

2545

NOTE: 3-copies
for signature

University of Mississippi Medical Center
University Hospitals and Clinics
Contract Summary and Authorization

1. Contractor Name Mississippi Products, Inc 5. Source Funding N/A

3. Description (what is contract for?)

new "custom" Diversity Distribution Contract ; this contract will
assess the opportunity to create our first diversified vendor (local)
contract via VHC Novation

4. Budgeted ☒ Yes ☒ No N/A 7. Amount N/A

6. Revenue Producing ☐ Yes ☐ No 8. Dates of contract N/A

9. How was vendor selected (competitive bid) VHC

10. Reviewed by Legal (Legal Department stamp must be affixed to signature pages) ☐ Yes ☐ N/A

11. Reviewed by Compliance (Compliance Dept. stamp must be affixed to signature pages) ☐ Yes ☐ N/A

12. Reviewed by Hospital Budget Office (Budget Dept. stamp must be affixed to signature pages) ☒ Yes ☒ N/A
N/A

13. Reviewed by Department of Purchasing (Purchasing stamp must be affixed to signature pages) ☒ Yes ☐ N/A

14. Reviewed by Director of Human Resources (required for contractors paid as individuals) ☐ Yes ☐ N/A

15. Department Name and Number Supply Chain

16. Department Manager signature (Required)	Date:
<u>Stephen Dineen / Dir. Purchasing</u>	<u>9.4.08</u>
17. Associate or Assistant Administrator Approval (Required < \$50,000)	Date:
18. Administrator Approval (Required > \$50,000)	Date:
19. Vice Chancellor/Chief Executive Approval (Required for > \$250,000)	Date:
20. Chancellor/IHL Board Approval (land acquisitions > \$100,000 and contracts > \$250,000)	Date: <u>N/A</u>

* Applicable to budgeted items only. All unbudgeted items require approvals by the Chief Financial Officer and the Chief Executive Officer in addition to the other approvals above.

Administrator approval is - Executive Director of Batson or University Hospitals, CFO, System CNO, CMO, or equivalent position

Associate Administrator is - Administrator for Clinical & Support Services, CNO Batson or University Hospitals, CLO, CHRO, Chief Marketing Officer, Chief of Business Development, CEO Holmes County or equivalent position.

Supplier Diversity Agreement

Not Bid

**MEMBER-SPECIFIC
MEDICAL-SURGICAL DISTRIBUTION AGREEMENT**

Between

NOVATION, LLC

University of Mississippi Medical Center

(Member)

And

Mississippi Products, Inc

("Distributor")

FM 80060

NOVATION, LLC

MEDICAL-SURGICAL DISTRIBUTION AGREEMENT

THIS MEDICAL-SURGICAL DISTRIBUTION AGREEMENT (this "Agreement") is made and entered effective the August 11, 2008 ("Effective Date"), by and between University of Mississippi Medical Center, ("Member"), NOVATION LLC, a Delaware limited liability company ("Novation") and Mississippi Products, Inc., a Mississippi company ("Distributor"). Member, Novation, and Distributor are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

WHEREAS, Novation is engaged in providing purchasing opportunities with respect to high quality products and services to health care providers (each a "Member" and collectively, the "Members") entitled to participate in Novation's programs through their membership or other participatory status in VHA Inc., University HealthSystem Consortium, and HealthCare Purchasing Partners International, LLC (each, a "Client," and collectively, the "Clients");

WHEREAS, Distributor is engaged in the business of providing distribution services with respect to the purchasing and reselling of (i) products for which Novation has contracted with a Supplier (as defined herein) to provide to Members at a set price ("Contract Products or Products");

WHEREAS, Member has informed Novation that it wishes to access certain Novation medical-surgical supply contracts as soon as possible through Distributor, and Novation has required that this Medical-Surgical Distribution Agreement be entered into among Distributor, Member and Novation;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter expressed, Novation, Member and Distributor agree as follows:

I. General Terms

- A. Novation agrees to allow Distributor access to Novation supplier agreement FM80021 between Novation and Georgia Pacific ("Supplier"). Novation will notify Supplier that Distributor may access said agreement for the benefit of Member through the term of agreement FM80021 and any extensions of said agreement while the distributor agreement is in effect.
- B. Distributor agrees to order from Georgia Pacific and distribute to Member such products available under FM80021 as Member may order through Distributor.

