

IG REBATE PROGRAM TERMS AND CONDITIONS

Effective at the beginning of the calendar quarter after a Member (“Member”) of Pathway Purchasing Network (“Pathway”) signs these Terms and Conditions (“Terms and Conditions”), Member may earn cash rebates (“Rebates”) by purchasing Immune Globulin products contracted through Pathway (“IG Products”) in the quarterly volumes described in greater detail below. This rebate program (the “Rebate Program”) is subject to Member’s acceptance of and compliance with these Terms and Conditions. Member shall not be eligible for and shall not earn any other rebates, discounts, credits or other similar types of remuneration from Pathway.

AGREEMENT

These Terms and Conditions apply to the earning and receipt by Member, and the issuance by Pathway, of all Rebates based on the volume of IG Products purchased by Member through Pathway within each calendar quarter (a “Quarter” or “Quarters”). For purposes of this Agreement, the term “Member” shall mean and include all of Member’s facilities that purchase IG Products through Pathway. Member shall earn Rebates only as provided in these Terms and Conditions and only so long as Member complies with these Terms and Conditions. These Terms and Conditions shall be read and interpreted in conjunction with the Pathway Membership Agreement between Pathway and Member (“GPO Agreement”). The GPO Agreement shall remain in full force and effect and shall not be deemed modified in any way by these Terms and Conditions. No subsequent agreement amending, modifying or supplementing these Terms and Conditions and/or the GPO Agreement shall be binding upon Pathway unless in writing and signed by a duly authorized representative of Pathway, which writing specifies that it is a modification to these Terms and Conditions or such GPO Agreement, as applicable; provided, however, Pathway may modify the Rebate tiers or conditions for eligibility for Rebates or cancel this Rebate Program at any time in its sole discretion by providing written notice to Member, with such modification or cancellation being retroactive to the first day of the calendar Quarter for which a Rebate Payment has not been made.

ELIGIBILITY FOR EARNING REBATES

From time to time, Pathway will offer Members the opportunity to attend clinical training or other educational sessions related to the IG Products. As a condition of eligibility for earning Rebates, Member must attend at least two (2) such sessions during the calendar year, or Member shall not earn any Rebates under the Rebate Program for the first two quarters of the next calendar year. Pathway may modify, add, or eliminate these eligibility requirements at any time in its sole discretion.

EARNING REBATES

Rebates are based on the quantity of grams of IG Products that a Member purchases through Pathway in each Quarter. Quarters, for purposes of Rebate calculations, shall be measured from January 1st through March 31st, from April 1st through June 30th, from July 1st through September 30th, and from October 1st through December 31st. If Member purchases IG Products

in the quantities set forth in Table 1 below during a Quarter, then Member shall earn a Rebate based on the corresponding Rebate Percentage in Table 1 below.

Tier	Volume (grams)	Rebate Percentage
1	< 3,000 grams	0 basis points
2	3,000 - 4,499 grams	10 basis points
3	4,500 – 5,999 grams	15 basis points
4	≥ 6,000 grams	25 basis points

IG Products must be shipped and invoiced by Pathway’s Authorized Distribution, BDI Pharma, Inc. (“Authorized Distributor”), within the Quarter to count towards that Quarter’s purchases. Product returns accepted by Authorized Distributor will be deducted from the purchases in the Quarter in which the original purchase was made if such returns occur prior to Pathway’s calculation and payment of that Quarter’s Rebate. Otherwise, returns will be deducted from the next Quarter’s purchases. Rebates will be calculated based on the purchase price paid to Authorized Distributor by Member.

The following Table 2 illustrates the calculation of Rebates under this Program assuming a hypothetical purchase price of \$100 per gram of IG Products.

Quarter	Volume (grams)	Rebate Tier	Purchase Price	Rebate
1	2,500 grams	0 basis points	\$250,000	\$0
2	4,550 grams	15 basis points	\$455,000	\$682.50
3	7,500 grams	25 basis points	\$750,000	\$1,875.00
4	1,500 grams	0 basis points	\$150,000	\$0

PAYMENTS

Within 60 days after the end of each Quarter (a “Rebate Payment Date”), Pathway shall issue a check to Member in the amount of the Rebate earned during the Quarter (a “Rebate Payment”).

REBATE HOLD STATUS AND FORFEITURE OF REBATES

In the event Member is (i) past due in the payment of any invoice or other sums due to be paid to Authorized Distributor, (ii) on credit hold status with Authorized Distributor and/or (iii) otherwise in default of any agreement with Pathway or Authorized Distributor (collectively, a “Default”), Member shall not earn any Rebates during the time period of such Default (“Rebate Hold Status”), regardless of whether Member continues to purchase IG Products through Pathway during the time period of such Default. Member may be removed from Rebate Hold Status if Member, in Authorized Distributor’s sole and absolute discretion, cures the Default. Upon the occurrence of any Default, Member shall forfeit all unpaid Rebates earned during the quarter(s) prior to the date of such Default. Furthermore, in the event this Rebate Program or the GPO Agreement between Pathway and Member expires or is terminated for any reason prior to a Rebate Payment Date, any Rebate that otherwise would have been due to Member shall be forfeited.

