STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR PHARMACY

This Contract is between the State of Minnesota, acting through its Commissioner of Administration, on behalf of Minnesota Multistate Contracting Alliance for Pharmacy ("MMCAP") and **PharmaLink, Inc. 8285 Bryan Dairy Road #200, Largo, FL 33777** ("Vendor").

Pursuant to Minnesota Statutes Section 16C.03, the Commissioner of Administration may enter into this Contract on behalf of MMCAP for the benefit of its members.

MMCAP is a group purchasing organization as defined in 42 U.S.C. § 1320a-7b(b)(3)(c) and maintains that it 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). MMCAP consists of government-run facilities and contracts for pharmaceuticals and health care products and services for members' use.

The Vendor wishes to contract with MMCAP to provide pharmaceutical returned goods processing services to MMCAP Members.

Definitions
***Actual Credit Received* (ACR)** shall mean the actual financial value received from manufacturer for the return of a specific product.

Direct Credit shall mean credit received by the Member, in the form of a check, from the Product Manufacturer or the Manufacturer's Processor in lieu of credit issued to the Member's wholesaler account.

***Estimated Return Value* (ERV**) shall mean the estimated credit value to be received from a manufacturer for a product that meets the manufacturer's current Returned Good Policy (RGP).

Expired Products shall mean returned prescriptions, damaged Product, short dated Products, or Products that have exceeded the manufacturer's shelf life date specified on the product's packaging.

Manufacturer shall mean any company engaged in the production and/or sale of Products.

Products shall mean brand pharmaceuticals, generic pharmaceuticals, specialty pharmaceuticals, and over the counter products.

Pay by Credit shall mean any amount due to the Vendor, by the Member, shall be offset against the balance of the value of any present or future credits.

Non-scheduled Products shall mean prescription pharmaceuticals which are not regulated by the Drug Enforcement Agency and not defined as a "Scheduled Product" under the Controlled Substance Act of 1970.

Scheduled Products shall mean a drug or other substance, or immediate precursor, regulated by the Drug Enforcement Agency and defined under the Controlled Substance Act of 1970 including schedule I, II, III, IV, and V products.

Short Dated Products shall mean Products that have a useful shelf life of less than six (6) months from the Product expiration date as noted on the Product package.

Future-dated Products (In-dated Products) shall mean products that have not yet expired and have the potential to age and to become returnable at a date in the future according to the manufacturer return policy.

Viable Products include any product that is in the original manufacturer packaging or that has the reasonable expectation of return credit according to the manufacturer's returned goods policy.

Non-Viable Product includes but is not limited to any product: (1) labeled "Not for Resale," "Sample," "Damaged," or "Repackaged," (2) that is void of inventory, (3) that has been dispensed outside of the original manufacturer packaging dispensed to patient, (4) that has no reasonable expectation of credit according to the manufacturer's return policy, and (5) considered raw materials and/or chemicals used in compounding

*If Vendor does receive product outside of the manufacturer's packaging, the product will be documented as received and destroyed in the Member's portal on Vendor's Encore website.

1 Term of Contract
1.1 Effective date: July 1, 2018, or the date MMCAP obtains all required signatures under Minnesota Statutes Section16C.05, subdivision 2, whichever is later.
1.2 Expiration date: June 30, 2020, or as cancelled pursuant to Article 28. This Contract may be extended up to three additional one-year periods, upon mutual agreement of both parties.
1.3 Survival of Terms. The following clauses survive the expiration or cancellation of this Contract: 11. Liability; 12. State Audits; 13. Government Data Practices and Intellectual Property; 14. Publicity, Marketing, and Endorsement; 15. Governing Law, Jurisdiction, and Venue; and 20. Data Disclosure.

2 Required Licenses, Permits, and Registration
Vendor and any of its subcontractors must comply with all federal, state, and local laws when providing services under this Contract, including, but not limited to: United States Drug Enforcement Administration (DEA), United States Federal Drug Administration (FDA), United States Environmental Protection Agency (EPA), United States Department of Transportation (DOT), and United States Occupational Safety and Health Administration (OSHA). Vendor will maintain all required licenses, permits, and registrations required by federal, state, and local governments related to the services provided under this Contract. Vendor will make such compliance documentation available upon request by MMCAP or its Members.

Vendor warrants to MMCAP that: (i) it provides returned goods processing services; and (ii) neither Vendor nor any employee or subcontractor has been sanctioned by any federal, state, or local government.

