

HEALTH MANAGEMENT SYSTEMS, CORP.

Placement Agreement For Cholestech LDX System

Agreement made this ____ day of _____, 2013, between Health Management Systems, Corp. (hereinafter called "HMSC") at 6913 K. Avenue, Suite 304, Plano, TX 75074 and _____, (hereinafter called "Participant") at _____.

Effective starting date of agreement: _____

Terms and Conditions

- Appointment & Acceptance** – HMSC grants Participant, and Participant accepts the right to use the Alere Cholestech LDX System(s) listed in this agreement contingent upon the minimum Cassette purchases listed below. The following items will be included: Alere Cholestech LDX Analyzer, power supply, User's manual, Universal Printer, Printer Cable, & Accessory starter pack. Participant will be responsible for the purchase of all other accessories and supplies related to the use of this equipment.
- Term of Agreement** – The term of this agreement is two years from the effective date. This agreement will automatically renew, for additional one-year periods, unless written notice is given by the Participant Thirty (30) days prior to expiration.
- Exclusive Purchase** – The right for Participant to use the equipment under this agreement is based on the exclusive purchase of all cassettes, tubes, and plungers designed for the Alere Cholestech LDX System directly from Health Management Systems, Corp. It is understood that products purchased from HMSC are not for resale. The purchase of any Alere Cholestech LDX Cassettes, Capillary Tubes, or Capillary Plungers from another source other than HMSC will result in the immediate termination of this agreement and removal of the equipment.
- Price** – Prices for HMSC distributed products will not exceed manufacturers suggested list price. Current Participant pricing is attached as Exhibit A. HMSC will make every effort to give 30 days notice on all price increases. All shipments will be made "F.O.B. ORIGIN" from HMSC's distribution center.
- Ordering, Delivery, Credit Policy and Terms of Payment** – Orders are to be placed by Participant via fax, telephone or any applicable electronic means provided by HMSC directly to the HMSC corporate office. Normal delivery will be by HMSC approved 2nd Day service. The cost of shipping will be included on your invoice. For same day shipping, the order must be received in the HMSC corporate office by 2:00 PM Central time. After 2:00 PM Central time a \$25.00 fee may be assessed for same day shipments. Payment terms will be Net 30 days from date of invoice. A 1.5% monthly interest rate shall be automatically applied to all outstanding balances not paid within terms.
- Volume Commitment** – Participant agrees to accept automatic monthly shipments of Cassettes from HMSC as listed below. Automatic shipments will be processed on the first Monday of each calendar month. If the first Monday falls on a holiday, the order will be processed on Tuesday. Any additional Cassette orders for the month shall be placed with HMSC in accordance with section 5 of this agreement.

Initial

Additions to your automatic cassette shipment must be made no later than 10:00 a.m. CST on the scheduled shipment date to be processed on the same order.

7. **Cassette Selection** – Please place an X next to the cassette type you would like for your minimum automatic shipments.

___ 5 Boxes (50 tests) Lipid Profile + Glu

___ 5 Boxes (50 tests) Lipid Profile

___ 8 Boxes (80 tests) TC-HDL-GLU

8. **Analyzer Service** – HMSC agrees to maintain the equipment in proper functioning order during the term of this contract. HMSC makes no other warranties, express or implied, or of merchantability, for this equipment. Repair for malfunctioning equipment without charge is HMSC’s only obligation under this warranty. HMSC will not be responsible for any consequential or incidental damages resulting from the sale, use, or improper functioning of this equipment. Such damages, for which HMSC will not be responsible include, but are not limited to, loss of revenue or profit, downtime costs, loss of use of the equipment, cost of any substitute equipment facilities or services or claims of your customer for such damages. This limitation of liability will not apply to claims for injury to persons or damage to property caused by the sole negligence on the part of HMSC, or persons under its direction and control. This Reagent Rental Plan is limited to the contiguous United States. This agreement does not cover service or parts for any attachments, accessories, or alterations not marketed by HMSC, nor to correct problems from their use.

9. **Assignment** – Without the prior written consent of HMSC, the Participant shall not assign, transfer, or pledge the equipment or any part thereof, or any interest therein; or circulate or rent the equipment or any part thereof; or permit the equipment or any part thereof to be used by anyone other than, the Participant, the Participant’s employee or the Participant’s contractor(s).

10. **Ownership** – The equipment, serial numbers listed on Exhibit B are, and shall at all times remain, the sole and exclusive property of HMSC, and the Participant shall have no right, title or interest therein except as expressly set forth in these Terms and Conditions.

11. **Participant Responsibility** – The Participant agrees to provide reasonable care for the equipment listed on Exhibit B; to return the equipment in the same condition as received, ordinary wear and tear expected; and to notify HMSC immediately of loss or damage. Participant will be responsible for replacement cost of lost equipment or repair charges for damaged equipment beyond normal wear and tear.

12. **Equipment Return** – Participant agrees to return the equipment listed in exhibit B within 10 days of the expiration or termination of this agreement.

13. **Trademarks, Trade Names, and Trade Dress** – All sales and rentals are made with the understanding that the Cholestech and HMSC trademarks, Trade Names, Trade Dress, and original packaging will not be misused.

Initial

14. **Taxes** – Sales, use, or other taxes measured by sales or receipts are not included in the prices shown. Where applicable, such taxes will be billed if a valid exemption certificate is not furnished.

15. **Governing Law** – The Term and conditions of this agreement shall be governed by the laws of the State of Texas.

16. **Termination of Agreement** – HMSC reserves the right to terminate this agreement if any one of the conditions stated in this agreement is not met by Participant.

17. **Notice** – Any notice required to be given hereunder shall be given in writing, by personal delivery, or by certified or registered mail, return receipt requested, sent to the party at its address set forth on the signature page hereto, or such other address as may be specified by notice given in accordance herewith. Notice shall be deemed given upon receipt by the party to which it is sent or refusal to accept delivery.

18. **Entire Agreement** - This Agreement is the entire agreement between the parties with respect to the subject matter hereof.

19. **Time of Essence** – Time is of the essence of each provision of this agreement.

By: _____
Brian Bullock

By: _____

Title: President / CEO

Title: _____

Health Management Systems, Corp.
6913 K Avenue, Suite 304
Plano, TX 75074

Date: _____

Date: _____

Exhibit A

Product Price

Total Cholesterol	\$
Total Cholesterol + Glucose	\$
TC-HDL	\$
TC-HDL-GLU	\$
Lipid Profile	\$
Lipid Profile + Glu	\$
ALT/AST	\$
Hs-CRP	\$
Capillary Tubes	\$
Capillary Plungers	\$

SAMPLE

Exhibit B

Equipment Serial Number Listing :

1. SN

SAMPLE