

MARCER COOPERATIVE PURCHASING PROGRAM AGREEMENT

This Agreement between the Mid-America Regional Council (MARC), hereinafter referred to as "MARC" and Alliance Medical hereinafter referred to as "Vendor", entered into this 1st day of July, 2005, sets forth that both parties agree as follows:

WHEREAS, MARC desires to enter into an arrangement with a medical supply firm to offer competitive prices on the purchase of pre-hospital supplies to MARCER members and Associate member agencies; and

WHEREAS, through a competitive bid process, Alliance Medical as the Vendor was selected by MARCER as the company offering the most competitive prices and terms and conditions; and

WHEREAS, Alliance Medical as the Vendor desires to offer competitive prices and terms and conditions to MARCER members and Associate member agencies in the Kansas City metropolitan area.

NOW, THEREFORE, the parties agree as follows.

1. MARC Commitment to Vendor. MARC will enter into this agreement with Alliance Medical for 24-months to offer the cooperative purchasing program to Active MARCER Member and Associate Member EMS agencies in the bi-state Kansas City metropolitan area. MARC is a public not-for-profit corporation organized in 1972 to serve as a voluntary association of city and county governments and a metropolitan planning organization for the bi-state Kansas City metropolitan area. MARCER was established in the mid-1970s as a committee of MARC to promote regional coordination and cooperation in emergency pre-hospital care. Through MARCER, MARC will provide initial and updated information to all Active MARCER members and Associate member agencies about the program. In addition, MARCER will promote the program to its Members and encourage their participation. MARC will provide the Vendor with contact names, addresses and telephone numbers of all MARCER Members and Associate Members in good standing who are active Members of the MARCER Purchasing Cooperative (Co-op). MARC staff is available to assist the Vendor and participating MARCER members and Associate member agencies in resolving any problems or questions with the program.

2. EMS Agencies Eligible to Participate in the Cooperative Purchasing Program.

MARCER Members in good standing are eligible to participate in the Cooperative Purchasing Program. MARCER Members include but are not limited to state-licensed emergency ambulance services, including fire departments and districts, air ambulance services and other EMS providers in the 8-county Kansas City metropolitan area (Cass, Clay, Jackson, Platte and Ray counties in Missouri and Johnson, Leavenworth and Wyandotte counties in Kansas).

Associate Members are EMS agencies, public health and fire departments in adjacent counties to the Kansas City metropolitan area that transport patients to Kansas City area hospitals and financially support MARCER. Members and Associate Members in good standing are those that have paid their MARCER membership fees for the current

calendar year. For purposes of the Agreement, Associate Members are defined as those Agencies that already participate in the MARCER Co-op, including some agencies from outside the 8-county region, and are included on Attachment 1 and public health departments from within the 8-county area.

A list of current members in good standing and other eligible agencies is included as Attachment 1. This list will be updated periodically during the program time frame as other eligible agencies become active MARCER members or Associate member agencies.

3. Program Time Frame. The program is effective July 1, 2005, and will run through June 30, 2007. This agreement can be renewed for one additional two-year period at the mutual agreement of both the Vendor and MARCER.

4. Establishing an Account and Placing Orders. MARCER will pre-qualify agencies to be eligible to participate in the program. Each MARCER Member and Associate Member agency will be assigned a customer number by the Vendor. Agencies may place an order by toll free telephone, toll free fax, U.S. mail, and email, or via a 24-hour Internet Website. The Vendor's customer service hours are 7:30 a.m. to 6 p.m., CST, Monday through Friday.

5. Prices for Pre-Hospital Supplies. The Vendor will offer the pre-hospital supplies identified in their bid proposal for sale to MARCER Member agencies and Associate Member agencies at the prices itemized in Attachment 2. Prices identified as VAP prices are based on the inclusion of MARCER cooperative members in the VAP program. MARCER Co-op members will automatically become a VAP participant. These prices are fixed but can be adjusted as needed, at the mutual agreement of MARCER and the Vendor. The Vendor will provide documentation to justify increases as requested. These price increases cannot exceed 10 percent per year on any one item over the two-year term of this agreement. Other Non-VAP items on the bid will hold their pricing for the term of this agreement.

The Vendor agrees to offer any item in their published catalog not included in Attachment 2 at 10 percent below the published price, with the exception of items already discounted through some other mechanism (Sales, VAP program etc.). Individuals employed by MARCER Members and Associate Members will also be provided a 10% discount on purchases not otherwise discounted, from the ALLMED Store. Pricing information will be provided to agencies only after providing a signed confidentiality agreement to the Vendor.

6. Administrative Fees. The Vendor agrees to pay to MARC a three (3) percent administrative fee on all purchases from Vendor by MARCER Members and Associate Member Agencies. The fee would be assessed on total sales, excluding any shipping, handling or taxes. The Vendor agrees to remit these fees with the quarterly report required in paragraph 12 within Forty-five (45) days of the end of each quarter. Fees will not be paid on individual purchases from the ALLMED Store.