3 Services
3.1 *Scope of Work*
The purpose of this Contract is to provide Members with a mechanism to receive credit for returned pharmaceutical products. Vendor will offer on-site and off-site services where available. On-Site service is not currently available in Alaska or Hawaii. Vendor will provide all equipment, materials, and labor needed to transport, store, dispose, and process products for credit. Vendor will provide the same level of service and offer the same service fee structures for all Members regardless of the Member's geographic location or practice type that is licensed to be in possession of pharmaceuticals. Vendor will not require

or restrict in any way the number or size of shipments that meet Vendor's minimum invoice amount. Services will include:

a. Providing a method for Members to transport unusable pharmaceuticals (including controlled substances) to Vendor with the intention of obtaining maximal credit under the manufacturer's policy;
b. Returning and/or reporting to the original manufacturer all potentially creditable pharmaceuticals in accordance with the guidelines and procedures established by the manufacturer, the DEA, and in accordance with all federal, state, and local laws;
c. Applying for the appropriate credit on behalf of the member;
d. Documenting and reporting to each Member the total amount of the credit applied for;
e. Providing and maintaining a reporting method for the Member to determine the amount of credit estimated to be received and actually received;
f. Disposing of any non-creditable unusable products (including controlled substances and viable hazardous pharmaceutical materials) in the manner required by all applicable local, state, and federal rules and regulations;
g. Providing detailed documentation and reports to Members for the disposal of all pharmaceutical materials, including but not limited to a Certificate of Destruction after the product has been destroyed; and
h. Providing prompt response to MMCAP and Members' inquiries pertaining to manufacturers' returns and credit return policies

3.2 *Account Set Up and Conversions*

In order to initiate service, Members will contact Vendor's customer service number (800-257-3527) and provide the following information

a. Current DEA license
b. Current State Board of Pharmacy license
c. Copy of wholesaler invoice no more than 90 days old
d. MMCAP Member ID
e. Facility contact information
f. Physical address
g. Billing address

Upon account initiation, Vendor will provide the Member with a specific field account manager, and regional manager for escalation purposes. The field account manager will be responsible for servicing the account and providing all customer service. In the event the service manager changes, the Member shall be immediately notified of its new Vendor contact. For On-Site Service, the Member will be called within one week of account set up to establish first service event date. For Off-Site Service, the Member will have access to all on-line tools necessary to begin the return process within three business days.

In the event a Member transitions away from Vendor contract, any open credits will still be applied to Member's wholesaler account, Vendor will still work to receive subsequent credit distribution, and Member will retain access to the web portal for reporting purposes for three years after the final return is processed.

Member shall pay a product transfer fee to Vendor of $1.16/per item if, upon contract termination, Member requests product stored by Vendor be transferred to another reverse distributor or other supply chain entity. Member shall be responsible for all shipping and freight charges for product transfer.

3.3 *Closing Pharmacy*

If a Member transitions away from Vendor because Member is closing, MMCAP or Member shall provide Vendor written notification of any location closing, bankruptcy proceeding initiated, or any legal

action to which Member is a named party. Upon location closure, a forwarding address shall be provided to Vendor.

3.4*Training*

All Members shall be offered on-board training, including how to prepare a return, how to access the web portal, how to generate reports from the web portal, and any other aspects of service as it pertains to the Member. On-Site Service training will be conducted at the facility with staff. Off-Site Service training will be conducted via phone or web conferencing. Additional training via webinar, phone, or in person will be made available upon Member request.

3.5 *On-Site Reverse Distribution Services*

Vendor will provide on-site reverse distribution and destruction services to Members consisting of:

a. Completing a pharmacy inventory review to pull expired, damaged, recalled, and short dated Products from inventory, if requested by the Member and under the direction of the Member's Pharmacist-In-Charge.
b. Creating an inventory of products to be shipped.
c. Preparing all required paperwork that allows for the return and shipment of unusable pharmaceutical products.
d. Provide for complete documentation of the transfer and destruction of all controlled substances.
e. Delivering all controlled substance documentation to the pharmacy personnel to verify.
f. Preparing return shipments for shipping to the Vendor's destruction facility according to DOT guidelines. This includes packaging, labeling, and sealing return shipments to the Vendor or manufacturer, as applicable.
g. Scheduling pick up for shipping product to Vendor's processing facility and providing the tracking number to the Member. After the service event, the field account manager will confirm shipment of all boxes to Vendor's processing facility.
h. Processing returned products at Vendor's processing facility, which will consist of counting the number of product units received, verifying its contents, determining its estimated return value, return authorization management, and witnessed disposal of non-returnable product.
i. Providing itemized invoices or reports as available on Vendor web portal.
j. Providing online tools (e.g., customer web portal) to allow all Members to track returned product through the returns process, view certificates of destruction, and monitor credits received, fees subtracted, and monies deposited into the Members' wholesaler accounts.
k. Performing an annual personalized pharmacy business review, upon request, with the Member to address return and inventory recommendations

3.6 *Off-Site Reverse Distribution Services*

Vendor will provide off-site services consisting of:

a. Making available online forms, labels, and instructions for Members to prepare, pack, label and ship both controlled and non-controlled returned pharmaceutical products to Vendor's processing facility.
b. Online ability to inventory outdates prior to shipping.
c. Provide for complete documentation of the transfer and destruction of all controlled substances.
d. Free pick-up and shipping of products to Vendor's processing facility.
e. Processing returned products at Vendor's processing facility, which will consist of counting the number of product units received, verifying its contents, determining its estimated return value, return authorization management, and witnessed disposal of non-returnable product.
f. Providing itemized invoices or reports as available on Vendor web portal.

g. Providing online tools (e.g., customer web portal) to allow all Members to track returned product through the returns process, view certificates of destruction, and monitor credits received, fees subtracted, and monies deposited into the Members' wholesaler accounts.
h. Performing an annual personalized pharmacy business review, upon request, via phone with the Member to address return and inventory recommendations.

