# PURCHASE ORDER

**THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER**

200 Technology Way, Suite 2079, College Station, Texas 77845-3424; Phone 979-436-9219, FAX 979-436-0074

**FILE**

VENDOR

- 8690
- THERACOM LLC
- 9717 KEY WEST AVE
- ROCKVILLE, MD 20850

**INVOICE (IN DUPLICATE) TO AGENCY BELOW**

- TEXAS A&M HEALTH SCIENCE CTR
- COLLEGE OF MEDICINE
- FAMILY MEDICINE RESIDENCY
- PROGRAM
- 2900 E 29TH ST STE 100
- BRYAN TX 77802

**SHIP TO:**

- TEXAS A&M HEALTH SCIENCE CTR
- COLLEGE OF MEDICINE
- FAMILY MEDICINE RESIDENCY
- PROGRAM
- 2900 E 29TH ST STE 100
- BRYAN TX 77802

**F0B:** DESTINATION FRT INCLUDED

The Texas A&M University System Health Science Center cannot accept collect freight shipments.

- FAILURE TO DELIVER—If the vendor fails to deliver these supplies by the promised delivery date or a reasonable time thereafter, without giving acceptable reasons for delay, or if supplies are rejected for failure to meet specifications, the State reserves the right to purchase specified supplies elsewhere, and charge the increase in price and cost of handling, if any, to the vendor. Neither substitutions nor cancellations permitted without prior approval.

- The State of Texas is exempt from all Federal Excise Taxes

- STATE AND CITY SALES TAX EXEMPTIONS CERTIFICATE: The undersigned claims an exemption from taxes under Texas Tax Code, Section 151.309(a), for purchase of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above, as this property is being secured for the exclusive use of the State of Texas. The Terms and Conditions of the State of Texas shall prevail.

**Quantity | UOM | Unit Price | Ext Price**
---|---|---|---
18 | EA | 1,250.000 | 22,500.00

**TOTAL** | 22,500.00

Purchase made by an Institution of Higher Education, Section 51.9335 Education Code.

**PLEASE NOTE:** IF YOUR INVOICE IS NOT ADDRESSED AS INSTRUCTED PAYMENT WILL BE DELAYED.

**Terms:**

IN ACCORDANCE WITH YOUR BID, SUPPLIES/EQUIPMENT MUST BE PLACED IN THE DEPARTMENT RECEIVING ROOM BY

THIS ORDER IS NOT VALID UNLESS SIGNED BY THE PURCHASING AGENT.
### PURCHASE ORDER

**THE TEXAS A&M UNIVERSITY SYSTEM**
**HEALTH SCIENCE CENTER**

200 Technology Way, Suite 2079, College Station, Texas 77845-3424; Phone 979-436-9219, FAX 979-436-0074

**FILE**

**INVOICE (IN DUPLICATE) TO AGENCY BELOW**

**Texas A&M Health Science Ctr**
**College of Medicine**
**Family Medicine Residency Program**
**2900 E 29th St Ste 100**
**Bryan TX 77802**

**VENDOR**

*8690 THERACOM LLC*
**9171 KEY WEST AVE**
**ROCKVILLE, MD 20850**

**ALL TERMS AND CONDITIONS SET FORTH IN THE BID INVITATION BECOME A PART OF THIS ORDER.**

**SHIP TO:**

**Texas A&M Health Science Ctr**
**College of Medicine**
**Family Medicine Residency Program**
**2900 E 29th St Ste 100**
**Bryan TX 77802**

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**Item**

**Description**

**Quantity**

**UOM**

**Unit Price**

**Ext Price**

CC FY ACCOUNT NO. DEPT.
--- --- --- --- ---
23 2017 203101-00000-4045 2515

**22,500.00**

**DOCUMENT DATE:** 02/01/2017

**DEPT. CONTACT:** NIKKI RUIZ
**PHONE NO.:** 979-436-0445

**SOLE SOURCE REASON:**
**SPECIFIC BIRTH CONTROL FOR PATIENTS**

**PCC CD:** 9

**TYPE FUND:** S **TYPE ORDER:** HIED

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**FOB:** DESTINATION FRT INCLUDED

The Texas A&M University System Health Science Center cannot accept collect freight shipments.

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**FAILURE TO DELIVER:***If the vendor fails to deliver these supplies by the promised delivery date or a reasonable time thereafter, without giving acceptable reasons for delay, or if supplies are rejected for failure to meet specifications, the State reserves the right to purchase specified supplies elsewhere, and change the increase in price and cost of handling, if any, to the vendor. Neither substitutions nor cancellations permitted without prior approval.

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**PLEASE NOTE:** If your invoice is not addressed as instructed, payment will be delayed.

**SAK**

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**Terms:**

IN ACCORDANCE WITH YOUR BID, SUPPLIES/EQUIPMENT MUST BE PLACED IN THE DEPARTMENT RECEIVING ROOM BY

**THIS ORDER IS NOT VALID UNLESS SIGNED BY THE PURCHASING AGENT.**

**PURCHASING AGENT FOR**
**THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER**
PURCHASE ORDER
THE TEXAS A&M UNIVERSITY SYSTEM
HEALTH SCIENCE CENTER
200 Technology Way, Suite 2079, College Station, Texas 77845-3424; Phone 979-436-9219, FAX 979-436-0074

VENDOR

INVOICE (IN DUPLICATE) TO AGENCY BELOW

TEXAS A&M HEALTH SCIENCE CTR
COLLEGE OF MEDICINE
FAMILY MEDICINE RESIDENCY PROGRAM
2900 E 29TH ST STE 100
BRYAN TX 77802

SHIP TO:

TEXAS A&M HEALTH SCIENCE CTR
COLLEGE OF MEDICINE
FAMILY MEDICINE RESIDENCY PROGRAM
2900 E 29TH ST STE 100
BRYAN TX 77802

 ANY EXCEPTION TO PRICING OR DESCRIPTION CONTAINED HEREIN MUST BE APPROVED BY HUB & PROCUREMENT SERVICES PRIOR TO SHIPPING.

USER REF: 203101-00000
PAYMENT TERMS: NET 30
THE TEXAS A&M HEALTH SCIENCE CENTER WILL INCUR NO LATE PAYMENT PENALTY IF PAYMENT IS MADE WITHIN THIRTY (30) DAYS FROM RECEIPT OF GOODS OR SERVICES AND AN UNCONTROVERSIAL INVOICE.

BY ACCEPTANCE OF THIS PURCHASE ORDER, VENDOR AGREES TO ALL TEXAS A&M UNIVERSITY TERMS AND CONDITIONS LOCATED AT THE FOLLOWING URL: PURCHASING.TAMU.EDU/MEDIA/123743/BIDTAMU.PDF

Purchasing Agent for The Texas A&M University System Health Science Center

Item Description Quantity UOM Unit Price Ext Price
---
USER REF: 203101-00000
PAYMENT TERMS: NET 30
THE TEXAS A&M HEALTH SCIENCE CENTER WILL INCUR NO LATE PAYMENT PENALTY IF PAYMENT IS MADE WITHIN THIRTY (30) DAYS FROM RECEIPT OF GOODS OR SERVICES AND AN UNCONTROVERSIAL INVOICE.

IN THE EVENT OF A CONFLICT BETWEEN THE PARTIES' TERMS AND CONDITIONS, VENDOR SPECIFICALLY AGREES TO BE BOUND BY THE LAWS OF THE STATE OF TEXAS.

