACT: MICHAEL O’RYAN
TELEPHONE: (847) 643-4759
FAX NUMBER: (847) 949-2497
EMAIL ADDRESS: moryan@medline.com

REPORTING TYPE: LINE-ITEM
PRICE: SEE SECTION 2.2 “PRICING”
TERMS: NET 30 DAYS

DAYS REQUIRED FOR DELIVERY: 1-2 DAYS ARO (SEE SECTION 4.4 “DISTRIBUTION”)
PRICE GUARANTEE PERIOD: ONE YEAR FROM 6/01/12 FOR FIXED PRICE ITEMS
FREIGHT AND MINIMUM ORDER: SEE SECTION 4.4 “DISTRIBUTION”
OTHER CONDITIONS: SEE OTHER SECTIONS OF THE SUMMARY RESPONSES

ORIGINATING SOLICITATION: MMCAP

Extending contract through 5/31/2016

This contract was competitively bid by the State of Minnesota on behalf of MMCAP (Minnesota Multistate Contracting Alliance for Pharmacy) a Cooperative Purchasing Organization in which Utah is a member. MMCAP medical supply contracts were awarded to three vendors:

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>STATE OF UTAH CONTRACT #</th>
<th>MMCAP MASTER PRICE AGREEMENT #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medline Industries</td>
<td>MA264</td>
<td>MMS12010</td>
</tr>
<tr>
<td>McKesson Medical</td>
<td>MA310</td>
<td>MMS12016</td>
</tr>
<tr>
<td>Henry Schein</td>
<td>MA2204</td>
<td>MMS12015</td>
</tr>
</tbody>
</table>
A Summary of Medline’s Responses and Commitments

Pricing 2.2
Ordering 3.3
Distribution 4.4
Returned Goods Policy 4.4.5
Sales Support 5.5

Definitions:
“Medline” is Medline Industries
“MMCAP” is Minnesota Multi-state Contract Alliance for Pharmacy
“GPO” is a Group Purchasing Organization and is similar to a co-op.
MMCAP is a GPO

SECTION 2.2 – PRICING

The scope of this contract covers medical and hospital supplies, and personal care items.

2.2.1 This contract is based on MMCAP pricing. Medline charges the state MMCAP prices, in accordance with the terms and conditions of the contract between Medline and MMCAP.

2.2.2 Medline’s catalog of items is available through the MMCAP contract either as fixed prices or with discount applied.

2.2.3 Pricing to the state may be accessed at the MMCAP website www.mmcap.org or at www.medline.com once the facility is registered with a Medline account.

Historical prices and transactions will be available through Insight, Medline’s online reporting tool.

2.2.4 MMCAP prices and historical prices may be verified at the MMCAP website www.mmcap.org.

2.2.5 All prices, in accordance with Section 4.4, include delivery, sales representation, all costs, and all Medline services offered under the contract.

2.2.6 Break-bulk quantities in the lowest unit of measure (LUM) packaged (safe and sterile) by the manufacturer is a requirement of the contract.

2.2.7 Pricing for packaging levels are in accordance with the contract pricing.

2.2.8 All of Medline’s products are available through the MMCAP contract either as fixed pricing or with discount applied.

2.2.9 There are no rebates paid directly under this contract, however an Administrative Fee is paid to MMCAP calculated on the price at point of sale and a percentage of that Administrative Fee is provided back to the facility as Shareback Credit in accordance with contract between Medline and MMCAP.

2.2.10 Pricing will remain the same when the State purchasing card is used.
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SECTION 3.3 – ON-LINE CATALOG AND ORDERING

3.3.1 An on-line catalog and on-line ordering are available under this contract.

3.3.2 All pricing will reflect the contract products automatically on the website after the facility has specified they want access to Medline’s MMCAP contract pricing and have established a registered Medline account.

3.3.3 The website easily shows the quantities available for each package level (EA, BX, CS, etc.) and corresponding prices.

3.3.4 The website shows what is in stock at the Branch (warehouse) located in Utah.

3.3.5 Medline offers a personalized usage list.

3.3.6 Fill rate report, In-stock Items, estimated delivery times for non-stock and backordered items available through Insight Report.

3.3.7 Parscan bar-coding with scanners, inventory management, MSDS sheets and customized reporting are also available.

3.3.8 Orders may also be placed by phone, fax, through customer service and via sales representatives.

3.3.9 All needed education and training will be provided via sales representatives and local management. A toll free customer support line exists for trouble shooting and training. The phone number is 1-800-633-5463.

SECTION 4.4 – DISTRIBUTION

4.4.1 There is a $50 dollar minimum order to qualify for FOB Destination.

4.4.2 The cut off for next day delivery on standard orders will be 1:00pm that business day. Orders received after that time will be second day delivery.

4.4.3 Our fill rate measures Lines Shipped Complete (0% or 100% measurement). Medline has a fill rate of no less than 97% on these products.

4.4.4 Non-stock products will usually be delivered within two weeks from the date of purchase depending on the method of freight agreed upon.