3.7 *Controlled Substances*

3.7.1 Processing Controlled Substances

a. All controlled substances must be inventoried with exact counts and confirmed with the Member's count for both On-Site and Off-Site Service.
b. For Members using On-Site Service, if the Member has a controlled inventory manifest, Vendor must confirm the counts, make any necessary adjustments, add NDC numbers, if needed, and sign. If any adjustments are made, Member must be made aware. Vendor will have the Member confirm accuracy, sign and print name. If there are any discrepancies, they must be resolved before Vendor leaves the Member's location.
c. All controlled substances are to be boxed separately from non-controlled products. CII and CIII-CV bags can be placed together in the same box provided they are clearly delineated. The CII product and corresponding DEA Form 222 must be placed in the same box.
d. Vendor provides for all required documentation of the transfer and destruction of all controlled substances. This includes a paper and electronic inventory of all Schedule II – Schedule V controlled substances.
e. Vendor warrants that all of its on-site representatives have a Durable Power of Attorney.

3.7.2 Reconciling Controlled Substance Discrepancies

If an item is verified missing after leaving Member's facility, the Vendor will take appropriate DEA-approved steps to account for the discrepancy. A discrepancy memorandum will be issued if a discrepancy is discovered. If there is a significant number of controlled substance discrepancies, the Vendor must escalate the situation to ensure appropriate action is taken.

3.8 *Transportation*

Vendor will arrange and pay for all costs associated with the transport of viable return products that are to be returned from Member to Vendor. Transportation/shipping will be FOB Destination, prepaid and allowed from the Member. No other freight charges or fuel surcharges are allowed.

3.9 *Holding Procedure for In-Dated Products*

All in-dated products, with an aggregate manufacturer return value greater than $5.00 per unit, will be held in a secure holding facility. All products being held have been determined to have a potential return value at the time of initial processing based on current manufacturer policy. All in-dated products will be re-processed through the policy engine each month to ensure products comply with the most current manufacturer return policies. In-dated products will be processed within the first month they become credit worthy. Any product being held, must be listed on an In-Date Report that can be downloaded from the web portal by the Member.

a. Future dated product will be aged up to 18 months if product's aggregate return value is greater than $5.00/unit.
b. CII product will be aged for a maximum period of 180 days in Vendor's CII vault.
c. Vendor will not hold any future dated product that does not meet the definition of "viable" as defined in this agreement.

3.10 *Credit Process*

Within ten (10) business days of receipt at the Vendor's processing facility, all products will be processed for potential return credit. Within ten (10) business days of processing, all immediately returnable items included in the shipment will be posted to the web portal for Member viewing.

Vendor will primarily use a Batch Process for all participating manufacturers and will close all batches on a weekly basis. Once products are processed and the batch is closed, Vendor will apply for return authorization within five (5) business days. Upon receipt of return authorization from the manufacturer, Vendor will ship products back to the manufacturer.

Vendor's proprietary returns database will evaluate each product return against all return policies in the database to determine which manufacturer policy will maximize return value. In the event that an unbatched return will provide the Member with a greater return value or if the manufacturer does not allow batched product, Vendor will process the return unbatched.

Service fees will be deducted from the Member's wholesaler applied credit. In the event the wholesaler credit is not sufficient to cover the Vendor's service fees, Vendor will be allowed to invoice the Member. If a manufacturer does not issue wholesaler credit, a check will be issued to the Member for the return value, associated fees will be deducted from credits received at the wholesaler. These credits will also be visible on the web portal for auditing purposes.

The Estimated Return Value (ERV) will be calculated using the most current quarterly pricing available from Truven Health Analytics Redbook for open market items. Vendor will continuously monitor ERV compared to the actual credits received to ensure appropriate estimates are being applied. Vendor may utilize Member price files and manufacturer policies for processing. Price files may be uploaded via Vendor's web portal. Vendor will make every effort to utilize the most accurate pricing that is reflective of MMCAP Member's class of trade.

The Vendor will track and investigate all returns that have not been credited after 120 days. Credit reports will be available on Vendor web portal for review at any time. Typically, Members can expect to see most credits reconciled in 180 days. Vendor will continue to work on credit recovery for open credits for a two-year period, as needed.

Vendor must ensure that every effort is made to obtain maximum return credit for Members by:

a. Providing a mechanism for return processing of recalled products with separate detailed reports, at no additional charge to the Member.
b. Pursuing credit recovery for all vaccines. When a vaccine is deemed non-returnable, an aggressive protocol is to be utilized for the pursuit of a Federal Excise Tax refund.
c. Holding all potentially returnable in-dated products until product qualifies for return.
d. Return processing, with the Member's assistance in obtaining return authorization from the applicable wholesaler, for all products not normally returnable unless processed through the prospective wholesaler, at no additional charge to the Member.