REF: PRICING EFFECTIVE 1/1/17
THIS PO IS FOR ENCUMBRANCE AND PAYMENT PURPOSES ONLY
IT IS NOT A GUARANTEE OF PURCHASE ORDERS WILL BE PLACED ON "AS NEEDED" BASIS BY AUTHORIZED PERSONNEL OF THE AGENCY

PERIOD OF SVC: 1/1/17 THROUGH 8/31/17
DO NOT SHIP FROM THIS DOCUMENT

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Quantity</th>
<th>UOM</th>
<th>Unit Price</th>
<th>Ext Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ensure birth control</td>
<td>18</td>
<td>EA</td>
<td>1,250.00</td>
<td>22,500.00</td>
</tr>
</tbody>
</table>

TOTAL 22,500.00

FOB: DESTINATION FRT INCLUDED
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IN ACCORDANCE WITH YOUR BID, SUPPLIES/EQUIPMENT MUST BE PLACED IN THE DEPARTMENT RECEIVING ROOM BY

THIS ORDER IS NOT VALID UNLESS SIGNED BY THE PURCHASING AGENT.

SUSAN KING
PURCHASING AGENT FOR
THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
Please see the attached purchase order.

If you have any questions, please do not hesitate to contact me.

Thank You,

Susan King  CTPM

Procurement Services  |  Texas A&M University

MS 1477  |  330 Agronomy Road, College Station  TX  77843-1477
Ph: 979.845.3888  |  Fax: 979.845.3800  sa-king@tamu.edu

www.tamu.edu  |  LEAD by EXAMPLE

****************** PLEASE NOTE NEW NAME & EMAIL ADDRESS **********
Can we please process new PO’s for:

R700050 is for Essure to give patients that chose the option to have this type of birth control. Vendor is Bayer which they go through Theracom for all their payments.

Vendor contact is:

Jessi James  
PO Box 915  
Whippany NJ 07981-0915  
Cell 832-752-2033  
Jessi.james@bayer.com

R700051 is for Genzyme, this gives patients with osteoarthritis pain to have treatment with this specific medication.

Vendor contact is:

Adam Lurvey  
55 Corporate Dr  
Bridgewater NJ 08807  
Cell 508-265-6566  
Adam.lurvey@sanofi.com

Thank You,
Nikki

Nikki Ruiz | Business Coordinator II for Texas A&M Physicians  
I’m an HR Liaison  
Clinical & Translational Medicine, College of Medicine | Texas A&M University  
2900 East 29th Street, Suite 100  
Bryan TX 77802  
ph: 979-436-0445 | fax 979-776-6905 | Nichole.ruiz@tamhsc.edu  
---------------------------------------------  
TEXAS A&M UNIVERSITY | FEARLESS on Every Front
The Texas A&M University System Health Science Center

Sole Source and/or Proprietary Justification

Requisition No. 700050

Date: 1/23/2017

This form is to be used to aid departmental staff in relating information necessary in the process of requisitions on a sole source and/or proprietary basis. Your cooperation in answering the questions listed below will assist the purchaser in handling your order expeditiously. Please complete the form and forward to HUB and Procurement Services. If more space is required, feel free to attach additional pages. NOTE: For your convenience, this is a fill-in form. Adobe Reader required.

1. Description of item (if commodity: make, model no., etc.; if service: detail of type of service):
   Essure is indicated for women who desire permanent birth control (female sterilization) by bilateral occlusion of the fallopian tubes. With Essure, the fallopian tubes are bilaterally occluded without incisions or general anesthesia.
   Using a hysteroscopic approach, the Essure® inserts are placed in the proximal section of each of the fallopian tubes.

2. Name of known source for item:
   Bayer HealthCare

3. What feature or functions are unique (proprietary) to this item?
   The procedure is commonly performed in the office setting.
   Incisions and general anesthesia are not needed for the procedure to place the inserts.
   The hysteroscopic approach avoids surgical entry into the peritoneal cavity.
   Quick recovery, most women return to normal activities in 1 to 2 days.
   The Essure® insert is a spring-like device that expands and conforms to the varied shapes of the fallopian tube. PET fibers within the device elicit tissue in-growth.

4. Briefly explain how the unique features or functions are essential to the purpose for which the item is needed.
   A small Essure insert is permanently placed into each of your fallopian tubes by your doctor. These inserts work with your body to form a natural barrier that keeps sperm from reaching the eggs, preventing pregnancy. While the natural barrier forms over time, another form of birth control must be used.

5. List any source other than the known source that manufactures or supplies similar items or items with similar functions.
   There are no other products with the same makeup.
6. Why are the other sources not satisfactory?
This is the best value, and unique in that is can be done in the office.

7. Will the item be used with existing equipment?  
   If yes, -as a repair/replacement part?  
   -as component to be interfaced?  
   -as an accessory?  
   -to match existing equipment?  
   -for reason of interchangeability?  
   Yes  Yes  Yes  Yes  Yes
   No  No  No  No  No

List make and model of existing equipment.

n/a

8. Include any additional information that may aid the purchaser in processing this requisition.
Based on report pulled via our EMR we need to allocate 18 Essure kits for the remaining fiscal year.

I certify that, to the best of my knowledge, the above information is true and accurate and that no other material fact or consideration offered or given has influenced this recommendation for a sole source/proprietary purchase.

Submitted by:  Rosie Meredith MSN, RN Program Manager III
(Printed name, title and department)

Signature:
PRODUCTS

BY SUPPLIER
SELECT
BY CATEGORY
SELECT
BY KEYWORD

ESSURE
Bayer Healthcare | Contraceptives

ADD FAVORITE

Pricing

Essure
1 unit

Price

$1,250.00

*Denotes price change in the past 30 days

Permanent Birth Control

FAVORITES

Click the favorite button on pages you visit regularly for easy access!
HOW TO ORDER

To access our contracts for the first time or when setting up a new account be sure to tell the supplier you are an Afaxys member.

Contact:

To order Essure:
Call 855-406-2861

To order Kyleena, Mirena, or Skyla:
340b Members call Bayer Direct: 844-229-3799 or email bayerclscwhc@bayer.com
PLEASE NOTE THE BAYER DIRECT PHONE NUMBER CHANGE

Non-340b Member call Theracom: 866-318-3531
There is a minimum order requirement of 5 units

Replacement Requests: Please contact your Bayer WHC sales consultant directly.

PRICE LIST

- ABC Alliance 340b Pricing Oct.16
- ABC Alliance Non-340B Pricing 121016
- Bayer 3Q16 PHS 340B Price List

SUPPLIER BROCHURES & FLYERS

- BROCHURES
  Essure Patient Information Booklet
  Mirena Patient Brochure
  Important - Mirena Thread Change 4-2010
  Skyla Product Insert

- LINKS
  Essure

https://gpo.afaxys.com/products/essure
Mirena
Skyla
Kyleena
Jessi James  
Senior Sales Consultant, Women's Healthcare  
Essure®, Skyla®, & Mirena®  
Bayer HealthCare LLC  
100 Bayer Boulevard, P.O. Box 915  
 Whippany, NJ 07981-0915  
 Cell 632-752-2033  
 jessi.james@bayer.com  
 www.bayer.com  

Mitch Rosen  
Regional Business Manager  
Woman's Healthcare  
Bayer HealthCare LLC  
100 Bayer Boulevard,  
P.O. Box 915 Whippany, NJ 07981  
Cell 856-912-2131  
mitchell.rosen@bayer.com  
www.bayer.com
Good Morning Robby,

My apologies for my delayed response. I have attached the agreement so that you can review, however the reason we were able to qualify is because we see at least

55% – 60% Medicaid patients. I was told by our representative that there are some programs available to universities and to complete and submit the application. This program has definitely saved us money. Below is the link for the application and the direct number to my representative who can answer any questions you may have.