- C. Distributor understands and agrees that the authority conferred by Novation under this Agreement is limited to acting as distributor for Member, and Distributor agrees that it will not market or present itself as a Novation authorized medical-surgical distributor to any person or entity other than Member.

2. Term and Termination

A. Term. This Agreement shall have an initial term of three (3) years, beginning on the Effective Date (the "Initial Term"). In Novation's sole discretion, the Initial Term may be renewed for up to two (2) additional one-year terms (each, a "Renewal Term") upon the mutual written agreement of the Parties. The Initial Term and any Renewal Terms are referred to collectively herein as the "Term."

B. Termination. Except as otherwise specifically provided herein, either Party may terminate this Agreement at any time for any reason by delivering not less than ninety (90) days' prior written notice thereof to the other Party. In addition, either Party may terminate this Agreement immediately by delivering written notice thereof to the other Party upon the occurrence of either of the following events:

- (1) Member terminates this Agreement in accordance with section 2(D) below; or
- (2) Novation agreement FM80021 is terminated.
- (3) The other Party breaches this Agreement and does not cure this breach within thirty (30) days of receiving notice of such breach; provided, however, that no cure period shall be permitted for Distributor's breach of its financial obligations hereunder or breach of any Legal Requirement (as defined herein); or
- (4) The other Party becomes bankrupt or insolvent, makes an unauthorized assignment, goes into liquidation, has proceedings initiated against it for the purpose of seeking a receiving order or winding up order, or applies to the courts for protection from its creditors.

C. Non-Payment or Insolvency of a Member. In the event that a Member fails to pay Distributor for Medical-Surgical Products, becomes bankrupt or insolvent, makes an assignment for the benefit of creditors or goes into liquidation, or if proceedings are initiated for the purpose of having a receiving order or winding up order made against a Member, or if a Member applies to the courts for protection from its creditors, then this Agreement will not terminate, but Distributor will have the right, upon prior written notice to Novation and the Member, to discontinue the provision of Services to that Member.

D. Termination by Member. A Member shall provide thirty (30) days' advance written notice to Distributor in the event that it wishes to discontinue receipt of Services from Distributor.

3. Compliance With Law and Government Program Participation

A. Compliance With Law. Each Party represents and warrants that to the best of its knowledge, after due inquiry, it is, and for the Term shall be, in compliance with all federal and state statutes, laws, ordinances and regulations that are material to the operation of its business and the conduct of its affairs ("Legal Requirements"), including, but not limited to, Legal Requirements pertaining to the safety of the Medical-Surgical Products and Services, occupational health and safety, environmental protection, nondiscrimination, antitrust, health care regulatory and equal employment opportunity.

B. Notification of Claims. During the Term, Distributor shall promptly notify Novation of any lawsuits, claims, administrative actions or other proceedings asserted or commenced against it that assert, in whole or in part, that Distributor is in noncompliance with any Legal Requirement.

C. Government Program Participation. Each Party represents and warrants that it is not (1) excluded from participating in any "Federal health care program" as that phrase is defined in 42 U.S.C. § 1320a-7b(f) ("Excluded"), or (2) debarred, suspended, declared ineligible, or voluntarily excluded by any Federal department or agency (collectively, "Debarred"). In the event that a Party, during the Term of this Agreement, is Excluded or Debarred, that Party (the "Excluded Party") shall notify the other Party (the "Non-Excluded Party") in writing within three (3) days after such event. Upon the occurrence of such event, whether or not notice is given to the Non-Excluded Party, the Non-Excluded Party may terminate this Agreement immediately upon written notice to the Excluded Party.