3.11 *Web Portal*

Vendor will provide each Member access to the web portal for the purpose of viewing and generating reports, providing instructions on how to process a return, inputting return product information, requesting DEA 222 forms, printing shipping labels, tracking returns, monitoring credits, and auditing credits against the returns. The web portal shall have the capabilities to be set up for Members to access and aggregate several accounts within a facility or several facilities within an organization at no additional charge.

Any system outages must be communicated to the Member with adequate advanced notice and every attempt should be made for these outages to occur during off-peak times of weekend and evening hours. The web portal must be functional 99% of the time. If the web portal is non-functional to the Member greater than 1% of the time, Vendor will provide any necessary reports to the Member within 3 business days at no additional charge.

Vendor shall follow VAWD accreditation standards to ensure Member data is protected and backed up in the event of a data security breach.

3.12 *Credit Reports*

Vendor will provide detailed reports necessary via the web portal in order to successfully manage pharmaceutical returns, limit non-creditable product, and easily audit returned items against credits received. Reports shall contain return date, product name, schedule status (CII-CV), NDC, lot number, expiration date, quantity, full or partial status, manufacturer, estimated return value, actual credit value received by item, date credit is posted, non-creditable reason codes, and explanation of fees deducted from credit value. Reports will be able to be exported to Microsoft Excel (.xls format). In the event the Member is audited by a governing agency with respect to pharmaceutical returns, Vendor will provide any additional reports or necessary documentation.

3.13 *MMCAP Wholesalers*

Vendor must have agreements with all MMCAP contracted wholesalers (currently AmerisourceBergen Drug Corporation, Cardinal Health, and Morris & Dickson Co., LLC) and all future wholesalers serving Members. Under these agreements, the Members' wholesale accounts can be used to receive credits. No credit may be applied through a non-contracted wholesaler account.

3.14 *Return Policies*

Vendor will work with all manufacturers and maintain a robust proprietary Returned Good Policy (RGP) Database. Vendor will work with Member facilities to answer questions related to specific RGPs, and supply requested information on a case by case basis.

3.15 *Recalled Product*

Recalled products may be sent to Vendor as part of a regular return. Vendor will identify recalled product at the time of processing and apply for necessary return authorization.

3.16 *340B Product Returns*

Members may return products purchased under the 340B Drug Pricing Program by working with Vendor to set up a separate account number specifically for 340B returns. Products purchased under the 340B program must be returned using this specially coded account number. Vendor will make best efforts to obtain quarterly price files from Apexus to maintain an up-to-date 340B price file for return purposes. All 340B products will be processed using the same fee structure as non-340B product, and no additional fees will be assessed.

3.17 *Stockpiled/Emergency Preparedness Returns*

Vendor will provide disposal for all viable pharmaceuticals, including products stockpiled in a cache for emergency preparedness purposes. To return bulk or stockpiled pharmaceuticals, Members must contact their assigned customer service representative or Vendor's general customer service number to obtain return authorizations. Non-creditable product will be disposed of and charged the disposal rate outlined in Section 4.

3.18 *Pharmaceutical Waste*

Any viable product which does not result in credit for the Member will be considered pharmaceutical waste and will not be limited by Vendor. Pharmaceutical waste will be disposed of according to applicable federal, state, and local guidelines and charged per pound, regardless of controlled schedule. Vendor will provide a certificate of destruction within 60 business days from the time the product was received and properly destroyed. The Vendor will become the waste generator and assume responsibility for the legal handling of all non-returnable products.

A separate waste report shall be generated and available for controlled non-creditable products, non-controlled non-creditable products, and for hazardous non-creditable products.

3.19 *Hazardous Waste*

This Contract is not a hazardous waste disposal contract and therefore, Vendor will not knowingly accept hazardous waste for processing. In the event Vendor does either inadvertently accept or later discovers a product is hazardous, Vendor will process the non-creditable hazardous pharmaceutical product according to applicable federal, state, and local hazardous pharmaceutical waste requirements. Vendor will work with the Member to limit hazardous waste returns in subsequent returns.

3.20 *Service Professionals*

Vendor will have qualified, experienced personnel on staff. Employees will be trained to handle both controlled substances and hazardous pharmaceutical materials, and will maintain updated knowledge of regulatory requirements. All employees will undergo background checks and drug screening at time of hire. Vendor will ensure all service professionals receive continuous training to maintain up-to-date knowledge. If Vendor utilizes subcontractors for any part of their work, MMCAP must be notified. Subcontractors will abide by all terms in this Contract.

4 Pricing

As a condition for purchasing under this Contract, purchasers must be MMCAP Members in good standing with MMCAP, as defined in Article 7.

Service fees and prices will be firm for the term of the Contract and there will be no additional fees or charges. The processing fees are an all-inclusive percent and will be deducted from the lump sum credits being issued to the Member's wholesaler account. Should the manufacturer credits be insufficient to satisfy billing amounts, Vendor reserves the right to forward a payable invoice to the Member or elect pay by credit.

ERV will be calculated using a credit estimate for manufacturer returns using the most current pricing available from Truven Health Analytics Redbook for open market items as a baseline. All fees will be deducted from the first credit distribution, or until all fees are satisfied.