Please feel free to call me on my cell if needed, this is usually the best way to reach me. (979-820-7260)

Caitlyn Bailey
Afaxys Group Services

afaxys
affordable access

843-212-8806 (D) · 888-316-0943 (F)
P.O. Box 20158 · Charleston, SC 29413
caitlyn.bailey@afaxys.com · www.afaxys.com

https://gpo.afaxys.com/apply

~Rosie

Rosie Meredith MSN, RN | Program Manager III for Texas A&M Physicians
Clinical & Translational Medicine, College of Medicine | Texas A&M University
2900 East 29th Street, Suite 100
Bryan TX 77802
ph: 979.436.0456 | fax: 979.776.6905 meredith@medicine.tamhsc.edu
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TEXAS A&M UNIVERSITY | FEARLESS on Every Front

From: Bounds, Robby [mailto:rbounds@tamu.edu]
Sent: Wednesday, February 01, 2017 8:32 AM
Rosie,

Have you had a chance to look into this?

Thanks,
Robby

From: Bounds, Robby
Sent: Wednesday, January 25, 2017 8:53 AM
To: 'meredith@medicine.tamhsc.edu' <meredith@medicine.tamhsc.edu>
Subject: Afaxys GPO

Hi Rosie,

I am reviewing your sole source for Essure from Bayer, and notice the pricing comes from a group purchasing organization, Afaxys. Did the clinic join this GPO, and if so, do you have any membership documentation? We may want to expand the membership HSC-wide.

Thanks,
Robby

Robby Bounds, C.P.M., CTPM  |  Purchasing Manager and HUB Coordinator
Procurement Services  |  Texas A&M University

1477 TAMU  |  330 Agronomy Road, College Station TX 77843-1477
Ph: 979.845.4534  |  Fax: 979.845.3800  |  rbounds@tamu.edu

purchasing.tamu.edu  |  FEARLESS on Every Front
GROUP PURCHASING PROGRAM MEMBERSHIP AGREEMENT

Effective Date: 8-4-2016

“Member”: Texas A&M Physicians

This Group Purchasing Program Membership Agreement (this “Agreement”) is entered into by and between Afaxys GPO Services, a division of Afaxys, Inc. (“Afaxys GPO Services”) and the undersigned entity (“Member”) as of the date set forth above (the “Effective Date”). Afaxys GPO Services and Member will each be referred to individually herein as a “Party” and together as the “Parties.”

Whereas, one of the purposes of Afaxys GPO Services is to support the mission of health care providers and their ability to serve their clients with a broad range of affordable, high quality products and services (the “Mission”);

Whereas, Afaxys GPO Services operates a group purchasing program (the “Program”), whereby it negotiates prices and terms for the purchase of necessary and appropriate products and services by those entities that choose, by executing this Agreement, to designate Afaxys GPO Services as their group purchasing organization (“Members”); and

Whereas, Member desires to retain Afaxys GPO Services as a group purchasing organization as of the Effective Date in accordance with the terms of this Agreement.

Now, therefore, Member and Afaxys GPO Services (the “Parties”) hereby agree as follows:

1. GROUP PURCHASING PROGRAM

In operating the Program, Afaxys GPO Services will seek to ensure the consistent availability of a broad range of high quality, affordable products and services for Members, including products manufactured and/or distributed by Afaxys, Inc.’s pharmaceutical division.

2. MEMBERSHIP

Subject to the terms and conditions of this Agreement, Member hereby engages Afaxys GPO Services as its group purchasing organization (“GPO”) to negotiate and enter into (i) purchase agreements (“Supplier Contracts”) with vendors, including manufacturers, distributors, or other third parties (vendors who enter into Supplier Contracts are “Suppliers”) and (ii) GPO participation agreements and other agreements (collectively, “Third Party Contracts”) with third parties (including but not limited to other GPOs (“Third Party Organizations”)), on behalf of Member on a non-exclusive basis, pursuant to which Member (i) will purchase products and services available under
those Supplier Contracts for use by Member on a non-exclusive basis and/or (ii) participate in other GPOs or arrangements under which Member may be able to gain access to services or purchase products and services from Suppliers with which Afaxys GPO Services does not have Supplier Contracts. Member hereby authorizes Afaxys GPO Services, as the authorized agent for Member and in its name, to: (i) negotiate the terms of and enter into Supplier Contracts and Third Party Contracts, and to cancel, amend or modify any Supplier Contracts or Third Party Contracts as it deems necessary, advisable or appropriate; (ii) receive from Suppliers, Third Party Organizations, distributors, and e-commerce companies, data relating to purchases of products and services under Supplier Contracts by Member and (iii) share in any administrative and other fees arising from any purchases made by Member pursuant to any Third Party Contract. Member hereby agrees to comply with, and be bound by, all the terms and conditions of the Supplier Contracts and Third Party Contracts (and any other contracts between Member and Supplier or Third Party Organization relating to the Supplier Contracts or Third Party Contracts, as the case may be), including, without limitation, payment terms, eligibility requirements, own use requirements, auditing provisions, liability provisions, and arbitration or other dispute resolution provisions. It is hereby acknowledged and agreed by the Parties that Afaxys GPO Services shall have the right, in its sole discretion, to select and approve Suppliers and Third Party Organizations under the Program. In the event that Member enters into a local agreement (a “Local Supplement”) that includes additional terms that supplement the terms of a Supplier Contract, for purposes of Afaxys GPO Services’ obligations under the Supplier Contract, Member will comply with the terms and conditions of that Local Supplement. For purposes of this Agreement, (i) the term Supplier shall also mean and include any supplier of a GPO with which Afaxys GPO Services has entered into a Third Party Contract in the form of a participation agreement on behalf of Member as authorized above, and (ii) the term Supplier Contract shall also mean and include such Supplier’s Supplier Contract with such other GPO.

3. MEMBERSHIP ASSISTANCE

(a) GPO Services. Afaxys GPO Services shall furnish group purchasing organization services to Member, including, for example, assessing the needs of Members and their patients, identifying quality products, preparing requests for proposals, analyzing responsive bids and negotiating Supplier Contract terms on behalf of the Membership.

(b) Supplier Contracts. Afaxys GPO Services shall provide Member with a copy of all Supplier Contracts available for Member’s participation ("Active Supplier Contracts") upon written request by Member. Active Supplier Contracts will be listed on the Afaxys GPO Services’ website, which will be updated by Afaxys GPO Services from time to time. Afaxys GPO Services will facilitate processes for Member to notify Suppliers of decisions to participate in and purchase under Supplier Contracts. Prior to purchasing products and services that are available for purchase under Supplier Contracts directly from a Supplier under terms and conditions Member separately negotiates, Member will use its best efforts to provide Afaxys GPO Services with notice of these terms within thirty (30) days. Notwithstanding anything to the contrary herein, Member’s participation in Supplier
Contracts shall be limited to the specific Supplier Contracts (and terms and conditions therein) offered to Member by Afaxys GPO Services and the applicable Supplier.