4. Damages. Novation and Distributor agree that Novation and/or the Participating Members would suffer damages if Distributor fails to perform certain of its obligations under this Agreement. Novation and Distributor further agree that the damages suffered by Novation and/or the Participating Members by reason of any such failure by Distributor is uncertain, and they therefore agree that the schedule of damages set forth in Exhibit W attached hereto constitutes a reasonable estimation of such damages and were determined according to the principles of just compensation. Novation's and/or a Participating Member's right to recover damages in accordance with this Section is in addition to any other rights and remedies Novation, the Clients or the Participating Members may have by reason of Distributor's failure to perform its obligations under this Agreement.

5. Insurance

A. Policy Requirements. Distributor will maintain and keep in force during the Term product liability, general public liability and property damage insurance against any insurable claim or claims, which might or could arise regarding Services provided or Products sold by Authorized Distributor. Such insurance will contain a minimum combined single limit of liability for bodily injury and property damage in the amounts of not less than \$2,000,000 per occurrence and \$10,000,000 in the aggregate; will name

Novation, the Clients, and the Member, as their interests may appear, as additional insureds. Distributor will provide to Novation in its Bid and thereafter within fifteen (15) days after Novation's request, an insurance certificate indicating the foregoing coverage, issued by an insurance company licensed to do business in the relevant states and signed by an authorized agent.

B. Self-Insurance. Notwithstanding anything to the contrary in . Section 5(A). above, Distributor may maintain a self-insurance program for all or any part of the foregoing liability risks, provided that such self-insurance complies with the requirements set forth in Section 5(A). above.

C. Amendments, Notices and Endorsements. Distributor will not amend, in any material respect that affects the interests of Novation, the Clients or the Members, or terminate said insurance or self-insurance program except after providing thirty (30) days' prior written notice to Novation. In the event that Distributor amends said liability insurance or self-insurance program in accordance with this Section 5., Distributor shall provide Novation with copies of all notices and endorsements as soon as practicable after Distributor receives or gives them.

6. Release and Indemnity. DISTRIBUTOR SHALL RELEASE, INDEMNIFY, HOLD HARMLESS, AND, IF REQUESTED, DEFEND NOVATION, THE CLIENTS AND THE MEMBER, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, REGENTS, AGENTS, AFFILIATES AND EMPLOYEES (COLLECTIVELY, THE "INDEMNITEES"), FROM AND AGAINST ANY CLAIMS, LIABILITIES, DAMAGES, ACTIONS, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES, EXPERT FEES AND COURT COSTS) OF ANY KIND OR NATURE, WHETHER AT LAW OR IN EQUITY, ARISING FROM OR CAUSED IN ANY PART BY (1) THE BREACH OF ANY REPRESENTATION, WARRANTY, COVENANT OR AGREEMENT OF DISTRIBUTOR CONTAINED IN THIS AGREEMENT OR IN THE BID; OR (2) THE CONDITION OF ANY PRODUCT CAUSED BY THE NEGLIGENT ACTIONS OR OMISSIONS OF DISTRIBUTOR, INCLUDING, WITHOUT LIMITATION, IMPROPER STORAGE OF ANY PRODUCT. SUCH INDEMNIFICATION, HOLD HARMLESS AND RIGHT TO DEFENSE WILL NOT BE APPLICABLE TO THE EXTENT THE CLAIM, LIABILITY, DAMAGE, ACTION, COST OR EXPENSE ARISES SOLELY AS A RESULT OF AN ACT OR FAILURE TO ACT OF INDEMNITEES. THIS SECTION AND THE OBLIGATIONS CONTAINED HEREIN SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT. THE REMEDIES SET FORTH IN THIS SECTION ARE IN ADDITION TO AND NOT A LIMITATION ON ANY OTHER RIGHTS OR REMEDIES THAT MAY BE AVAILABLE AGAINST DISTRIBUTOR.

