

THIS LETTER OF PARTICIPATION (“LOP”) is entered into as of the ____ day of _____, 201__ (“LOP Date”) by and between the undersigned facility and its related entities, as listed on Attachment A if applicable, and as amended from time to time (collectively “Member”), Health Resource Services (HRS) and Amerinet, Inc., a group purchasing organization (“Amerinet”) and extends to current Capsulenet, LLC (“Capsulenet”) clients the ability to participate in the Amerinet program and take advantage of additional benefits provided to Capsulenet through the Amerinet Program.

Member operates a veterinary office or other veterinary related facility that purchases a variety of products and services (“Products”) needed for Member’s business from various suppliers and distributors (“Suppliers”) of such Products; and Amerinet is a national group purchasing organization which enters into arrangements with numerous Suppliers to furnish Products to institutions or facilities who choose to affiliate with Amerinet; and

GROUP PURCHASING AGENT. Member designates Amerinet as its national group purchasing agent, and authorizes Amerinet to negotiate and enter into agreements with Suppliers in order to make Products available to Member. As such group purchasing agent, Amerinet shall not have authority to bind Member without its prior written permission, and Amerinet’s duties shall be limited to negotiating prices and other terms with Suppliers. Member is not obligated to make any purchase under this Agreement.

MEMBER AGREES:

- To cooperate with Amerinet in the auditing of Supplier invoices, as may be requested from time to time by Amerinet, so as to ensure Supplier compliance with applicable contract terms. Member further agrees to provide in writing to Amerinet, upon request, all requested information concerning pricing, volume of purchases, choice of products, or other information relative to purchases made or orders placed by Member.
- To purchase Products only for Member’s own use, and to abstain from any resale, diversion, or other use of such of Products as may be prohibited by applicable law. Notwithstanding any contrary GPO designation stated above, should Member desire to access the Amerinet Pharmacy Program, they agree to execute the Amerinet Pharmacy Program Primary GPO Declaration and Own Use Form in addition to this Agreement.
- To execute an Amerinet contract designation form and abide by the terms and conditions of individual Programs in which Member chooses to participate. Member specifically agrees not to seek or accept price reductions or other changes to the terms of the contracts negotiated by Amerinet with any Suppliers, unless Amerinet expressly consents to such changes in advance and in writing.
- Member agrees that Amerinet is not liable for any denied pricing, chargeback, refusal of Suppliers to honor contract pricing, or failure of Suppliers to deliver Products in a timely fashion or of the requisite quality.
- **Member acknowledges that Amerinet, not being the manufacturer, wholesaler or distributor of the products, makes no representation or warranty with respect to the quality, merchantability, fitness for a particular purpose, condition, or other attribute of the products offered by Suppliers under the terms of Amerinet contracts.** Therefore, Member agrees to indemnify, defend, and hold harmless Amerinet upon demand from and against any and all suits, claims, damages and expenses (including but not limited to reasonable attorneys’ fees) arising out of or resulting from damage to property or injury to persons that is caused by or arises out of any of the Products purchased under Amerinet’s contracts, or the use of such Products.

CONFIDENTIALITY. Member acknowledges and agrees that the materials and information furnished to it from time to time during the term of this Agreement by Amerinet (collectively, the “Confidential Information”) constitute the confidential and proprietary information of Amerinet, to be used solely for its benefit, and that substantial and irreparable harm would be suffered by Amerinet in the event that Member should disclose any Confidential Information to any third party, either during or after the term of this Agreement, without the prior written consent of Amerinet, except to the extent required by law. Upon termination of this Agreement, Member will return to Amerinet all originals and copies of the Confidential Information, and will not retain any copies. For purposes of this section, Confidential Information includes information in printed format, in microfiche, or in any other electronic or other form whatsoever.

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

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

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

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

MEMBER:

BY: _____
(signature) / (date)

(printed name)


TITLE: _____

E-MAIL: _____

FACILITY NAME: _____

ADDRESS: _____

HEALTH RESOURCE SERVICES:

BY:  _____
(signature) / (date)

Ken Freeman
President
Ken.Freeman@amerinet-gpo.com

Health Resource Services
1100 Olive Way Suite 625
Seattle, WA 98101

AMERINET, INC.:

BY: _____
(signature) / (date)

Sue Leasure
Senior Manager, Membership
sue.leasure@amerinet-gpo.com

Amerinet, Inc.
Two CityPlace Drive, Suite 400
St. Louis, MO 63141

Please return signed LOP to Amerinet/HRS by fax to 801 478-5762;
by email to Ben. Gaidos@amerinet-gpo.com ; or
by mail to:

Amerinet/Health Resources Services
1100 Olive Way, Suite 625
Seattle, WA 98101

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