4. **CERTAIN OBLIGATIONS**

   (a) **Contract Participation.** Member will purchase products and services directly from the applicable Supplier or designated distributor or other third party under each Supplier Contract in which Member elects to participate, and will be solely responsible for product payments and compliance with all other obligations in Member’s capacity as the purchaser under each such Supplier Contract. Accordingly, Member hereby releases and holds harmless Afaxys GPO Services from any liability or claims whatsoever with respect to such actions and obligations of Member and the Suppliers. **AFXYS GPO SERVICES MAKES NO REPRESENTATIONS OR WARRANTIES IN CONNECTION WITH GOODS OR SERVICES TO BE PROVIDED BY A VENDOR HEREUNDER, WHETHER EXPRESS OR IMPLIED, AND INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. AFXYS GPO SERVICES MAKES NO GUARANTEES AS TO SATISFACTION WITH ANY VENDOR. IN NO EVENT SHALL AFXYS GPO SERVICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, REGARDLESS OF THE FORM OF ACTION, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER DUE TO BREACH OF CONTRACT, BREACH OF WARRANTY, TORT, NEGLIGENCE OR OTHERWISE.** The entire liability of Afaxys GPO Services for any action, claim or cause of action whatsoever, including without limitation, breach of contract, warranty, tort, negligence or any other legal theory, shall not exceed the administrative fees received by Afaxys GPO Services from Suppliers that resulted from Member’s purchases under Supplier Contracts during the 12 month period immediately preceding the event of default. This provision will survive the termination of this Agreement.

   (b) **Non-Diversion/Own Use.** Member hereby represents that every purchase of a product subject to the requirements of § 340B of the Public Health Services Act (a “340B Product”) made by Member through any Supplier Contract shall be for Member’s ultimate consumption or “Own Use,” and not for resale, as defined in *Abbott Labs v. Portland Retail Discount Druggist Association, Inc.* (425 US 1, 1976), and its successor line of cases (“Own Use”). In furtherance, but not in limitation of, the foregoing, Member hereby agrees to the following regarding 340B Products at all times:

   (i) Access to Supplier Contracts is limited solely to Members, and Member will use all products purchased under all Supplier Contracts in which Member participates solely for Member’s own patients who meet all eligibility requirements under the Supplier Contract and all applicable Law (as defined below) (i.e. diversion is prohibited).

   (ii) Member will not divert, deliver, transfer, distribute or sell any 340B Product purchased under any Supplier Contract to any wholesaler, distributor, or other person
or entity without specific, written permission from Afaxys GPO Services and the applicable Supplier.

(iii) In the event Member fails to comply with the provisions of this Section 4(b), Member shall be liable for all losses or costs incurred by Afaxys GPO Services, the applicable Supplier, and any other applicable manufacturers and distributors, as a result of such failure, including but not limited to, the costs of lost sales or payments that the applicable Supplier and/or other manufacturer and distributor may need to pay to their respective partners on account of such failure.

(iv) Afaxys GPO Services may, without prejudice to any other rights or remedies available to Afaxys GPO Services at law or in equity, terminate this Agreement upon written notice to Member if Member fails to comply with the provisions of this Section 4(b) and require repayment by Member of any and all payments or benefits provided herein.

(v) Member shall immediately notify Afaxys GPO Services and the applicable Supplier in writing of any diversion, delivery, transfer, distribution or sale by Member of any 340B Product in violation of the provisions of this Section 4(b).

( c ) Compliance With Law. During the term of this Agreement, each Party will comply with all applicable federal, state or local laws, rules, regulations, ordinances, orders, judgments, decrees or policies issued or promulgated by any judicial, governmental or regulatory authority (collectively, “Law”) applicable to the conduct of each Party arising out of, or related to, this Agreement, including, but not limited to those Laws regarding (i) reimbursement under any state or federal governmental payment program, including but not limited to any state Medicaid program and the federal Medicare program; and (ii) engaging in any activities which are prohibited under federal Medicare and Medicaid statutes, 42 U.S.C. §§ 1320a-7, 1320a-7(a) and 1320a-7b, or the regulations promulgated pursuant to such statutes or related state or local statutes or regulations (including but not limited to the federal Anti-Kickback Statute); and (iii) Section 340B of the Public Health Service Act (42 U.S.C. § 340B(a)(4)).

(d) Records. Each Party to this Agreement will maintain all information related to its performance under this Agreement in a current, detailed, organized and comprehensive manner and in accordance with customary industry practice and applicable Law. Each Party will maintain such records in readily accessible form, for a period of at least six (6) years from the applicable service date, or to the extent required by applicable Law, whichever is longer. Upon Afaxys GPO giving Member reasonable notice, Member shall provide Afaxys GPO Services reasonable access to such records in order to assist Afaxys GPO Services’ efforts to audit Suppliers.

(e) Confidentiality. Each Party shall hold all confidential and proprietary information, including but not limited to the terms of this Agreement and the proposed and actual Supplier Contract prices and terms and conditions, in confidence and shall not disclose such information to any person or entity without the prior written consent of the other Party; provided, however, that, subject to any applicable provisions in the Supplier Contracts
restricting the disclosure of confidential information, the foregoing shall not apply to information which (i) is generally available to the public, (ii) becomes available on a non-confidential basis from a source other than the other Party which source was not itself bound by a confidentiality agreement, (iii) is required to be disclosed by Law, or (iv) is required by any formal investigation or audit by any governmental or regulatory authority. The non-disclosing Party shall be entitled to injunctive relief to prevent a breach or threatened breach of this Section, in addition to all other remedies that may be available. Each Party shall use confidential and proprietary information solely for that Party’s performance of this Agreement, and upon the termination of this Agreement, or at the request of the other Party, will return all materials containing any portion of the confidential and proprietary information. This Section shall survive termination or suspension of this Agreement.

(f) Indemnification.

(i) Member shall indemnify, defend and hold harmless Afaxys GPO Services, and its shareholders, directors, officers, agents, affiliates, employees, successors and assigns from and against any and all losses, claims, liabilities, shareholders, lawsuits, costs, damages, and expenses whatsoever, including reasonable attorneys’ fees and court costs, arising out of, incident to or in any manner occasioned by or attributable to: (a) the breach by Member of any Member representation, warranty, covenant or obligation set forth in this Agreement; (b) any intentional or negligent act or omission by Member, its employees, contractors or agents in the performance of this Agreement; or (c) any violation by Member of any applicable Law.

(ii) Afaxys GPO Services shall indemnify, defend and hold harmless Member, and its shareholders, directors, officers, agents, affiliates, employees, successors and assigns from and against any and all losses, claims, liabilities, shareholders, lawsuits, costs, damages, and expenses whatsoever, including reasonable attorneys' fees and court costs, arising out of, incident to or in any manner occasioned by or attributable to: (a) the breach by Afaxys GPO Services of any Afaxys GPO Services representation, warranty, covenant or obligation set forth in this Agreement; (b) any intentional or negligent act or omission by Afaxys GPO Services, its employees, contractors or agents in the performance of this Agreement; or (c) any violation by Afaxys GPO Services of any applicable Law.

(g) Additional Obligations/Policies. In order to ensure effective business operations and outcomes for Afaxys GPO Services and Member, Member agrees that in addition to the terms and conditions contained in this Agreement, it shall also comply with all Afaxys GPO Services’ standard operating procedures that are applicable to their obligations as a Member and policies established and in effect from time to time and either provided to Member or posted on the Afaxys GPO Services website (collectively, the “Policies”). Member understands and agrees that compliance with the Policies is essential to the success of the Program, and therefore, failure to comply shall constitute a material breach of this Agreement and grounds for termination. Member and Afaxys GPO Services acknowledge that Afaxys GPO may, from time to time, amend or add to the Policies by providing Members or posting on the Afaxys GPO Services website such amendments or additions to the Policies in which event this Agreement shall be deemed automatically amended to include any such amendments or additions. Notwithstanding the foregoing, Afaxys GPO will provide
Member with any such amendment or addition within a reasonable time prior to the effective date of the amendment or addition. In furtherance, but not in limitation, of the foregoing:

(i) Afaxys GPO may request no more often than quarterly that Member provide Afaxys GPO Services with Member’s historical purchasing data for the previous six (6) months and the projected purchasing requirements for the next twelve (12) months as requested by Afaxys GPO Services. Member will use its best efforts to provide this information no later than thirty (30) days after the date of the request. Subject to any applicable confidentiality agreement, such historical purchasing transaction data will include data related to purchases of Supplier products and services both under and not under Supplier Contracts.