7. Books and Records. Distributor shall keep, maintain and preserve complete, current and accurate books, records and accounts of the transactions contemplated by this Agreement and such additional books, records and accounts as are necessary to establish and verify Distributor's compliance with this Agreement. All such books, records and accounts will be available for inspection and audit by Novation representatives at any time during the Term and for two (2) years thereafter, but only during reasonable business hours and upon reasonable notice. Novation agrees that its routine audits will not be conducted more frequently than twice in any

consecutive twelve (12) month period, subject to Novation's right to conduct special audits whenever it deems it to be necessary. The exercise by Novation of the right to audit Distributor's books and records is without prejudice to any other or additional rights or remedies of either Party.

8. Confidential Information.

A. Nondisclosure. Distributor agrees that it shall:

- (1) keep strictly confidential and hold in trust all Confidential Information, as defined in Paragraph 25. Section B. below, of Novation, the Clients, the Suppliers, and the Member;
- (2) not use the Confidential Information for any purpose other than the performance of its obligations under this Agreement, without the prior written consent of Novation;
- (3) not disclose the Confidential Information to any third party (unless required by law) without the prior written consent of Novation; and
- (4) not later than thirty (30) days after the expiration or earlier termination of this Agreement, return to Novation, the Client, the Supplier, or the Member, as the case may be, the Confidential Information.

B. Definition. "Confidential Information", as used in Paragraph 8. Section A. above, shall consist of the terms of this Agreement, and all information relating to the prices and usage of the Medical-Surgical Products (including all information contained in the reports produced by Distributor pursuant to Section 9(F) below) and all documents and other materials of Novation, the Clients and the Members containing information relating to the programs of Novation, the Clients or the Members of a proprietary or sensitive nature not readily available through sources in the public domain. In no event shall Distributor provide to any person any information relating to the prices it charges the Members for Medical-Surgical Products ordered pursuant to this Agreement without Novation's prior written consent.

C. Sales Data Distributor shall not provide any usage, sale or purchase data relating to Hospital to any third party, except to the extent necessary to obtain credits or charge backs from suppliers or as required by applicable law. If Distributor currently has in place a binding contract to supply usage, sale or purchase data to IMS America, LTD's., Selling Areas Marketing Inc. of Chicago, or any other data collection entity, Distributor may continue to provide the information required by such contract until the expiration of such contract if Hospital is not identifiable therefrom. Distributor may renew any such contract and Distributor agrees to notify Novation in writing at least thirty (30) days before such renewal.

D. Remedies. The Parties acknowledge that, in the event of a violation of any restrictions set forth in Paragraph 8. Section A. above, or in the event such a violation is likely to occur, Novation shall be entitled to preliminary and permanent injunctive relief without having to prove actual damages or immediate or irreparable harm or post a bond. Notwithstanding the foregoing, if the restrictions contained herein are judged unreasonable by any court of competent jurisdiction, the Parties agree to the reformation of such restrictions by the court to limits which may reasonably grant Novation the maximum protection permitted by applicable law in such

circumstances, and Distributor will not assert that such restrictions should be eliminated in their entirety by such court.

E. HIPAA. To the extent that Distributor is or becomes subject to, directly or indirectly, the privacy and security rules promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), codified at 45 C.F.R. Parts 160 and 164, and/or other relevant administrative simplification rules promulgated pursuant to HIPAA, then Distributor shall comply with such rules and, upon Novation's request, shall agree to amend this Agreement accordingly and/or enter into any additional agreement between or among Distributor, Novation, any Supplier and/or any Member, as appropriate.

F. Use of Names, Etc. Distributor agrees that it shall not use in any way in its promotional, informational or marketing activities or materials the names, trademarks, logos, symbols or a description of the business or activities of Novation or any Client or Member without in each instance obtaining the prior written consent of the person owning the rights thereto.

9. Fees Calculation. Distributor will pay to Novation, as the authorized collection agent for each of the Clients and certain of each Client's subsidiaries and affiliates, respectively (and not collectively), Fees belonging to any of the Clients or certain of their subsidiaries or affiliates equal to the Agreed Percentage of the greater of the aggregate Prices or aggregate Cost (as defined in Exhibit B) associated with all purchases of the Products by Member, whether under the pricing and other terms of this Agreement or under the terms of any other purchasing or pricing arrangements that may exist between the Member and Distributor. The Agreed Percentage is defined in Exhibit B attached hereto. If based on aggregate Prices, the Fees will be calculated without any deduction for uncollected accounts.