4.4.5 All returns must be authorized by Medline prior to receipt. Product must be returned within 90 day of purchase. Authorizations are valid for 30 days. Return goods authorizations (RGAs) may be arranged either phoning Customer Service at 1-800-307-8386 or by contacting a Medline sales representative. Unauthorized returns may be returned to customer at customer’s expense, destroyed by Medline at
Medline’s discretion, or subject to additional charges without credit being issued to customer.

4.4.6 The emergency plan is a separate attachment as Attachment A to this document.

4.4.7 FOB destination on orders of $50.00 or more on all stock Products located at the MMCAP Member Facility’s primary shipping branch in the United States. Freight charges will be added to emergency overnight shipments and stock Products where usage is in excess of 100% of communicated forecast which are required to be stock transferred or shipped overnight, and to any Product that is not stocked for the MMCAP Member Facility in their primary shipping branch. Manufacturer drop ship charges and FOB shipping point terms of distributed manufacturers will be assessed by Medline to the MMCAP Member Facility, together with all other applicable freight charges.

4.4.8 The status of each order can be provided to the ordering facility on the day the order is placed through an Insight report or on-line at www.medline.com.

4.4.9 Product availability for non-Medline manufactured products is contingent upon the availability of Medline to procure the products from the manufacturers.

SECTION 5.5 – SALES SUPPORT

5.5.1 Medline will provide sales support that is prompt (normally same day) to answer questions/resolve issues unless the answer requires manufacturer’s assistance and the time zone difference will not allow a same day response. In that case a next day response will be provided.

5.5.2 Medline will provide sales support with expertise in the workings of the Medline Utah Branch (warehouse), its operation, products offered, the application/use of those products and with the ability to consult with facilities on cost saving and efficiency measures.

5.5.3 Medline will provide sales support with experience in serving all sizes of facilities, large to small. All facilities will be treated equally as a State of Utah customer.

5.5.4 All facilities will be contacted by a representative in accordance with the facilities needs.

5.5.5 Medline will monitor closely and provide extra people as needed to smooth the transition into a new Contract and provide individualized attention for each ordering facility.
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This contract covers only those items listed in the price schedule. It is the responsibility of the agency to ensure that other items purchased are invoiced separately. State agencies will place orders directly with the vendor creating a PRC in Finet. Agencies will return to the vendor any invoice which reflects incorrect pricing.

FINET COMMODITY CODE(S): For Agency use only
46500000000 – HOSPITAL AND SURGICAL EQUIPMENT, INSTRUMENTS, AND SUPPLIES
47000000000 – HOSPITAL AND HANDICAP EQUIPMENT AND SUPPLIES: MOBILITY, SPEECH IMPAIRED, AND RESTRAINT ITEMS
47500000000 – HOSPITAL, SURGICAL, AND RELATED MEDICAL ACCESSORIES AND SUNDRY ITEMS

REVISION HISTORY:
MEMBER-REQUESTED PARTICIPATION AGREEMENT

Amendment 10

This Member-requested Participation Agreement (MPA) is by and among:

STATE OF MINNESOTA
ACTING THROUGH ITS COMMISSIONER OF ADMINISTRATION
ON BEHALF OF THE MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR
PHARMACY (MMCAP);

Medline Industries, Inc (VENDOR);

and

STATE OF UTAH
STATE OF UTAH CONTRACT NUMBER MA264

and amends the Agreement between MMCAP and Vendor to include the following:

Term: This MPA is effective upon final signature, and expires upon the expiration of MMCAP's contracts with Medline Industries, Inc. (MMSI2010) or by any party upon 30 days' written notice to the other parties to this MPA listed below.

Scope: The State of Utah desires to access the MMCAP agreements MMSI2010 with Vendor, which is incorporated into this MPA by reference.

Additional Terms:
The following terms and conditions apply solely to the performance of Vendor and member facilities accessing this contract through the State of Utah (e.g., MMCAP members that are Utah state government-operated facilities). It does not apply to MMCAP members located in the State of Utah accessing this contract through their own legal authority (e.g., cities, counties, school districts). These terms will be enforced by the State of Utah. If there is a conflict between these Additional Terms and MMCAP agreement with Vendor, the MMCAP agreement governs.

1. AUTHORITY: Provisions of this MPA are pursuant to the authority set forth in 63G-6a, Utah Code, as amended, Utah State Procurement Rules (Utah Administrative Code Section R33), and related statutes which permit the State of Utah to purchase certain specified services, and other approved purchases for the State of Utah.

2. CONFLICT OF INTEREST: Vendor represents that none of its officers or employees are officers or employees of the State of Utah, unless disclosure has been made in accordance with 67-16-7, Utah Code, as amended.

3. TERMINATION: This MPA may be terminated, with cause by either the State of Utah or Vendor, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) days after notification to correct and cease the violations, after which the contract may be terminated for cause. This MPA may be terminated without cause, by either party, upon the earlier of the termination of the MMCAP Agreement or upon sixty (60) days prior written notice being given the other party. On termination of this MPA, all accounts and
payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.