(ii) Member shall use its best efforts to provide, within thirty (30) days of a request by Afaxys GPO Services, forecasts for Member’s purchasing needs for each selected Supplier Contract.

(iii) In order to protect against non-Members purchasing through Supplier Contracts, Member will provide Afaxys GPO Services with accurate and current data on all of its sites to which Member expects delivery of products purchased under Supplier Contracts, and Member will provide Afaxys GPO Services with updated data in advance of any change to such data. Data provided shall include the title of the person responsible at the Member for the ordering of products and services under a Supplier Contract, main address, main telephone number of the location of the person responsible, basis for eligibility for 340B Products, and any additional information reasonably requested. No product will be shipped to any “Ship To” address that has not been prior-identified by Member.

(iv) Subject to any applicable confidentiality agreement, Member agrees to use its best efforts to provide Afaxys GPO Services pricing information and other terms offered to Member outside of Supplier Contracts by Suppliers, distributors, group purchasing organizations, or other third parties for Supplier products and services.

(v) Member shall utilize best efforts to provide Afaxys GPO Services with a complete response to any reasonable survey request provided to Member by Afaxys GPO Services within thirty (30) days of a request by Afaxys GPO Services.

(vi) Member shall appoint a designated representative, by name and title (the “Representative”), with whom Afaxys GPO Services’ employees or agents may confer regarding matters of operations pursuant to the Agreement and who will be responsible for responding to requests from, and providing information to, Afaxys GPO Services, and maintaining a current roster of Member contacts in the Customer Relationship Manager software system on the Afaxys GPO Services website. The contact information of the Representative shall be as set forth below, which shall be updated by Member upon written notice to Afaxys GPO Services.

TITLE Clinical Operations Manager
PHONE 979-436-0456
(h) **Member Representations.** Throughout the terms of this Agreement Member agrees to the following: (i) to comply with all terms and conditions of this Agreement, (ii) to comply with all terms and conditions of the Supplier Contracts, including without limitation, payment terms, eligibility requirements, own use requirements, liability provisions, and arbitration of dispute requirements, (iii) to remain duly licensed under applicable state law to engage in Member’s business, and certified to participate in the Medicare and Medicaid programs; (iv) to comply with all Laws applicable to its performance under this Agreement; and (v) to execute separate agreements or acknowledgements as requested by Afaxys GPO Services or any particular Supplier evidencing Member’s agreement to comply with the terms of the relevant Supplier Contracts.

5. **CERTAIN FINANCIAL MATTERS**

(a) **Administrative Fees.** Afaxys GPO Services is a “group purchasing organization” that is structured to comply with the requirements of the “safe harbor” regulations regarding payments to group purchasing organizations set forth in 42 C.F.R. § 1001.952(j). Afaxys GPO Services shall have the right to receive an administrative fee formulated in the manner set forth in Section 5(b) below.

(b) **Administrative Fees Paid by Suppliers.** At its option, Afaxys GPO Services may charge a Supplier an administrative fee, but only in accordance with the following:

(i) Afaxys GPO Services may receive from a Supplier of medical products or services a fee equal to three percent (3%) or less of the purchase price of the products or services sold to all Members (including Member) under the applicable Supplier Contract (the “**Basic Fee**”). Notwithstanding the foregoing, the Basic Fee for Suppliers of nonmedical products or services identified by Afaxys GPO Services to Member pursuant to a written notice and/or on the Afaxys GPO Services website may be equal to, or may be in the form of a service with a value equal to, ten percent (10%) or less of the purchase price of the products or services sold to Members under the applicable Supplier Contract.

(ii) In lieu of the Basic Fee, Afaxys GPO Services may receive from a Supplier a fixed amount other than the Basic Fee (the “**Fixed Fee**”). A Fixed Fee may be either a fixed sum or a fixed percentage of the value of purchases made from such Supplier by Members (including member) under the applicable Supplier Contract. If Afaxys GPO Services charges a Supplier a Fixed Fee, such Fixed Fee will be stated in a written notice furnished to Member. If the specific amount of a Fixed Fee is not known by Afaxys GPO Services, Afaxys GPO Services may instead list a maximum amount in the notice. All notices provided to Member pursuant to this Section 5(b)(ii) shall be deemed an amendment to this Agreement and incorporated herein by reference without the need for any further action of the Parties.
(iii) Afaxys GPO Services will disclose to Member in writing at least annually, and to the Secretary of the United States Department of Health and Human Services upon his or her request, the amount it received from each Supplier with respect to purchases made by or on behalf of Member. This provision will survive termination of this Agreement.

(iv) Attached hereto as Exhibit A is a copy of 42 C.F.R. § 1001.952(h), the discount “safe harbor” regulation of the federal Anti-Kickback Statute 42 U.S.C. § 1320a-7b(b). With respect to its purchases under Supplier Contracts or Supplier rebates it receives from Afaxys GPO Services or directly from Suppliers, Member agrees to comply with the terms of § 1001.952(h)(1), as it may be amended form time to time, and acknowledges notice of this regulation’s reporting and information provision obligations. This provision will survive termination of this Agreement.

(c) Other Fees Paid By Suppliers. At its option, Afaxys GPO Services may charge a Supplier fees in addition to the administrative fees described in Section 5(b) of this Agreement, for marketing or other services rendered by Afaxys GPO Services that are separate and distinct from group purchasing services hereunder.

6. DATA PROVISION AND ANALYSIS

Afaxys GPO Services shall be the exclusive owner of the compilation of pricing data related to Supplier products and services. Subject to any applicable confidentiality agreement, Member hereby authorizes Afaxys GPO Services to have access to Member’s purchasing transaction data, whether through or from Suppliers, distributors, group purchasing organizations or any business-to-business e-commerce companies through which orders for Supplier products and services are placed by Member. Member further authorizes Afaxys GPO Services to provide such purchasing transaction data to Suppliers for the purposes of improving product and service offerings available for purchase under a Supplier Contract, provided no portion of the data contains any patient health information the disclosure of which would violate applicable Law. In addition, Member hereby authorizes Afaxys GPO Services to aggregate Member purchasing transaction data with purchasing transaction data from other Members of Afaxys GPO Services for statistical analysis and other similar purposes.

7. TERM AND TERMINATION

(a) Term. The term of this Agreement will commence on the Effective Date and shall remain in effect for two (2) years thereafter (the “Initial Term”), unless terminated earlier under the terms of this Agreement. Thereafter, this Agreement will automatically renew for successive one (1) year terms (each, a “Renewal Term”). Either Party may terminate this Agreement at the end of the Initial Term and at the end of each Renewal Term upon no less than ninety (90) days prior written notice.
(b) Breach. If a Party to this Agreement commits a material breach of this Agreement or a Supplier Contract, the non-breaching Party will be entitled to terminate this Agreement in accordance with the following: (i) the non-breaching Party will give the breaching Party written notice of such breach; (ii) the breaching Party will have thirty (30) days from the receipt of such notice to cure such breach; and (iii) in the event the breaching Party fails to cure such breach, the non-breaching Party will be entitled to terminate the Agreement as of the end of such thirty (30) day period. Provided, however, if the non-breaching Party determines in its reasonable discretion that the breach is not curable, then the non-breaching Party may terminate the Agreement any time after giving written notice.