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Estimated Return Value (ERV) Pricing Model

	Off-Site Service Fee	On-Site Service Fee
Non-Scheduled Drug Processing Fee	6% ERV	8% ERV
Scheduled Drug Processing Fee	6% ERV	8% ERV
340B Product Processing Fee	6% ERV	8% ERV
Stockpiled/Emergency Preparedness Product Return Fee	6% ERV	8% ERV
DEA 222 Form Fee	$12 Each	Waived
Scheduled Drug Waste Fee	$2.50 /lb.	$2.50 /lb.
Non-Hazardous Pharmaceutical Waste Disposal Fee	$1.55 /lb.	$1.55 /lb.
Hazardous Pharmaceutical Waste Disposal Fee	$2.50 /lb.	$2.50 /lb.
Standard Service Minimum Invoice Amount	$149	$199
C2 Service Minimum Invoice Amount	$79	$79
Holding Fee for In-Date Product	0.5% ERV	0.5% ERV
Spill Cleanup Fee*	$25	$25
Environmental Surcharge Fee**	$8	$8

*A Spill Cleanup Fee will result in situations where product leaks result from improper packing and/or handling of products on a carrier vehicle.
** An environmental surcharge will be applied to each order to aid in offsetting cost associated with ongoing environmental compliance initiatives and the reduction of the carbon footprint associated with our processes.

5 Value-Added Programs

Members must be offered any programs normally offered to the Vendor's general customer base at the same or lower cost as that offer to the general customer base.

6 Customer Service

6.1 Primary Account Representative. Vendor will assign a Primary Account Representative to MMCAP for this Contract and must provide a minimum of 72 hours' advanced notice to MMCAP if that person is reassigned. The Primary Account Representative will be responsible for:

- Proper maintenance and management of the MMCAP Contract, including timely execution of all amendments
- Timely response to all MMCAP inquiries
- Performance of twice yearly business reviews

In the event that the Primary Account Representative is unresponsive and does not meet MMCAP's needs, the Vendor will assign another Primary Account Representative upon MMCAP's request.

6.2 Business Reviews. Vendor will perform two business reviews with MMCAP staff per contract year. The review will be at a time that is mutually agreeable to Vendor and MMCAP and at a minimum address: review of sales/services to members, pricing and contract terms, administrative fees, customer issues, and any other necessary information.

6.3 Dispute Resolution Vendor and MMCAP will handle dispute resolution for unresolved contract issues using the following procedure:

6.3.1 ***Notification.*** The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. And if necessary, MMCAP and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.

6.3.2 ***Escalation.*** If parties are unable to resolve the issue in a timely manner, as specified above, either MMCAP or Vendor may escalate the resolution of the issue to a higher level of management. A meeting will be scheduled with MMCAP and the Vendor's MMCAP Primary Account Representative to review the briefing document and develop a proposed resolution and plan of action. The Vendor will have 30 calendar days to cure the issue.

6.3.3 ***Performance while Dispute is Pending.*** Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the contract, in the accomplishment of all undisputed work, any additional costs incurred by MMCAP and/or MMCAP Members as a result of such failure to proceed will be borne by the Vendor.

7 MMCAP Members

7.1 Membership Listing. MMCAP will provide Vendor a complete listing of all MMCAP members, which is password protected and published at www.mmcap.org. MMCAP reserves the right to add and remove MMCAP Members during the term of this Contract.

7.2 New Members. The Vendor must allow new MMCAP Members that join MMCAP to access contract prices throughout the term of this Contract. As new MMCAP Members are added to MMCAP, the Vendor will be given seven days from date of notification to implement contract pricing. MMCAP will provide Vendor with monthly e-mail notices announcing that a new MMCAP Membership List has been posted online.

7.3 Additional Vendor Forms. Certification, eligibility, or GPO declaration forms maintained by Vendor will be provided to MMCAP on a monthly basis and incorporated into this Contract, if applicable.

7.4 Removing Members from Contract Pricing. Vendor must notify MMCAP at least 30 days prior to removing any MMCAP Members from contract pricing. Notices must be sent to: MMCAP.Contracts@state.mn.us. If MMCAP does not receive notification that an MMCAP Member has been removed from contract pricing, Vendor will honor pricing until 30 days after such notice is provided to MMCAP.

7.5 Verification of Authorized Purchasers. Upon request of MMCAP, Vendor must verify that it provides goods and/or services and pricing under this Contract only to MMCAP Members.

7.6 Member-required Participation Agreement (MPA) In order to access this Contract, some members require jurisdiction-specific additional paperwork or contract language. Vendor must not sign any member documents without prior MMCAP review and approval. If needed, MMCAP will issue a Member-requested Participation Agreement (MPA) that will be amended into this Contract. The MPA, which will only apply to the requesting Member and must be signed in the following order: Member, Vendor, then MMCAP. Vendor is not required to agree to any additional terms; however, by not agreeing to the MPA Vendor may be precluded from doing business with that Member. In the event a Member requires a fee be added to the Contract price (e.g., member levied procurement fee or system use fee), that fee must be added on top of the MMCAP-contracted pricing. Vendor may not absorb the fee. Vendor must not pay a member-levied fee without first collecting the fee through increased product costs. The fees will be set aside and paid to the member as would be detailed in an MPA.