7. Delivery of Orders. The prices quoted in Attachment 2 include shipping and handling charges. Stocked items will be shipped within 24 hours of the order, except after 1:00 PM Fridays and the afternoon before Holidays. Most orders will be shipped UPS ground (next day service), excluding large orders that are sent via truck.

8. Billing and Payment. MARCER Members and Associate Member agencies will be responsible for orders placed by their organization. The Vendor will use a computerized bill-to, ship-to billing system for orders placed under this agreement. MARCER Member and Associate Member agencies are not required by the Vendor to use a formal purchase order number. The Vendor will send invoices to the agency bill-to address. MARCER Member and Associate Member agencies will be instructed and agree to the Vendor's terms and conditions, including that payment is required within 30 days, and pay a 1.5% per month (18% per year) late charge for past due account balances plus costs of collection.

9. Return Merchandise. The Vendor will use an Authorization To Return (ATR) system. Participating agencies should call the Vendor to receive an ATR number before sending back items. MARCER Member and Associate Member agencies will be informed about and agree that non-returnable items include special orders, items that have been marked or engraved, broken packaging, items not sent back in original packaging, customized items, clothing that has been worn, hemmed to 30" or less, or laundered, any sterile product that has been opened and merchandise that is more than 30 days old from the Vendor invoice date.

The VAP Drug Return policy is that only preloaded drugs, ampules, and vials purchased from Alliance Medical may be returned for full credit if the agency does not have an overdue balance, and the medication is received by the Vendor less than 70 days and more than 10 days before the expiration date. IV and irrigating fluids, Insta-Glucose, Epi-Pens, OTC medications, and IV Catheters are not returnable. An open credit will be issued to the customers account upon receipt of eligible drugs. The customer must pay return shipping charges for returns.

10. Minimum Purchase. Participating MARCER Member and Associate Member agencies commit to buy supplies from the Vendor to the extent possible to ensure the success of the program. MARC and the Vendor understand and agree that many of the MARCER Member and Associate Member agencies have existing contracts or bid arrangements in place with other Vendors for part or all of the term of this agreement. Each participating agency will determine the extent of its purchasing through the Cooperative Purchasing Program.

11. Problems. MARC, as the administrator of the Co-op Purchasing Program, should be notified immediately of any problems that any participating agency has with the program or any problems that the Vendor experiences with any participating agency. MARC will attempt to help resolve the problem as quickly as possible.

12. Quarterly and Other Reports. The Vendor agrees to provide summary information on the purchases by MARCER Members and Associate Members through the program on a monthly basis to allow MARCER to monitor the program's use and benefit to its members. The monthly report will provide total sales by agency listing all agencies regardless of the amount purchased during any period. The Vendor also agrees to remit administrative fees (see 5. Administrative Fees) on a quarterly basis. MARCER Members and Associate Members participating in the program agree to complete a brief, semi-annual survey to determine satisfaction with the program and identify any issues or problems. Other reports such as "number of units purchased by line item" may also be requested on an ad hoc basis.

13. Termination. If through any cause, the Vendor fails to fulfill its obligation under this agreement and the MARC Member and Associate Member agencies determine that the program is not meeting their needs and expectations, MARC shall have the right to terminate this agreement. MARC further reserves the right to terminate this agreement at any time by giving the Vendor a written notice of termination. Thereafter, Vendor shall have sixty (60) days in which to rectify the situation. If, within the said sixty (60) day period, Vendor rectifies the situation to the reasonable satisfaction of MARC, then this Agreement shall continue as though no notice had been given. If, however, Vendor is unable to rectify the situation to the reasonable satisfaction of MARC, then this Agreement shall automatically terminate at the end of the said sixty (60) day period without further notice or action. This right to termination applies equally to the Vendor allowing for written notice of termination. If through any cause, MARC fails to fulfill any of its obligations under this Agreement, Vendor shall have the right to terminate this Agreement as follows. If the conditions of the preceding sentence are satisfied, Vendor shall send to MARC a written notice of the alleged breach of this Agreement. Thereafter, MARC shall have sixty (60) days in which to rectify the situation. If, within the said sixty (60) day period, MARC rectifies the situation to the reasonable satisfaction of Vendor, then this Agreement shall continue as though no notice had been given. If, however, MARC is unable to rectify the situation to the reasonable satisfaction of Vendor, then this Agreement shall automatically terminate at the end of the said sixty (60) day period without further notice or action.