(c) Failure to be a Public Health Provider; Diversion. In the event that Afaxys GPO Services determines, in its sole discretion, that Member is not a public health provider or is in breach of the provisions of Section 4(b) above with respect to Diversion/Own Use, Afaxys GPO Services shall have the right, in its sole discretion, to immediately terminate this Agreement upon written notice to Member.

(d) Detrimental to Afaxys GPO Services or Members. Afaxys GPO Services may terminate this Agreement upon giving the Member written notice thirty (30) days in advance if it determines, in its sole discretion, that continuation of this Agreement may be detrimental to the operations of Afaxys GPO Services or the other Members. During such thirty (30) day period, Member may attempt to cure such detriment to Afaxys GPO’s sole discretion; provided however, such termination shall be effective immediately if in Afaxys GPO’s reasonable determination that no such cure is available in its sole discretion.

(e) Suspension. In lieu of termination, Afaxys GPO Services may suspend the operation of this Agreement at any time upon the occurrence of any of the events giving rise to Afaxys GPO Services’ right to terminate this Agreement pursuant to this Section 7 or upon Afaxys GPO Services’ determination, in its sole discretion, that there is probable cause to believe that any of such events may have occurred. Afaxys GPO may reinstate any such suspended agreement in its sole discretion, provided that Afaxys GPO gives the Member written notice of reinstatement at least thirty (30) days in advance.

8. DISPUTE RESOLUTION

(a) Certain Definitions.

(i) “Disputed Matter” means, at any time, each matter specified in a Notice of Dispute which has not been resolved by the Disputing Party and the Other Party to the Dispute at such time.

(ii) “Disputing Party” means any of Afaxys GPO Services or Member which has issued a Notice of Dispute.

(iii) “Notice of Dispute” means a notice in writing delivered in accordance with this Section 8 by any Disputing Party to the Other Party to the Dispute stating that such
CONFIDENTIAL

Disputing Party wishes to utilize the provisions of this Section 8, and specifying in reasonable detail the nature and basis of the Disputed Matter which is the subject of such notice.

(iv) “Other Party to the Dispute” means either of Afaxys GPO Services or Member to which the Disputing Party has issued a Notice of Dispute.

(b) General. Except as provided in Paragraph (e) of this Section 8, any dispute arising under this Agreement shall be resolved by arbitration in accordance with the provisions of this Section 8. This procedure shall apply except in cases presenting extreme urgency in which a Party may seek other appropriate preliminary, injunctive or extraordinary legal or equitable relief in accordance with the provisions of Paragraph (e) of this Section 8. This Section 8 shall survive termination of this Agreement.

(c) Resolution of Disputes. The Disputing Party and the Other Party to the Dispute shall attempt, in good faith, to resolve any Disputed Matter for a period of twenty (20) business days following the Disputing Party’s delivery of a Notice of Dispute to the Other Party to the Dispute. If, at the end of such twenty (20) day period, the Disputing Party and the Other Party to the Dispute have been unable to resolve such Disputed Matter, then such Disputed Matter shall be submitted to an arbitrator mutually acceptable to Afaxys GPO Services and Member (the “Arbitrator”) and finally settled by arbitration in Charleston, South Carolina pursuant to the then-prevailing rules of the American Arbitration Association. If Afaxys GPO Services and Member are unable to mutually agree upon an Arbitrator, such Arbitrator shall be selected by the American Arbitration Association. The Arbitrator shall consider only the Disputed Matter. The Arbitrator shall have access to all necessary accounting and other records as well as the physical facilities of the parties that may be requested by the Arbitrator from time to time. The Arbitrator shall apply the standards specified in this Agreement in determining the Disputed Matter submitted thereto.

(d) Decision of Arbitrator Final. The decision of the Arbitrator pursuant to this Section 8 shall be final and binding upon the Parties hereto with respect to any Disputed Matter, and judgment upon such decision may be entered in the U.S. District Court for the District of Delaware. The fees and expenses of the Arbitrator incurred in connection with the review and determination of any Disputed Matter and the aggregate legal and accounting fees incurred by the parties in connection with the arbitration shall be borne by the non-prevailing party to such arbitration as determined by the Arbitrator.

(e) Exception. Notwithstanding anything to the contrary set forth herein, neither Afaxys GPO Services nor Member shall arbitrate any dispute concerning any provision which specifically requires or allows a proceeding other than arbitration. It is hereby agreed that the sole and exclusive forum for any claim, demand, action, suit or proceeding related to the provisions of this Agreement which specifically requires or allows a proceeding other than arbitration (including but not limited to the proceeding permitted under Section 4(e) hereof and any other claim, demand, action, suit or proceeding for preliminary, injunctive or extraordinary legal or equitable relief), will be the U.S. District Court for the District of Delaware. Afaxys GPO Services and Member unconditionally and irrevocably agree not to bring any claim, demand, action, suit or proceeding related to provisions of this Agreement.
which specifically requires or allows a proceeding other than arbitration (including but not limited to any claim, demand, action, suit or proceeding for preliminary, injunctive or extraordinary legal or equitable relief), in any other forum and not to plead or otherwise attempt to defeat the trial of such a matter in such court, whether by asserting that such court is an inconvenient forum, lacks jurisdiction (personal or other) or otherwise. EACH PARTY IRREVOCABLY WAIVES TO THE EXTENT PERMITTED BY LAW ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT AND HEREBY RECOGNIZES THAT IT IS NOT ENTITLED TO TRIAL BY JURY. In the event any party elects to incur legal expenses in connection with any legal or equitable proceeding to enforce, defend or interpret any provision of this Agreement pursuant to this Section 8, as between it and any other party, the prevailing party will be entitled to recover from the other party such legal expenses, including reasonable attorney's fees, costs and necessary disbursements, in addition to any other relief to which such party may be entitled.

(f) Supplier Disputes. Member shall comply with the terms and conditions governing arbitration and dispute resolution in the Supplier Contracts. Member shall make good faith efforts to notify and consult with Afaxys GPO Services prior to initiating any legal action or other formal dispute with a Supplier.

9. MISCELLANEOUS

(a) Governing Law. This Agreement will be construed and interpreted solely in accordance with the laws of the state of Delaware and the United States of America, without regard to its conflicts of laws principles.

(b) Notices. Any notice required or permitted to be given pursuant to the terms and provisions hereof shall be in writing, postage and delivery charges pre-paid, and shall be sent by facsimile (with a positive confirmation report), hand delivery, overnight mail service, first-class mail or certified mail, return receipt requested, to the Parties at the following addresses:

To Afaxys GPO Services:Afaxys, Inc.
Afaxys GPO Services Division
P.O. Box 20158
Charleston, SC 29413
Attn: Todd Routchcaver
Facsimile No: (843) 577-7735

with a copy to:Ober, Kaler, Grimes & Shriver, P.C.
1401 H ST, N.W.
Suite 500
Washington, DC 20005
Attn: Robert D. Clark, Esq.
Facsimile No: (202) 326-5039
Any Party may change the address to which notices are to be sent by notice given in accordance with the provisions of this Section. Notices hereunder shall be deemed to have been given and shall be effective upon actual receipt by the other Party.

(c) **Relationship of the Parties.** This Agreement does not create any franchise, joint venture, partnership or other similar legal relationship between Afaxys GPO Services and Member. No Party has the authority to bind or act on behalf of the other Party except as otherwise specifically stated herein. There are no third party beneficiaries of or to this Agreement.