8 Administrative Fee In consideration for the reports and services provided by MMCAP, the Vendor will pay a monthly administrative fee on all products and services provided to MMCAP Members that have agreed to utilize this MMCAP returns agreement. The Vendor will submit a check payable to "State of Minnesota, MMCAP Program" for an amount equal to three percent of MMCAP Members' paid invoices. The administrative fee must be paid as soon as is reasonable after the end of each month, but no later than 30 calendar days after the end of the month. Payments must be sent to:

Financial Management & Reporting - MMCAP
50 Sherburne Avenue, Suite 309
St. Paul, MN 55155.

The Vendor must submit a monthly Administrative Fee Data Report. The monthly Administrative Fee Data Report must contain the fields detailed below in a single monthly Microsoft Excel document. The report shall include all transactions booked in the reported month. Transactions from prior months may be included if they have not previously been reported to MMCAP and the containing e-mail must state that such transactions are supplemental information. Should the Vendor need to resubmit sales details, the resubmitted data will include all transactions for the months in question, and the containing e-mail will clearly state that the included data is a resubmission of previously reported sales. If there is a month with no sales booked, the Vendor must submit an Excel report with a single detail line containing a zero as the sales amount. All Administrative Fee Data Reports must be sent to: MN.MMCAP@state.mn.us no later than 10 days after the end of the month. Failure to comply with this provision may constitute breach of this Contract. MMCAP reserves the right to collect interest on payments 30 days past due at a rate consistent with Minnesota Statutes Section 16D.13.

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Administrative Fee Data Report fields:

Column Name	Data Type	Description
MMCAP ID	Alphanumeric	MMCAP-assigned Facility ID
MMCAP Name	Alphanumeric	MMCAP-assigned Facility Name
Customer Account Number	Alphanumeric	Vendor assigned account number for Facility
Invoice Number	Alphanumeric	Customer Invoice Number
PO Number	Alphanumeric	Customer Purchase Order Number, if applicable
Invoice Date	Date	Customer Invoice Date
Service Code/SKU	Alphanumeric	Service Code
NDC	Alphanumeric	NDC
Description of Service/Product	Alphanumeric	Description of Service
Unit	Alphanumeric	
Rate/ Unit Price	Numeric	
Quantity	Numeric	
Extended Price	Numeric	Extended Price = Unit Price x Qty
Sale Type	Numeric	Type of Transaction **1** = MMCAP Contract Purchase **2** = Other Contract Purchase (340B, PHS) **3** = Not on Contract
Bill to Address	Alphanumeric	Bill to Address
Bill to City	Alphanumeric	Bill to City
Bill to State	Alphanumeric	Bill to State
Bill to Zip	Alphanumeric	Bill to Zip
Ship to Address	Alphanumeric	Ship to Address
Ship to City	Alphanumeric	Ship to City
Ship to State	Alphanumeric	Ship to State
Ship to Zip	Alphanumeric	Ship to Zip
Contract Number	Alphanumeric	MMCAP Assigned Contract Number (MMS18017)
Estimated Admin Fee	Numeric	Admin Fee
Wholesaler Code	Alphanumeric	MMCAP Assigned Distributor/Wholesaler Code

In the event the Vendor is delinquent in any undisputed administrative fees, MMCAP reserves the right to cancel this Contract and reject any proposal submitted by the Vendor in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9 Authorized Representative

MMCAP's Authorized Representative is the MMCAP Managing Director, 50 Sherburne Avenue, St. Paul, MN 55155.

The Vendor's Authorized Representative is Patricia R. Fitzgerald, Esq., PharmaLink, Inc., 8285 Bryan Dairy Road, #200, Largo, FL 33777. If Vendor's Authorized Representative changes at any time during this Contract, Vendor must immediately notify State in writing.

10 Assignment, Amendments, Waiver, and Contract Complete

10.1 Assignment. Neither the Vendor nor MMCAP may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed assignment agreement.

10.2 Amendments. Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by the parties.

10.3 Waiver. If either party fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

10.4 Contract Complete. This Contract contains all negotiations and agreements between MMCAP and the Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

11 Liability

The Vendor must indemnify, save, and hold MMCAP, MMCAP Members, including their agents, and employees harmless from any claims or causes of action, including attorneys' fees, arising out of the performance of this Contract by the Vendor or its agents or employees; or injury or death to person(s) or property, alleged to have been caused by some defect in Products under this Contract, when the Product has been supplied by and dispensed strictly in accordance with federal, state, and local regulations. Pursuant to the Minnesota Constitution Article XI Section 1, MMCAP cannot indemnify the Vendor.

12 State Audits

Under Minnesota Statutes Section 16C.05, subdivision 5, books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract are subject to examination by the State of Minnesota, including its MMCAP program, and/or the Minnesota State Auditor or Minnesota Legislative Auditor, as appropriate, for a minimum of six years for the end of this Contract. This clause extends to MMCAP Members as it relates to business conducted with and sales to that MMCAP Member.

