

**MAGNET - GROUP PURCHASING ORGANIZATION  
PARTICIPATION AGREEMENT**

This Group Purchasing Organization Participation Agreement (the "Agreement") entered into by the undersigned (the "Participant") and Mid-Atlantic Group Network of Shared Services Cooperative aka MAGNET GROUP (herein as "GPO") on the date set forth next to Participant's name below or date of electronic acceptance transmitted on-line.

**1. Products and Services**

- a. **Engagement of GPO.** GPO has negotiated and entered into agreements with one or more vendors to provide products and/or services ("Products and Services") to entities such as Participant. The Participant utilizes GPO to make the Products and Services available at price(s) negotiated by the GPO with the Vendors. **However, nothing in this Agreement shall require Participant to purchase the Products and Services exclusively from Vendors who are part of the GPO Program to the exclusion of any other vendor of those Products and Services.**
- b. **Relationship between Vendors and GPO; No Warranty by GPO.** The parties agree that the relationship between the Vendors and the GPO is that of independent contractors and that GPO does not warrant or guarantee any of the Vendors Products and Services. Warranty if any is provided by Vendor to Participant.
- c. **Use of Products and Services by Participant.** Participant hereby agrees that all Products and Services purchased through the GPO Program shall be used for the treatment of Participant's patients or residents and **shall not be sold or resold** by Participant to any retail establishment or to any other health care provider.

**2 Term; Termination**

This Agreement shall commence on the date next to Participant's name below or as provided by date of acceptance through electronic transmission and continue for one (1) year and shall automatically renew for successive one (1) year terms unless earlier terminated. This Agreement may be terminated at any time by mutual agreement of the parties or at any time by either party upon thirty (30) days prior written notice to the other party.

**3 Commissions, Contract Administration Fees (CAF)**

GPO may receive commissions from Vendors who participate in the GPO Program. Such commissions or CAF may range from less than one percent (1%) to three percent (3%) of the total purchase price of all Products and Services sold to the Participant. The commission or CAF will not exceed three percent (3%) of the total purchase price without prior notification to Participant. To the extent applicable, GPO will disclose rebates received from Vendors in an annual report in accordance with the requirements of 42 C.F.R. Section 1001.952 (j).

**4 Participant Responsibilities**

- a. **Compliance with Law.** Participant shall, and shall cause its directors, officers, employees and agents to, conduct themselves in connection with this Agreement, including, without 1 limitation, the use of the Products and Services purchased pursuant hereto, in compliance with all applicable federal, state and local laws, rules and regulations. To the extent that Participant is required to report discounts that it receives to any governmental agency for the purpose of receiving reimbursement under Medicare or Medicaid, Participant agrees that it shall accurately report any discount or reduction in the price of the Products and Services that it receives pursuant to the GPO Program.
- b. **Reports to GPO.** Participant agrees that, upon reasonable request, it shall provide GPO with information and documentation requested by GPO regarding Participant's purchases of the products and Services from Vendors under the GPO Program in order that GPO may verify the volume of business done with Vendors in the GPO Program.

**5 Indemnification.**

- a. Participant hereby agrees to indemnify, defend and hold harmless GPO and its directors, officers, members, agents and employees from and against any and all claims, causes of action, losses, damages, costs and expenses (including, without limitation, court costs and reasonable attorney's fees), judgments, orders, civil and criminal penalties, forfeitures and assessments arising from or related to (i) Participant's acts or omissions or (ii) Participant's participation in the GPO Program and/or Participant's use or resale of the Products or Services offered pursuant to the GPO Program.

**6 Miscellaneous.**

- a. **Binding Agreement; Assignment.** This Agreement shall be binding upon the heirs, successors, assigns and legal representatives of the parties. It is provided that Participant may not assign any of its rights or delegate the performance of any of its duties or obligations hereunder without the prior written consent of the GPO. GPO may assign its rights or delegate the performance of its duties or obligations hereunder to an entity controlling or controlled by, or under common control with, GPO, or a successor in interest to GPO, without Participant's consent.
- b. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Pennsylvania, without regard to the conflicts of laws principles thereof.
- c. **Severability.** To the extent that any provision herein, or part thereof, is held to be invalid, illegal or unenforceable by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions of this Agreement.
- d. **Entire Agreement; Amendment; Counterparts.** This Agreement contains the entire understanding of the parties, and supersedes all previous oral agreements and discussions, with respect to the subject matter set forth herein. No modification of this Agreement shall be effective unless made in a written instrument executed by both parties, except that GPO may amend Vendor agreements without Participant's consent. By electronic signature or transmission this Agreement shall be deemed an original and by return acknowledgment by GPO shall constitute one and the same instrument.

**Participant:**

Facility: \_\_\_\_\_ Name: \_\_\_\_\_ Title \_\_\_\_\_  
Address: \_\_\_\_\_ Email: \_\_\_\_\_ Phone: \_\_\_\_\_  
Signature \_\_\_\_\_ Date: \_\_\_\_\_

**Mid-Atlantic Group Network of Shared Services, Cooperative:**

Diane T. Mase, President

Signature \_\_\_\_\_ Date: \_\_\_\_\_