D. Payment. If Distributor elects to pay Administrative Fees via hard copy check, the Administrative Fees shall be due no later than the tenth day of each month. On or before that day, Distributor shall remit to Novation the monthly Administrative Fees for the prior month's purchases. If Distributor elects to pay Administrative Fees via Electronic Funds Transfer ("EFT"), then the Administrative Fees shall be due no later than the tenth day of each month. On or before that day, Distributor shall remit to Novation the monthly Administrative Fees for the prior month's purchases.

(1) Administrative Fee hard copy checks must be made payable to *Novation, LLC* and sent to:

If Sent By First Class Mail:

Novation, LLC
75 Remittance Dr., Suite 1420
Chicago, IL 60675-1420

If Sent Via Courier (e.g., Federal Express, United Parcel Service, Messenger):

The Northern Trust Company
350 North Orleans Street

Receipt & Dispatch 8th Floor
Chicago, IL 60654
Attn: Novation, LLC, Lockbox Number 1420
Telephone No. (312) 444-3576

On the air bill please remember to list the bank's telephone number, as recipient at this location. Distributor should also include its telephone number as the sender.

All Fee payments must be made payable to Novation, LLC, regardless of whether they are sent first-class mail or by courier. **Under no circumstances should checks be made payable to The Northern Trust Company.**

- (2) Account information for Administrative Fee wire transfers is as follows:

Bank Name:	The Northern Trust Company, Chicago, IL
Bank Address:	75 Remittance Drive Chicago, IL 60675
Routing No:	071 000 152
Account Name:	NOVATION, LLC
Account Number:	86665


E. Payment Penalties. If payment of Administrative Fees is not received on the date such Administrative Fees are due, any amounts past due shall be subject to a late charge in the amount of the lesser of one and one-half percent (1.5%) interest per month or the maximum rate allowed by law. In the event that Novation and/or Distributor discovers that certain sales of Contract Products and/or Non-Contract Products were not properly reported to Novation in accordance with this Agreement, Distributor shall pay the Administrative Fees related to those sales within fifteen (15) days of discovering the error in reporting.

F. Reports and Other Information Requirements. Distributor agrees to report on a monthly basis to Novation all net sales to Member (both under Novation contracts and otherwise) in the manner and at the times specified in Exhibit A hereto. Distributor agrees to provide Novation with evidence satisfactory to Novation of Distributor's ability to comply with the reporting requirements set forth in Exhibit A prior to the implementation of this agreement. Upon satisfactory demonstration of reporting capabilities, Novation agrees to notify Member and Distributor of the starting date for the contract period of access to certain Novation medical-surgical supply contracts.

10. E-Commerce Certain Members have chosen to utilize the services of Marketplace@Novation through Novation's relationship with Global Healthcare Exchange ("GHX") to transact business associated with the Agreement with Supplier. To assist Novation in helping Members meet those needs, Supplier agrees to participate in Marketplace@Novation and utilize certain Marketplace@Novation services by entering into this Agreement with

Novation. If Supplier has already signed Novation's E-Commerce Agreement and Novation has an original agreement on file, please disregard this paragraph.

11. Miscellaneous.

A. Choice of Law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of ~~Texas~~ ^{Mississippi} and the ~~Texas~~ ^{Mississippi} courts shall have jurisdiction over all matters relating to this Agreement; provided, however, that the terms of any Optional Contracting Arrangement between a Member and Distributor shall be governed by and construed in accordance with the choice of law and venue provisions set forth in that Arrangement. 

B. No Assignment. This Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party; provided, however, that Novation may assign its rights and obligations to any affiliate of Novation. Any assignment of all or any part of this Agreement by either Party shall not relieve that Party of the responsibility for performing its obligations hereunder to the extent that such obligations are not satisfied in full by the assignee. This Agreement shall be binding upon and inure to the benefit of the Parties' respective successors and assigns.