(d) **Assignment.** Neither Party hereto may assign this Agreement or assign, transfer, or delegate rights or obligations under this Agreement, without the other Party’s prior written consent, provided, however, that Afaxys GPO Services may freely assign this Agreement to any affiliate, subsidiary, parent or commonly-controlled entity of Afaxys without the consent of Member.

(e) **Exclusion.** Each Party hereby represents and warrants to the other that (i) it is not currently excluded, debarred, or otherwise ineligible to participate in any federal health care program as defined in 42 U.S.C. § 1320a-7b(f) ("the Federal Healthcare Programs"); (ii) has not been convicted of a criminal offense related to the provision of health care items or services and not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal Healthcare Programs, and (iii) is not under investigation or otherwise aware of any circumstances which may result in the Party being excluded from participation in the Federal Healthcare Programs. This shall be an ongoing representation and warranty during the term of this Agreement, and each Party shall immediately notify the other of any change in the status of the representations and warranties set forth in this Section (the “Exclusion Notice”).

(f) **Remedies for Section 9(e).** The following remedies are intended to be non-exclusive remedies for the following events:

(i) Any breach of Section 9(e)(i) by a Party shall give the other Party the right to terminate this Agreement immediately for cause.

(ii) Any failure by a Party to provide the Exclusion Notice to the other Party shall give the other Party the right to terminate this Agreement immediately for cause.

(iii) Any breach by a Party of the representations and warrants in Section 9(e)(ii) or Section 9(e)(iii) is a material breach of this Agreement and the Agreement is terminable pursuant to Section 7(b) under the other Party’s reasonable discretion.
(g) **Force Majeure.** The obligations of the Parties to perform under this Agreement will be excused during each period of delay caused by acts of God, by shortage of power or materials, by government orders or by other events that are beyond the reasonable control of the Party obligated to perform.

(h) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same agreement.

(i) **Entire Agreement.** Upon the Effective Date of this Agreement as set forth above, any previous membership agreement with respect to the subject matter hereof entered into by the Parties is hereby deemed null and void. This Agreement, including the exhibits and attachments hereto, constitute the entire understanding and agreement between Member and Afaxys GPO Services concerning the subject matter hereof, and supersede all prior negotiations, agreements and understanding among the Parties, whether oral or in writing, concerning the subject matter hereof.

(j) **Electronic Signage.** Any signature transmitted by facsimile, e-mail, or other electronic means shall be deemed to be an original signature.

AGREED TO;

**AFAXYS, INC.**

Digitally signed by CG Hintmann
Date: 2016.08.05 09:50:38 -04'00'

By: _________________

Its: General Counsel

MEMBER:

By: Texas A&M Physicians

Its: _________________
Federal Anti-Kickback Law’s Discount Safe Harbor

42 C.F.R. § 1001.952(h)

(h) Discounts. As used in section 1128B of the Act, “remuneration” does not include a discount, as defined in paragraph (h)(5) of this section, on an item or service for which payment may be made in whole or in part under Medicare, Medicaid or other Federal health care programs for a buyer as long as the buyer complies with the applicable standards of paragraph (h)(1) of this section; a seller as long as the seller complies with the applicable standards of paragraph (h)(2) of this section; and an offeror of a discount who is not a seller under paragraph (h)(2) of this section so long as such offeror complies with the applicable standards of paragraph (h)(3) of this section.

(1) With respect to the following three categories of buyers, the buyer must comply with all of the applicable standards within one of the three following categories—

(i) If the buyer is an entity which is a health maintenance organization (HMO) or a competitive medical plan (CMP) acting in accordance with a risk contract under section 1876(g) or 1903(m) of the Act, or under another State health care program, it need not report the discount except as otherwise may be required under the risk contract.

(ii) If the buyer is an entity which reports its costs on a cost report required by the Department or a State health care program, it must comply with all of the following four standards—

(A) The discount must be earned based on purchases of that same good or service bought within a single fiscal year of the buyer;

(B) The buyer must claim the benefit of the discount in the fiscal year in which the discount is earned or the following year;

(C) The buyer must fully and accurately report the discount in the applicable cost report; and

(D) the buyer must provide, upon request by the Secretary or a State agency, information provided by the seller as specified in paragraph (h)(2)(i) of this section, or information provided by the offeror as specified in paragraph (h)(3)(ii) of this section.

(iii) If the buyer is an individual or entity in whose name a claim or request for payment is submitted for the discounted item or service and payment may be made, in whole or in part, under Medicare, Medicaid or other Federal health care programs (not including individuals or entities defined as buyers in paragraph (h)(1)(i) or (h)(1)(ii) of this section), the buyer must comply with both of the following standards—
(A) The discount must be made at the time of the sale of the good or service or the terms of
the rebate must be fixed and disclosed in writing to the buyer at the time of the initial sale of
the good or service; and

(B) the buyer (if submitting the claim) must provide, upon request by the Secretary or a
State agency, information provided by the seller as specified in paragraph (h)(2)(iii)(B) of this
section, or information provided by the offeror as specified in paragraph (h)(3)(iii)(A) of this
section.

(2) The seller is an individual or entity that supplies an item or service for which payment
may be made, in whole or in part, under Medicare, Medicaid or other Federal health care
programs to the buyer and who permits a discount to be taken off the buyer's purchase price.
The seller must comply with all of the applicable standards within one of the following three
categories--

(i) If the buyer is an entity which is an HMO a CMP acting in accordance with a risk
contract under section 1876(g) or 1903(m) of the Act, or under another State health care
program, the seller need not report the discount to the buyer for purposes of this provision.

(ii) If the buyer is an entity that reports its costs on a cost report required by the Department
or a State agency, the seller must comply with either of the following two standards--

(A) Where a discount is required to be reported to Medicare or a State health care program
under paragraph (h)(1) of this section, the seller must fully and accurately report such
discount on the invoice, coupon or statement submitted to the buyer; inform the buyer in a
manner that is reasonably calculated to give notice to the buyer of its obligations to report
such discount and to provide information upon request under paragraph (h)(1) of this section;
and refrain from doing anything that would impede the buyer from meeting its obligations
under this paragraph; or

(B) Where the value of the discount is not known at the time of sale, the seller must fully
and accurately report the existence of a discount program on the invoice, coupon or statement
submitted to the buyer; inform the buyer in a manner reasonably calculated to give notice to
the buyer of its obligations to report such discount and to provide information upon request
under paragraph (h)(1) of this section; when the value of the discount becomes known,
provide the buyer with documentation of the calculation of the discount identifying the
specific goods or services purchased to which the discount will be applied; and refrain from
doing anything which would impede the buyer from meeting its obligations under this
paragraph.

(iii) If the buyer is an individual or entity not included in paragraph (h)(2)(i) or (h)(2)(ii) of
this section, the seller must comply with either of the following two standards--

(A) Where the seller submits a claim or request for payment on behalf of the buyer and the
item or service is separately claimed, the seller must provide, upon request by the Secretary or
a State agency, information provided by the offeror as specified in paragraph (h)(3)(iii)(A) of this section; or

(B) Where the buyer submits a claim, the seller must fully and accurately report such discount on the invoice, coupon or statement submitted to the buyer; inform the buyer in a manner reasonably calculated to give notice to the buyer of its obligations to report such discount and to provide information upon request under paragraph (h)(1) of this section; and refrain from doing anything that would impede the buyer from meeting its obligations under this paragraph.

(3) The offeror of a discount is an individual or entity who is not a seller under paragraph (h)(2) of this section, but promotes the purchase of an item or service by a buyer under paragraph (h)(1) of this section at a reduced price for which payment may be made, in whole or in part, under Medicare, Medicaid or other Federal health care programs. The offeror must comply with all of the applicable standards within the following three categories--

(i) If the buyer is an entity which is an HMO or a CMP acting in accordance with a risk contract under section 1876(g) or 1903(m) of the Act, or under another State health care program, the offeror need not report the discount to the buyer for purposes of this provision.