4. NONAPPROPRIATION OF FUNDS, REDUCTION OF FUNDS, OR CHANGES IN LAW:

1. Upon thirty (30) days’ written notice delivered to the Vendor, this MPA may be terminated in whole or in part at the sole discretion of the State of Utah, if the State of Utah reasonably determines that a change in federal or state legislation or applicable laws materially affects the ability of either party to perform under the terms of the MPA.

2. Upon thirty (30) days’ written notice delivered to the Vendor, this MPA may be terminated in whole or in part, or have the services and purchase obligations of the State of Utah proportionately reduced, at the sole discretion of the State of Utah, if the State of Utah reasonably determines that a change in available funds affects the State of Utah’s ability to pay under the MPA. A change of available funds as used in this paragraph, includes, but is not limited to, a change in federal or state funding, whether as a result of a legislative act or by order of the President of the United States or the Governor of the State of Utah.

3. If a notice is delivered under paragraph 1 or 2 of this Section “NONAPPROPRIATION OF FUNDS, REDUCTION OF FUNDS, OR CHANGES IN LAW,” the State of Utah will reimburse the Vendor for products properly delivered or services properly performed up until the effective date of said notice. The State of Utah will not be liable for any performance, commitments, penalties, or liquidated damages that accrue after the effective date of said notice.

4. Notwithstanding any other paragraph or provision of this Section “NONAPPROPRIATION OF FUNDS, REDUCTION OF FUNDS, OR CHANGES IN LAW,” if the State of Utah in said notice to the Vendor indicates that the Vendor is to immediately cease from placing any orders or commitments with suppliers, subcontractor or other third parties, Vendor shall immediately cease such orders or commitments upon receipt of said notice and the State of Utah shall not be liable for any such orders or commitments made after the receipt of said notice.

5. STATE OF UTAH PROCUREMENT FEE AND QUARTERLY REPORTING:

The State of Utah hereby imposes a procurement fee on the Contract and applicable only to facilities governed by the State of Utah. The fee will be payable to the “State of Utah Division of Purchasing” and will be sent to State of Utah, Division of Purchasing, 3150 State Office Building, Capitol Hill, PO Box 141061, Salt Lake City, UT 84114. The Administrative Fee will be the amount listed below and will apply to all purchases (net of any returns, credits, or adjustments) made under this MPA.

<table>
<thead>
<tr>
<th>ADMINISTRATIVE FEE</th>
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</thead>
<tbody>
<tr>
<td>State Procurement Fee Percentage:</td>
</tr>
</tbody>
</table>

The State of Utah understands and agrees that the Vendor will increase its cost of Products to reflect the addition of the procurement fee. The effective date of pricing to include the addition of the procurement fee under this MPA will be January 1, 2016, contingent upon final signatures of all parties to this MPA.
a. Quarterly Payment and Sales Reporting Requirements. The Vendor agrees that the collected procurement fees and the corresponding Quarterly Sales Report, will be submitted by Vendor to the State of Utah at salesreports@utah.gov. The procurement fees and the Quarterly Sales Report must be received by the Utah on or before the Vendor’s Payment Due Date as defined in the table below:

<table>
<thead>
<tr>
<th>Fiscal Quarters</th>
<th>Months</th>
<th>Payment Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter 1</td>
<td>March 31</td>
<td>April 30</td>
</tr>
<tr>
<td>Quarter 2</td>
<td>June 30</td>
<td>July 31</td>
</tr>
<tr>
<td>Quarter 3</td>
<td>September 30</td>
<td>October 31</td>
</tr>
<tr>
<td>Quarter 4</td>
<td>December 31</td>
<td>January 31</td>
</tr>
</tbody>
</table>

**** | **** | 30 calendar days following the termination of this MPA for any reason

Contacts:

Medline Industries, Inc.
Michael O’Ryan
Medline Industries, Inc.
One Medline Place
Mundelein, IL 60060
847-643-4759
MORyan@medline.com

State of Utah:
Brenda Veldevere
bveldevere@utah.gov
801-538-3142

MMCAP:
MMCAP Managing Director
State of Minnesota, MMCAP Program
50 Sherburne Avenue, Suite 112
St. Paul, MN 55155
651-201-2420
MEMBER-REQUESTED PARTICIPATION AGREEMENT

Amendment 10

This document includes all discussions and negotiations of the parties related to this MPA and the parties agree to be bound.

1. Medline Industries, Inc

By: [Signature]  
Date: November 4, 2015  
Ron Barth  
Executive Vice President, Sales

2. State of Utah

By: [Signature]  
Date: 11/4/2015  
Christopher Hughes  
Assistant Director

3. State of Minnesota for MMCAP

In accordance with Minn. Stat. § 16C.03, subd. 3

By: [Signature]  
Date: 11-4-15

4. Minnesota Commissioner of Administration

In accordance with Minn. Stat. § 16C.05, subd. 2

By: [Signature]  
Date: Nov. 4, 2015