C. Notices. Except as otherwise expressly provided herein, all notices or other communications required or permitted under this Agreement shall be in writing and shall be deemed sufficient when mailed by United States mail, delivered by Federal Express or similar overnight delivery service, or delivered in person to the Party to which it is to be given, at the address of such party set forth below, or to such other address as the Party shall have furnished in writing in accordance with the provisions of this Section:

If to Distributor:

Mississippi Products, Inc.

Attn: Kyna McCalpin

P.O. Box 8866

Jackson, MS 39284-8866

601-502-1481

If to Novation:

Novation, LLC
Attn: General Counsel
125 East John Carpenter Freeway
Irving, TX 75062-2324

E. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, in the event that any provision of this Agreement becomes prohibited or invalid under applicable law, or is otherwise held unenforceable, then such provision, upon the mutual agreement of the Parties, shall be modified to reflect the Parties' intent, consistent with applicable law. The Parties shall work together in good faith in an effort to agree on an appropriate modification within a commercially reasonable period of time. Absent such agreement, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

- D. Independent Contractors. It is expressly understood and agreed that Novation, Member and Distributor shall at all times be independent contractors of one another. It is expressly understood and agreed by the Parties that nothing contained in this Agreement shall be construed to create a joint venture, partnership, association or like relationship between the Parties with respect to the subject matter hereof. In no event shall either Party be liable for the debts or obligations of the other Party.
- E. Entire Agreement. This Agreement, together with the exhibits listed below, shall constitute the entire agreement between Novation, Member and Distributor. This Agreement, together with the exhibits listed below and each Member's purchase order shall constitute the entire agreement between each Member and Distributor. In the event of any inconsistency between this Agreement and a Member's purchase order, the terms of this Agreement shall control. No other terms and conditions in any document, acceptance, or acknowledgment shall be effective or binding unless expressly agreed to in writing. The following exhibits are incorporated by reference in this Agreement:

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized officers as of the day and year first above written.

**UNIVERSITY OF MISSISSIPPI MISSISSIPPI PRODUCTS, INC.
MEDICAL CENTER**

By: David G. Putt

David G. Putt, FACHE
Interim Chief Executive Officer
University Hospitals and Health System

Date: 10/13/08

By: Jonathan Lee

Name: Jonathan Lee

Title: President, MP

Date: 10/07/08

NOVATION, LLC

By: Gary Knapp

Name: Gary Knapp

Title: Sr. Director, Contract Services

Date: 9/29/08

Exhibit A
Reporting Requirements

- Reports will be sent in an electronic format to Novation on a monthly basis, no later than the 10th day of the month following the month in which the reported sales occurred.
- A hard copy of the report will be sent to:
 Medical/Surgical Distribution
 Novation
 125 East John Carpenter Frwy.
 Irving, TX 75062-2324
- The report will list the member hospital, its address and LIC number. All sales transacted with the specific hospital shall be listed by manufacturer/vendor. The report will subtotal contract and non-contract sales by manufacturer/vendor and a total for complete contract and non-contract sales.

Novation reserves the right to modify the reporting requirements upon 60 days written notification to Distributor.

Exhibit B

Fees

Distributor will pay Novation a monthly fee in an amount equal to ~~_____~~ of its total sales of contract products (gross sales less credits) to Member for each full or partial calendar month during the term of this Agreement. "Contract products" refers to those products with respect to which Novation, or either of its Clients, VHA or University HealthSystem Consortium (UHC or UHCSC), have executed a contract (purchasing agreement), other than this Agreement, with a vendor thereof, such contract providing for, among other things, the sale by such vendor of the products to Hospital through Distributor. The fee for each full or partial month will be paid by the 10th of the following month and remitted to:

Novation
75 Remittance Dr., Suite 1420
Chicago, IL 60675-1420

A copy of the check along with the remittance advice and monthly reports will be sent by the 10th of the month to:

Novation - Medical/Surgical Distribution
125 East John Carpenter Frwy.
Irving, TX 75062-2324

STANDARD CONTRACT ADDENDUM

This standard contract addendum is an integral part of contracts entered into by the University of Mississippi Medical Center (UMMC), Jackson, MS, notwithstanding the terms in the attached agreement, the following shall take precedence over all other parts of UMMC contracts:

1. UMMC is an equal opportunity employer. UMMC does business with organizations that are in compliance with Title VII of the 1964 Civil Rights Act, as amended. During the performance of any contract with UMMC, vendor agrees to be bound by provisions of Civil Rights Act of 1964 as amended and the Rehabilitation Act of 1973 as amended and the Veterans Readjustment Act of 1972 as amended.

2. Continuance of any UMMC contract is based on availability of funds. Should there be no funds available for any succeeding funding period, the contract will be cancelled as of the end of the funding period with no further obligation on the part of UMMC. Therefore this contract is cancelable with 60 days of notice to the vendor at the end of any fiscal period in the event funds are not appropriated by the funding authority. Any property covered by a lease shall be returned to the lessor. In the event of any reduction of available funds, this contract shall be funded as priority.

3. UMMC contracts are governed by and interpreted under the laws of the State of Mississippi without reference to conflicts of laws provisions of the Mississippi Code of 1972 as amended.. Any reference to limiting remedies or limitation of warranty is deleted pursuant to §11-7-18 of the Miss Code of 1972, as amended.

4. Pursuant to §§27-65-1, *et seq.*, and 27-67-1, *et seq.*, of the *Mississippi Code of 1972* ("Code")

UMMC and other state institutions are exempt from state sales and use taxes. Likewise, UMMC will not pay excise or personal property taxes. If the vendor is liable for such taxes, Vendor shall take such into consideration in pricing. It is Vendor's responsibility to contact local taxing authorities in the state and county where equipment will be located to determine possible tax liabilities in connection therewith.

5. Any reference to attorney's fees to be paid by UMMC is deleted. Any reference to UMMC indemnifying or holding harmless the vendor is deleted; UMMC does not agree to defend any contractor. Each party shall be responsible for its own defense against all claims, liabilities, losses and expenses, including reasonable costs, collection expenses and attorneys' fees, which may arise because of the negligence, misconduct or other fault of its agents or employees in the performance of its obligations under this agreement. UMMC is an entity of the State of Mississippi and is afforded the protection of limited sovereign immunity pursuant to §§11-46-1 of the Code, as amended and any action against UMMC shall be filed in accordance with and subject to the limitations contained therein.

6. Any reference to limitation of Vendor's liability is deleted.

7. All references to UMMC being required to purchase insurance are deleted. UMMC is self-insured and will not be required to purchase casualty and liability insurance. UMMC may furnish a certificate of self-insurance pursuant to the Mississippi Tort Claims Act.

8. All references to interest to be paid by UMMC on other than lease-purchase contracts not exceeding five years are deleted. UMMC may at its discretion, negotiate payment terms in order to realize early pay discounts and other incentives to effectively manage State funds. However, no invoice shall be considered past due or late until the 45th day after receipt in accord with Sec. 31-7-305[3], of the Mississippi Code of 1972 as amended. UMMC makes no prepayments for services or products. Any exceptions must have prior written approval from the Associate Vice Chancellor for Financial Affairs after approval by the Director of Purchasing.

9. In the event vendor/contractor does not furnish products or services as agreed upon in the contract documents, including any stated time period to cure, UMMC may, at its discretion, declare the contract null and void by writing a letter to the vendor or may require the vendor, at vendor's expense, to make such modification as necessary to make the products or services satisfactory.

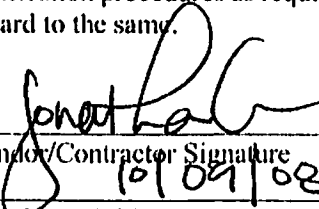
10. Vendor's travel, if included in the attached Agreement, shall be subject to the Rules and Regulations applicable to UMMC and State of Mississippi employee travel.