(ii) If the buyer is an entity that reports its costs on a cost report required by the Department or a State agency, the offeror must comply with the following two standards--

(A) The offeror must inform the buyer in a manner reasonably calculated to give notice to the buyer of its obligations to report such a discount and to provide information upon request under paragraph (h)(1) of this section; and

(B) The offeror of the discount must refrain from doing anything that would impede the buyer's ability to meet its obligations under this paragraph.

(iii) If the buyer is an individual or entity in whose name a request for payment is submitted for the discounted item or service and payment may be made, in whole or in part, under Medicare, Medicaid or other Federal health care programs (not including individuals or entities defined as buyers in paragraph (h)(1)(i) or (h)(1)(ii) of this section), the offeror must comply with the following two standards--

(A) The offeror must inform the individual or entity submitting the claim or request for payment in a manner reasonably calculated to give notice to the individual or entity of its obligations to report such a discount and to provide information upon request under paragraphs (h)(1) and (h)(2) of this section; and

(B) The offeror of the discount must refrain from doing anything that would impede the buyer's or seller's ability to meet its obligations under this paragraph.
(4) For purposes of this paragraph, a rebate is any discount the terms of which are fixed and disclosed in writing to the buyer at the time of the initial purchase to which the discount applies, but which is not given at the time of sale.

(5) For purposes of this paragraph, the term discount means a reduction in the amount a buyer (who buys either directly or through a wholesaler or a group purchasing organization) is charged for an item or service based on an arms-length transaction. The term discount does not include--

(i) Cash payment or cash equivalents (except that rebates as defined in paragraph (h)(4) of this section may be in the form of a check);

(ii) Supplying one good or service without charge or at a reduced charge to induce the purchase of a different good or service, unless the goods and services are reimbursed by the same Federal health care program using the same methodology and the reduced charge is fully disclosed to the Federal health care program and accurately reflected where appropriate, and as appropriate, to the reimbursement methodology;

(iii) A reduction in price applicable to one payer but not to Medicare, Medicaid or other Federal health care programs;

(iv) A routine reduction or waiver of any coinsurance or deductible amount owed by a program beneficiary;

(v) Warranties;

(vi) Services provided in accordance with a personal or management services contract; or

(vii) Other remuneration, in cash or in kind, not explicitly described in paragraph (h)(5) of this section.
VISUAL COMPLIANCE RESTRICTED PARTY SCREENING

Search criteria: Theracom (Exact match)
[Export, Sanctions, GSA, Police, PEP and International data groups]

Date of search: Wednesday, February 1, 2017
Time of search: 11:15 AM EDT
Report created by: SUSAN WARREN, TEXAS A&M - HEALTH SCIENCE CENTER

NO MATCHING RECORDS FOUND

AUTHORIES:

- Department of Commerce Denied Persons [BIS]
- Department of Commerce Entity List [BIS]
- Department of Commerce "Unverified" List [BIS]
- Department of State Arms Export Control Act Debarred Parties [DDTC]
- Department of State Munitions Export Control Orders [DDTC]
- Department of State Nonproliferation Orders
- Department of State Iran Sanctions [ISA and TRA]
- WMD Trade Control Designations [OFAC]
- Department of State Designated Terrorist Organizations
- Department of State Terrorist Exclusion List
- Palestinian Legislative Council List [OFAC]
- Federal Register General Orders
- Specially Designated Nationals and Blocked Persons [OFAC]
- Foreign Sanctions Evaders List (FSE-IR) [OPAC]
- Sectoral Sanctions Identifications List (UKRAINE-EO13662) [OFAC]
- Persons Identified as Blocked Solely Pursuant to Executive Order 13599 [OFAC]
- United Nations Consolidated List
- GSA Parties Excluded from Federal Procurement Programs [SAM/Eéli]
- GSA Parties Excluded from Federal Nonprocurement Programs [SAM/Eéli]
- GSA Parties Excluded from Federal Reciprocal Programs [SAM/Eéli]
- Air Force Special Investigations - Top Ten Fugitives
- Alcohol, Tobacco, Firearms and Explosives Most Wanted
- FBI Ten Most Wanted Fugitives
- FBI Most Wanted Terrorists
- FBI Kidnappings and Missing Persons
- FBI Seeking Information
- FBI Wanted Fugitives
- Food and Drug Administration – Clinical Investigators
- Food and Drug Administration – Debarment List
- Food and Drug Administration – Disqualified and Restricted
- Homeland Security Investigations Most Wanted
- Naval Criminal Investigative Service – Wanted Fugitives
- U.S. Immigration and Customs Enforcement Most Wanted
- U.S. Drug Enforcement – Major International Fugitives
- U.S. Marshals Service – Major Fugitive Cases
- U.S. Marshals Service – Top 15 Most Wanted
- Office of Research Integrity PHS Administrative Actions
- U.S. Postal Inspection Service – Most Wanted
- U.S. Secret Service Most Wanted
- OIG Entities Excluded from Federal Health and Medicare Programs
- CIA Chiefs of State and Cabinet Members of Foreign Governments [Politically Exposed Persons]
- Japan Foreign End-Users of Concern
- Kingdom of Saudi Arabia Wanted Militants
- CPSEP Listed Entities
- Australia Foreign Affairs Consolidated List
- European Union Consolidated List
- Interpol Recently Wanted
- HM Treasury Consolidated List [England]
- Canadian Economic Sanctions
- Canadian Border Services Agency Wanted List
- RCMP Wanted Fugitives
- FinCEN (USA PATRIOT Act) Section 311 – Special Measures
- World Bank Listing of Ineligible Firms
- OSFI Consolidated List – Entities
- OSFI Consolidated List – Individuals
- OSFI Warning List
Debarred Vendor List

The following vendors shown below are debarred from doing business with the State of Texas, effective from the date of debarment for the length of time indicated. Whether they are listed below or not, the debarred vendors include the vendors' successors in interest as defined in Rule §20.102(b) (4).

<table>
<thead>
<tr>
<th>Vendor ID Number</th>
<th>Vendor Name/Address</th>
<th>Date of Debarment</th>
<th>Length of Debarment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1562456928900</td>
<td>Smith Housewares and Restaurant Supplies 500 Erie Blvd. Syracuse, NY 13202</td>
<td>November 12, 2014</td>
<td>5 Years</td>
</tr>
<tr>
<td>1743261315000</td>
<td>Walker's Electric Company 1520 Park St Beaumont TX 77701 Also: Walkers Electric Company Calvin G. Walker Stacy Walker</td>
<td>August 28, 2012</td>
<td>5 Years</td>
</tr>
<tr>
<td>1760677671800</td>
<td>Texas Code Blue 5550 Eastex Fwy, Suite # L Beaumont, TX 77708-5300</td>
<td>October 24, 2016</td>
<td>5 Years</td>
</tr>
</tbody>
</table>

Download Debarred Vendor List [comptroller.texas.gov/purchasing/docs/debarred-vendor-list.pdf].

Federal Exclusion

Agencies and co-op members may wish to check the list of vendors excluded from doing business on the federal level. The System for Award Management, or SAM, can be used as a resource for purchasing entities.
According to Statewide Procurement Division rules, other debarment activities from other entities may be considered as possible indicators of vendor responsibility.

**Vendor Information on Payments**

The Search State Payments Issued application provides vendors with payment details.

They can also sign up in the application for Advance Payment Notification.

**Texas Government Code §2155.077**