

CNHN Member Practice Vaccine Group Purchase Agreement
CNHN-Merck Letter of Participation

Please note: If a Member Practice operates more than one location, please copy and complete this application for each separate address in order to ensure that each practice location receives the proper discounts. Number of locations for this Practice: ___ of ___

This Letter of Participation (this "Letter") is entered into by the undersigned CNHN Member Practice (the "Practice") effective as of the date of acceptance by Merck as set forth in the terms & conditions below.

| | | | |
|--|-----------------------|---------------------|------------------------|
| CNHN Member Practice Name: | | | |
| CNHN Practice Tax ID #: | | Merck Account #: | |
| Physician Name: | | Physician DEA #: | |
| <small>Member Practice Contact Name:</small> | <small>Phone:</small> | <small>Fax:</small> | <small>e-mail:</small> |

| | | | | | |
|-------------------------|-----------------------|---------------------|---------------------------------|-----------------------|---------------------|
| Ship to Address: | | | Bill to Address: (if different) | | |
| <small>Address:</small> | | | <small>Address:</small> | | |
| | | | | | |
| <small>City:</small> | <small>State:</small> | <small>Zip:</small> | <small>City:</small> | <small>State:</small> | <small>Zip:</small> |
| <small>Phone:</small> | <small>Fax:</small> | | <small>Phone:</small> | <small>Fax:</small> | |

TERMS AND CONDITIONS

1. Practice acknowledges and agrees to utilize Merck portfolio products for appropriate ACIP-recommended immunizations, including Hepatitis A (Vaqta), Hepatitis B (Recombivax HB), Gardasil & Rotateq. CNHN practices that choose to use non-Merck products are free to so, but will not be eligible to receive the contracted discounts.
2. Practice acknowledges and agrees that any action by Practice that is inconsistent with the participation requirements set forth herein may result in the termination by CNHN or Merck of Practice's participation in the CNHN-Merck group purchasing program. By signing this Letter of Participation, Practice acknowledges its intent to: (i) participate in the CNHN-Merck group purchasing program and (ii) comply with the participation requirements described herein.
3. Practice acknowledges and agrees that all products and supplies purchased through Merck programs are intended solely for use by Practice and are not for resale. Practice further acknowledges and agrees that it shall, and shall cause its physicians to, comply with the terms and conditions of Exhibit 1 hereto, Duty to Warn, and shall execute Exhibit 1 where indicated simultaneously with the execution of this Letter of Participation, and annually thereafter.
4. Practice represents and warrants that at all times while this Letter of Participation is in effect, Practice shall comply with all applicable federal, state and local laws. For example, to the extent Practice receives discounts, rebates, or any other price reductions or remuneration (collectively, "remuneration") under CNHN-Merck's group purchasing program, Practice may have an obligation under federal or state law to disclose such remuneration to federal or state health care programs or other payors.
5. Merck or CNHN shall have the right, upon reasonable prior written notice to Practice, to audit all documentation, systems and processes at Practice's primary place of business location during normal working hours for purposes of assessing performance under the CNHN-Merck group purchasing program.
6. This Letter of Participation represents the entire agreement between CNHN and Practice regarding CNHN-Merck's group purchasing program participation requirements and supersedes any prior oral or written agreement concerning such subject matter.
7. This Letter of Participation may be terminated by Merck, CNHN or Practice by giving at least thirty (30) days advance written notice to the other parties.

Authorized Signature/Title

Date

Please submit this completed form to Children's National Health Network (FAX: 202-476-2399).
For assistance, please contact Donnita Pickett @ CNHN: 202-476-2727 or dpickett@cnmc.org
Children's National Health Network, 111 Michigan Avenue, N.W., Washington, DC 20010

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Exhibit 1

Duty to Warn

- A. Practice warrants that it will (1) take all appropriate steps to assure that all vaccines discounted and/or purchased under the CNHN-Merck group purchasing program shall be administered to each patient on the basis of an individualized medical judgment by a physician, or (2) take all appropriate steps to provide to such patient (or to the patient's parent or guardian) meaningful and complete warnings relating to the risks and benefits of vaccination, in form and language understandable to such patient, parent, or guardian.
- B. If any suit asserted against Merck by a third party is based in whole or in part on a claim for failure by Practice to properly discharge the responsibilities assumed by it under paragraph A above, Practice shall upon prompt written notice of such claim or action, indemnify Merck and hold Merck harmless for any cost attorney's fees and damages associated with the defense of such claim or action and to provide its full cooperation and assistance to Practice in defense of such claim.
- C. In the event of Practice's breach of, or failure to carry out, its responsibilities under paragraph A above, any measure of resulting damages to Merck shall include, but need not be limited to, damages (including money judgments, reasonable attorneys' fees, and other cost) sustained in connection with claims against Merck for personal injuries caused by such breach or failure. This provision shall not limit any other right of Merck to obtain damages of other relief for any breach of this contract or for the settlement of any dispute arising under this contract.
- D. It is the policy of Merck to ship any Merck Vaccine only to those persons or entities who are licensed by law to accept such shipments. Practice represents either that it is authorized by state law to accept shipment of any Merck Vaccine or that it has designated such a person or entity to accept the shipment of any Merck Vaccine called for by this contract.

AGREED TO AND ACCEPTED:

Name: _____

Title: _____

Name of CNHN Member Practice: _____

Date: _____

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