NOTE: If vendor includes third party financing in his bid or if multiple vendors submit a joint bid, an authorized official of each company including the financing company must sign this addendum.

COMPLIANCE:

As part of UMMC's overall Compliance Program, contractor shall establish procedures and insure adherence for its employees to all appropriate state and federal statutes including but not limited to, the Stark I, 42 USC §411, and Stark II, 42 USC §1395, bans on self referrals, the False Claims Act, 31 USC §3729, anti-kickback statutes, 42 USC §415, HIPAA, the Medicare carrier manual, Medicare and Medicaid statutes and regulations, and the Balanced Budget Act. Any acts pursuant to this agreement shall be done in compliance with the applicable rules and regulations of the TJC and any third party payer.

Vendor/contractor certifies that it has not been disqualified in any manner from any federally funded program, and is not debarred or limited in any manner from participation in the matters upon which this agreement is based. Vendor/Contractor further affirms that it is in compliance with the Mississippi Employment Protection Act [MEPA] and will indemnify and hold harmless UMMC for any action arising from the violation or failure to comply with employment verification procedures as required by the state of Mississippi or Federal laws and regulations in regard to the same.


Vendor/Contractor Signature

Date Name/Title

10/09/08 President, KPI

STANDARD CONTRACT ADDENDUM

This standard contract addendum is an integral part of contracts entered into by the University of Mississippi Medical Center (UMMC), Jackson, MS, notwithstanding the terms in the attached agreement, the following shall take precedence over all other parts of UMMC contracts:

1. UMMC is an equal opportunity employer. UMMC does business with organizations that are in compliance with Title VII of the 1964 Civil Rights Act, as amended. During the performance of any contract with UMMC, vendor agrees to be bound by provisions of Civil Rights Act of 1964 as amended and the Rehabilitation Act of 1973 as amended and the Veterans Readjustment Act of 1972 as amended.

2. Continuance of any UMMC contract is based on availability of funds. Should there be no funds available for any succeeding funding period, the contract will be cancelled as of the end of the funding period with no further obligation on the part of UMMC. Therefore this contract is cancelable with 60 days of notice to the vendor at the end of any fiscal period in the event funds are not appropriated by the funding authority. Any property covered by a lease shall be returned to the lessor. In the event of any reduction of available funds, this contract shall be funded as priority.

3. UMMC contracts are governed by and interpreted under the laws of the State of Mississippi without reference to conflicts of laws provisions of the Mississippi Code of 1972 as amended.. Any reference to limiting remedies or limitation of warranty is deleted pursuant to §11-7-18 of the Miss Code of 1972, as amended.

4. Pursuant to §§27-65-1, *et seq.*, and 27-67-1, *et seq.*, of the *Mississippi Code of 1972* ("Code")

UMMC and other state institutions are exempt from state sales and use taxes. Likewise, UMMC will not pay excise or personal property taxes. If the vendor is liable for such taxes, Vendor shall take such into consideration in pricing. It is Vendor's responsibility to contact local taxing authorities in the state and county where equipment will be located to determine possible tax liabilities in connection therewith.

5. Any reference to attorney's fees to be paid by UMMC is deleted. Any reference to UMMC indemnifying or holding harmless the vendor is deleted; UMMC does not agree to defend any contractor. Each party shall be responsible for its own defense against all claims, liabilities, losses and expenses, including reasonable costs, collection expenses and attorneys' fees, which may arise because of the negligence, misconduct or other fault of its agents or employees in the performance of its obligations under this agreement. UMMC is an entity of the State of Mississippi and is afforded the protection of limited sovereign immunity pursuant to §§11-46-1 of the Code, as amended and any action against UMMC shall be filed in accordance with and subject to the limitations contained therein.

6. Any reference to limitation of Vendor's liability is deleted.

7. All references to UMMC being required to purchase insurance are deleted. UMMC is self-insured and will not be required to purchase casualty and liability insurance. UMMC may furnish a certificate of self-insurance pursuant to the Mississippi Tort Claims Act.