COMPLIANCE WITH FEDERAL ANTI-KICKBACK LAWS AND DISCOUNT SAFE-HARBOR

The Anti-Kickback Statute, 42 U.S.C. § 1320a-7b, prohibits a person from knowingly and willingly soliciting or receiving remuneration in return for referring an individual for medical care if the services are paid or payable, in whole or in part, by a federal health care program. However, the Department of Health and Human Services (the “Department”) has issued regulations specifying payment practices that do not violate the Anti-Kickback Statute, including, in relevant part, a discount or rebate on an item so long as the buyer and the seller or offeror comply with the disclosure and reporting standards outlined below (42 C.F.R. § 1001.952(h) (the “Discount Safe Harbor”). Neither Party has any intention that any remuneration shall be improperly or illegally solicited, paid, or exchanged between the parties which is tied to, or otherwise associated with, the volume or value of referrals between the parties, and these Terms and Conditions shall not be construed as requiring any referrals to be made between the parties. Nevertheless, out of an abundance of caution, this Rebate Program is structured to comply with the Discount Safe Harbor.

Accordingly:

1. On each invoice from Authorized Distributor to Member, there will be a statement that the items on the invoice may be subject to a later Rebate, which Member may be required to report to federal and/or state health care programs; and
2. Pathway shall send Member a quarterly statement accompanying each Rebate Payment showing Member’s quarterly purchases of IG Products and explaining Pathway’s Rebate calculation.

Member acknowledges and agrees that it may have an obligation to report any Rebates to a federal or state health care program as follows:

1. **If Member reports its costs on a cost report required by the Department or a state health care program**, Member must comply with the reporting obligations required under 42 C.F.R. §1001.952(h)(1)(ii) outlined as follows:
 - a. Member must claim any and all Rebates received within the fiscal year of Member when such Rebates are earned or the following year.
 - b. Member must fully and accurately report any and all Rebates received in its applicable cost report required by the Department or a state health care program.
 - c. Member must provide, upon request by the Department or a state agency, all the information provided by Pathway with respect to any and all Rebates received by Member.
2. **If Member is an entity in whose name a claim or request for payment is submitted for a discounted item or service and payment may be made, in whole**

or in part, under Medicare, Medicaid or other federal health care programs, Member must comply with the reporting obligations required under 42 C.F.R. § 1001.952(h)(1)(iii) outlined as follows:

- a. Member, if submitting by claim, must provide, upon request by the Department or a state agency, information provided by Pathway with respect to any and all Rebates received by Member.

Pathway shall not do anything that would impede Member from meeting its reporting obligations under the Discount Safe Harbor.

BECAUSE 42 C.F.R. § 1001.952(h) REQUIRES THAT ALL REBATES MUST BE EARNED DURING THE SAME FISCAL YEAR OF A MEMBER, IF MEMBER HAS A FISCAL YEAR ENDING ON A DATE OTHER THAN MARCH 31, JUNE 30, SEPTEMBER 30 OR DECEMBER 31 OF A GIVEN YEAR, MEMBER MUST NOTIFY PATHWAY IMMEDIATELY OF MEMBER'S APPLICABLE FISCAL YEAR AND MAKE SEPARATE ARRANGEMENTS FOR EARNING REBATES OTHER THAN THE QUARTERLY PAYMENTS SET FORTH HEREIN.

THIS REBATE PROGRAM IS DESIGNED TO COMPLY WITH ALL FEDERAL FRAUD AND ABUSE LAWS, INCLUDING WITHOUT LIMITATION 42 U.S.C.A. § 1395 nn, 42 U.S.C.A. § 1320a-7b, AND 42 C.F.R. § 1001.952(h). BY ACCEPTANCE OF THESE TERMS AND CONDITIONS, MEMBER HEREBY ACKNOWLEDGES ITS RESPONSIBILITY TO EFFECTUATE SUCH COMPLIANCE AND COVENANTS AND AGREES THAT IT SHALL TAKE ALL NECESSARY MEASURES TO ENSURE COMPLIANCE WITH THE SAME, EVEN IF NOT SPECIFICALLY SET FORTH HEREIN.

DISPUTES

In the event Member disputes the calculations for any Rebates, including the failure to receive any Rebate Payment that Member believes is due and owing (collectively, a "Dispute"), Member must submit written notification to Pathway explaining the basis of such Dispute within 10 business days after the Rebate Payment Date in dispute, or else Member shall be deemed to have waived any right to dispute or contest the Rebate calculation. Pathway and Member shall negotiate in good faith to resolve the Dispute; provided, however, in the event of any discrepancy between the records of Pathway and the records of Member with respect to Purchases made during the relevant period, the records of Pathway pertaining to such Purchases shall control.

CHANGES IN LAW

In the event that, in the opinion of counsel for either party, (i) these Terms and Conditions or any part thereof is deemed to be contrary to any existing local, state or federal law or (ii) the interpretation of any law or regulation presents substantial legal risk to either party as a result of these Terms and Conditions, the parties shall use their good-faith, best efforts to amend these Terms and Conditions to the minimum extent necessary to make them consistent with applicable laws, and to try to retain as closely as possible the original terms reflected in these Terms and

Conditions. If the Parties ultimately are unable to agree on appropriate modifications or amendments to these Terms and Conditions, then either party may terminate this Rebate Program immediately upon notice to the other party.

MISCELLANEOUS

If any provision of these Terms and Conditions is held by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity of the remaining provisions herein, and a valid provision which most closely approximates the intent and economic effect of the invalid provision shall be substituted for the invalid provision. Headings used in these Terms and Conditions are provided for convenience only and shall not in any way affect the meaning or interpretation thereof. The undersigned represent and warrant that they have the authority to enter into this Agreement on behalf of their respective parties and, with respect to Member, that the undersigned has the authority to enter into this Agreement on behalf of the Facilities.

MEMBER

PATHWAY PURCHASING NETWORK, LLC

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address: **COMPLETE**

Address: **120 Research Drive
Columbia, SC 29203**