13 Government Data Practices and Intellectual Property

13.1 Government Data Practices The Vendor and MMCAP must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by MMCAP under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Vendor under this Contract. The civil remedies of Minnesota Statutes Section 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minnesota Statutes Chapter 13, by either the Vendor or MMCAP.

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify MMCAP as to how the Vendor should respond to the request. The Vendor's response to the request will comply with applicable law.

Vendor agrees to indemnify, save, and hold the State of Minnesota, its agent and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation of any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce this provision of the Contract.

13.2 Intellectual Property. The Vendor warrants that any materials or products provided or produced by the Vendor or utilized in the performance of this Contract will not infringe or violate any patent, copyright, trade secret, or any other proprietary right of any third party. In the event of any such claim by any third party against MMCAP, MMCAP will promptly notify the Vendor.

If such a claim of infringement has occurred, or in the Vendor's opinion is likely to occur, the Vendor must either procure for MMCAP the right to continue using the material or product or replace or modify materials or products. If an option satisfactory to MMCAP is not reasonably available, MMCAP will

return the materials or products to the Vendor, upon written request of the Vendor, and at the Vendor's expense.

14 Publicity, Marketing, and Endorsement

14.1 Publicity. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Vendor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

14.2 Marketing. Any direct advertising, marketing, or direct offers with MMCAP Member for on- or off-contract products must be approved by MMCAP. Materials should be sent to: MMCAP.Contracts@state.mn.us. Violation of this Article may be cause for immediate cancellation of this Contract and/or MMCAP may reject any proposal submitted by the Vendor in any subsequent solicitations for pharmaceutical and related products.

14.3 Endorsement. The Vendor must not claim that MMCAP endorses its products or services.

15 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota. Except to the extent that the provisions of this Contract are clearly inconsistent therewith, this Contract will be governed by the Uniform Commercial Code (UCC) as adopted by the State of Minnesota. To the extent this Contract entails delivery or performance of services, such services will be deemed "goods" within the meaning of the UCC except when to do so is unreasonable.

16 Antitrust

The Vendor hereby assigns to the State of Minnesota any and all claims for overcharges as to goods and/or services provided in connection with this Contract resulting from antitrust violations that arise under the antitrust laws of the United States and the antitrust laws of the State of Minnesota.

17 Force Majeure

Neither party to this Contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

18 Severability

If any provision of this Contract, including items incorporated by reference, is found to be illegal, unenforceable or void, then both MMCAP and the Vendor will be relieved of all obligations arising under such provisions; if the remainder of this Contract is capable of performance it will not be affected by such declaration or finding and must be fully performed.

19 Default and Remedies

Either of the following constitutes cause to declare the Contract or any order under this Contract in default:

(a) Nonperformance of contractual requirements, or

(b) A material breach of any term or condition of this Contract.

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages.

If the default remains after the opportunity for cure, the nondefaulting party may:

(a) Exercise any remedy provided by law or equity; or

(b) Terminate the Contract or any portion thereof, including any orders issued against the Contract.

20 Data Disclosure
Vendor consents to disclosure of its federal employer tax identification number to United States, State of Minnesota, and MMCAP Member Facilities and personnel involved in the payment of obligations. These identification numbers may also be used in the enforcement of federal, State of Minnesota, and MMCAP Member's laws that could result in action requiring the Vendor to file tax returns, pay delinquent tax liabilities, if any, or pay other liabilities.

21 Insurance Requirements
21.1 Vendor must maintain the following insurance (or a comparable program of self-insurance) in force and effect throughout the term of the Contract.
Vendor is required to maintain following insurance policies (or of their program of self-insurance) and will provide to MMCAP, and maintain current, evidence of such insurance:

Commercial General Liability Insurance: Vendor will maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Vendor or by a subcontractor or by anyone directly or indirectly employed by the Vendor under the Contract.

Insurance **minimum** limits are as follows:
$5,000,000 – per occurrence
$5,000,000 – annual aggregate
$5,000,000 – annual aggregate – Products/Completed Operations

Workers' Compensation Insurance: Vendor will provide Workers' Compensation insurance at statutory minimums for all its employees, in case any work is subcontracted, Vendor will require the subcontractor to provide Workers' Compensation insurance in accordance with the same:

Insurance **minimum** limits are as follows:
$500,000 – Bodily Injury by Disease per employee
$500,000 – Bodily Injury by Disease aggregate
$500,000 – Bodily Injury by Accident

Commercial Automobile Liability Insurance: Auto Liability insurance is not necessary unless the Vendor, Vendor's employees, or subcontractors will be driving on state property or on the property of MMCAP Members or MMCAP Participating Facilities or will be using, owned, hired, or non-owned vehicles to conduct business on behalf of MMCAP.
Vendor will maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this Contract, and in case any work is subcontracted the Vendor will require the subcontractor to maintain Commercial Automobile Liability insurance.