14. Changes to this Agreement. Upon approval by both parties, this agreement may be amended at any time.

15. Guarantees and Warranties. The Vendor certifies that it will comply with appropriate labor standards as specified in Attachment 3 and warrants that it will comply with conditions outlined in Attachment 4, which are both attached. MARC represents and warrants that it has the power and authority to enter into this Group Purchasing Agreement and that its execution and performance will not conflict with or be in violation with its Articles of Incorporation, Bylaws, any other contractual or similar obligation of MARC, or any federal or state law, rule, regulation, or ordinance governing such Agreements. MARC will advise Co-op Members that all products purchased under the Program should be for MARCER Members and Associate Members own use.

16. Notices. David A. Warm, Executive Director, or his designee may take any action by MARC under this agreement as MARC may designate for such purpose by written notice to the Vendor. Written notices to the Vendor shall be considered properly given if mailed, delivered in person or transmitted by facsimile machine to:

Larry Dahl
Chief Executive Office
Alliance Medical
8624 Route C
Lohman, Missouri 65053
FAX (573-782-3889)

Written notices to MARC shall be considered properly given if mailed, delivered in person or transmitted by facsimile machine to:

Matt May, Emergency Services Planner
Mid-America Regional Council
600 Broadway, Suite 300
Kansas City, Missouri 64105
FAX (816) 421-7758

IN WITNESS WHEREOF, the parties hereto have signed this agreement effective the 1st day of July 2005.

MID-AMERICA REGIONAL COUNCIL ALLIANCE MEDICAL, INC.

By: _____ By: _____
David A. Warm Larry Dahl
Executive Director Chief Executive Officer

Date: _____ Date: _____

ATTACHMENT 1

MARC ER MEMBER EMS AGENCIES

Agency Name	MARCER Member	Co-op Member
American Medical Response	Y	Y
Baptist-Lutheran Medical Center	Y	Y
Belton Emergency Services	Y	Y
Bonner Springs Ambulance District	Y	Y
Central Cass County FPD	N	Y
Central Jackson County FPD	Y	Y
Children's Mercy Ambulance	Y	Y
Children's Mercy Hospital	Y	Y
City of Larned	N	Y
Clay County Kansas EMS	N	Y
Claycomo Fire Dept	Y	Y
Columbia OP Regional Medical Center	Y	Y
Crawford County Ambulance	N	Y
Excelsior Springs Fire Department	Y	Y
Fort Osage Fire District	Y	Y
Franklin County Ambulance	Y	Y
Gladstone Public Safety Dept	Y	Y
Grandview Fire Department	Y	Y
Holt Fire Protection District	Y	Y
Independence Regional Health Center	Y	Y
John Knox Village	Y	Y
Johnson County Med-Act	Y	Y

Agency Name	MARCER Member	Co-op Member
Johnson County MO Ambulance Dist	N	Y
Kansas City, Ks Fire Department	Y	Y
Kansas City, Mo Fire Department	Y	Y
Kearney Fire & Rescue	Y	Y
KU Medical Center	Y	Y
Lawrence - Douglas County Fire & Medical	Y	Y
Lawson Fire & Rescue	Y	Y
Leavenworth EMS	Y	Y
Lee's Summit Fire Dept	Y	Y
Lee's Summit Hospital	Y	Y
Lenexa Fire Dept	Y	Y
Liberty Fire Dept	Y	Y
Liberty Memorial Hospital	Y	Y
LifeFlight Eagle	Y	Y
Life-net Air Ambulance	Y	Y
Lotawana Fire Protection Dist	Y	Y
MARC	Y	Y
MAST	Y	Y
Medical Center of Independence	Y	Y
Menorah Medical Center	Y	Y
Miami County EMS	Y	Y
North Kansas City Fire Dept	Y	Y
North Kansas City Memorial Hospital	Y	Y

Agency Name	MARCER Member	Co-op Member
Northland Regional Ambulance District	Y	Y
Olathe Fire Dept	Y	Y
Olathe Medical Center	Y	Y
Overland Park Fire Dept	Y	Y
Pleasant Hill Regional Fire & Rescue	Y	Y
Pleasant Valley Fire Dept	Y	Y
Prairie Township Fire	Y	Y
Providence-St Margaret Hospital	Y	Y
Raytown EMS	Y	Y
Raytown Fire Protection District	Y	Y
Research Belton Hospital	Y	Y
Research Medical Center	Y	Y
Shawnee Mission Medical Center	Y	Y
Sni Valley Fire Protection District	Y	Y
South Johnson County FPD	Y	Y
South Metro Fire District	Y	Y
South Platte Fire District	Y	Y
St Joseph Health Center	Y	Y
St Luke's Hospital Plaza	Y	Y
St Luke's Hospital Northland	Y	Y
St Luke's South Hospital	Y	Y
St Luke's East Hospital	Y	Y
St. Mary's Hospital	Y	Y
Truman Medical Center East	Y	Y

Agency Name	MARCER Member	Co-op Member
Truman Medical Center West	Y	Y
Veterans Administration Hospital	Y	Y