Insurance **minimum** limits are as follows:
$2,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included:
Owned, Hired, and Non-owned Automobile

The following coverages must be included:
Premises and Operations Bodily Injury and Property Damage
Personal and Advertising Injury
Blanket Contractual Liability
Products and Completed Operations Liability
MMCAP named as an Additional Insured

21.2 Additional Insurance Conditions:

- Vendor's policy(ies) must be primary insurance to any other valid and collectible insurance available to MMCAP with respect to any claim arising out of Vendor's performance under this Contract;
- If Vendor receives a cancellation notice from an insurance carrier affording coverage herein, Vendor will notify MMCAP within five business days with a copy of the cancellation notice, unless Vendor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least 30 days' advance written notice to MMCAP;
- Vendor is responsible for payment of Contract related insurance premiums and deductibles;
- If Vendor is self-insured, a Certificate of Self-Insurance must be attached;
- Vendor's policy(ies) will include legal defense fees in addition to its liability policy limits;
- Vendor will obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and
- An Umbrella or Excess Liability insurance policy may be used to supplement the Vendor's policy limits to satisfy the full policy limits required by the Contract.

21.3 MMCAP reserves the right to immediately terminate the Contract if the Vendor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Vendor. All insurance policies must be open to inspection by MMCAP, and copies of policies must be submitted to MMCAP's authorized representative upon written request.

22 Laws and Regulations

Any and all services, articles or equipment offered and furnished shall comply fully with all state and federal laws and regulations, including Minnesota Statutes Section 181.59 and Minnesota Statutes Chapter 363A prohibiting discrimination and business registration requirements of the Minnesota Secretary of State's Office.

23 Successors and Assigns

This Agreement is binding on and inures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

24 Debarment and Suspension Certification

Vendor warrants and certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any MMCAP Member Facility; and has not been convicted of a criminal offense related to the subject of this Contract. Vendor further warrants that it will provide immediate written notice to the MMCAP Authorized Representative if this certification changes at any time.

25 Affirmative action requirements for contracts in excess of $100,000 and if Vendor has more than 40 full-time employees in Minnesota or its principal place of business. The State of Minnesota intends to carry out its responsibility for requiring affirmative action by its vendors.

25.1 Covered contracts and Vendors. If the Contract exceeds $100,000 and Vendor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principal place of business, then Vendor must comply with the requirements of Minnesota Statutes Section 363A.36 and Minnesota Rules 5000.3400-5000.3600. If Vendor is covered by Minnesota Statutes Section 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, it must certify that it is in compliance with federal affirmative action requirements.

25.2 Minnesota Statutes Section 363A.36. Minnesota Statutes Section 363A.36 requires Vendor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

25.3 Minnesota Rules 5000.3400-5000.3600.

(a) General. Minnesota Rules 5000.3400-5000.3600 implements Minnesota Statutes Section 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining Vendor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minnesota Rules 5000.3400-5000.3600 including, but not limited to, Minnesota Rules 5000.3420-5000.3500 and 5000.3552-5000.3559.

(b) Disabled Workers. Vendor must comply with the following affirmative action requirements for disabled workers.

(1) Vendor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. Vendor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(2) Vendor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(3) In the event of Vendor's noncompliance with the requirements of this article, actions for noncompliance may be taken in accordance with Minnesota Statutes Section 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(4) Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state Vendor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

(5) Vendor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that Vendor is bound by the terms of Minnesota Statutes Section 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

(c) Consequences. The consequences for Vendor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State of Minnesota.

(d) Certification. Vendor hereby certifies that it is in compliance with the requirements of Minnesota Statute Section 363A.36 and Minnesota Rules 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

26 E-Verify Certification (In accordance with Minn. Stat. §16C.075)
Vendor certifies that it and all its subcontractors have implemented the federal E-Verify program for all newly hired employees in the United States who will perform work under this Contract. All subcontractor certifications must be kept on file with Vendor and made available to MMCAP upon request.

27 Certification of Nondiscrimination (In accordance with Minn. Stat. § 16C.053)
The following term applies to any contract for which the value, including all amendments, is $50,000 or more: Vendor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this article, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

28 Cancellation
MMCAP or the Vendor may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. In the event of such a cancellation, the Vendor will be entitled to payment, determined in a pro rata basis, for work or services satisfactorily performed or Products supplied through the Contract cancellation date.

Vendor understands that an MMCAP Member may immediately discontinue use of this Contract if it does not obtain funding from its funding source, or if funding cannot be continued at a level sufficient to allow for the payment of the goods or services in the Contract, whether due to a lack of direct funding or agency reallocation of funding, or if operations of any paying entity are being discontinued.

1. PharmaLink, Inc
The Vendor certifies that the appropriate person(s) have executed this Agreement on behalf of the Vendor as required by applicable articles, bylaws, resolutions, or ordinances.

By: Adam H. BECKERS
Title: CEO
Date: 06-15-18

By:
Title: VP, Sales + Business Dev
Date: 6/15/18

2. STATE OF MINNESOTA FOR MMCAP
In accordance with Minn. Stat. § 16C.03, subd. 3

By: Sara Turnbaw, PharmD, BCPS
Title: Pharmacist Sr.
Date: 6-20-18

3. COMMISSIONER OF ADMINISTRATION
In accordance with Minn. Stat. § 16C.05, subd. 2

By:
Title: SPA-C
Date: 6/20/2018