

Medtronic

MEDTRONIC

Minimally Invasive Therapies Group

DIRECT

POLICIES AND PROCEDURES

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A. MINIMALLY INVASIVE THERAPIES GROUP (MITG) PRODUCT LISTING

PATIENT MONITORING & RECOVERY

Patient Recovery

Cardiothoracic

- Chest drainage Units
- Specialty catheters, shunts and cannulas
- Thoracic Catheters/Trocars

Chemotherapy

Protection & Safety

- Provider Protection
- Products including gloves & gowns

Collection Systems

- Blood Collection Tubes
- Specimen Collection

Diagnostics

- Amniocentesis, Lumbar Puncture, Paracentesis, Pneumothorax, Thoracentesis

Electrodes & Recording

Chart Paper

- Defibrillation, Diagnostic, Monitoring & Neonatal Electrodes
- Disposable Lead Wires & Cables

OR Products

- Foam Positioning Products
- Patient Prep
- Surgical Kits & Trays
- Surgical Suction Instruments
- Tubing

Perinatal

- Neonatal Devices – P ICCs and UVCs
- Obstetric Items – IUPCs, Belts and FSEs

Thermometry

- Predictive & Tympanic

Sharp Safety

- Needles & Syringes

- Prefilled Syringes/IV Access
- Safety Blood Collection Devices
- Sharps Disposal Products

Venous

Thromboembolism (VTE) Prevention

- Compression Stockings
- Foot Compression System
- Compression Sleeves Is this

Nutrition, Access & Skin Solutions

Enteral Feeding

- Pumps & Sets

Gastro Intestinal

- CO₂ Detectors
- Naso-Gastric Tubes
- Salem Sumps
- Stomach Tubes

Incontinent Care

- Adult Briefs
- Infant & Maternity Care
- Undergarments & Underpants

Open Suction

- Mucus Traps
- Suction Catheters, Trays, Solutions Pumps, Trach Care

Urology

- Catheters
- Drainage Bags
- Urine Meters

Wound Care/Traditional

Dressings

- Bandage Rolls
- Gauze
- Infection Prevention & Moist Wound Healing including Foam
- Non-Adherent Dressings
- Tapes & Adhesives

- Transparent & Hydrocolloid Dressings

Renal Care

Solutions:

- Acute Catheters
- Chronic Hemodialysis Catheters
- Chronic Peritoneal Dialysis Catheters
- Accessories

Respiratory & Patient Monitoring

Airway Management

- Tracheostomy
- Laryngeal Masks
- Endotracheal Tubes
- Video Laryngoscopy

Breathing Systems

- CO₂ Detectors
- Filters/HME Ventilation
- Ventilation

Monitoring Solutions

- Capnography
- Pulse Oximetry
- Cerebral/Somatic Oximetry
- Brain Function Monitoring
- Temperature Management
- Patient Warming

Health Informatics & Monitoring

- Vital Sync™ Remote Patient Monitoring

SURGICAL INNOVATIONS

General Surgical Products

- Access and Trocar Instruments

- Laparoscopic Hand Instruments
- Endoscopic Suturing
- Clip Applicators
- Suction and Irrigation
- Specimen Retrieval Products
- SILS™ Products Line
- Pads and Pencils
- Visualization Products
- RF Surgical/Sponge Detection
- Gynecology
- Suture
- Advanced Wound Closure
- Topical Skin Adhesive

Advanced Surgical Technologies

- Power Stapling
- Open Stapling
- Endoscopic Stapling
- Vessel Sealing & Ultrasonic Cutting
- Generator/ Hardware
- Smoke Evacuation
- Visualization Products
- Collagen-based Mesh
- Synthetic Mesh
- Structural Balloon Dissectors
- Permanent Fixation
- Absorbable Fixation

Ablation

- Advanced Ablation Solutions/Emprint

B. CUSTOMER SERVICE AND CONTACT INFORMATION

How to order:

To implement electronic ordering, preferred method, contact the Medtronic EDI team at EDI.customerservice@Covidien.com

Contact CovidienConnect@covidien.com or to register, log onto www.covidienconnect.com and click on "Register Now"

*Call: 800-962-9888, option 2, option 6
Email: customerservice@covidien.com
Fax: 800-544-8772

Pulse Oximetry Remanufacturing Order Instructions:

Covidien SPO2 Sensor Remanufacturing	Customer Service:	Remittance:
15 Hampshire Street	Phone: 844-COVALUE (268-2583)	COVIDIEN
Mansfield, MA 02048	Fax: 508-452-1900	PO Box 120823
	Email: GoGreen@covidien.com	Dallas, TX 75312-0823

How to obtain service and warranty assistance:

Contact CovidienConnect@covidien.com or to register, log onto www.covidienconnect.com and click on "Register Now"

Respiratory and Monitoring Solutions

Call: 800-962-9888, option 1, option 1
Email: HQTSWEB@covidien.com
Fax: 800-966-4955

Patient Recovery (Thermometry & Enteral Feeding)

Call: 800-962-9888 option 1, option 2
Email: swm.customerservice@covidien.com
Fax: 800-724-1324

Patient Recovery (SCD & AVI)

Call: 800-962-9888 option 1, option 3
Email: swm.customerservice@covidien.com
Fax: 800-724-1324

Surgical Innovations (Surgical, Valleylab, & RF Surgical)

Call: 800-962-9888 option 1, option 5
Email: swm.customerservice@covidien.com
Fax: 800-724-1324

How to report a discrepant order and request a Return Materials Authorization ("RMA"):

Contact CovidienConnect@covidien.com or to register, log onto www.covidienconnect.com and click on "Register Now"

*Call: 800-962-9888, option 2, option 6
Email: customerservice@covidien.com

***Orders and discrepant orders reported online via CovidienConnect.com are prioritized.**

C. BACK OFFICE OPERATIONS CONTACT INFORMATION

Price List

Email: Covidien.pricelistadministration@covidien.com

Rebates & Chargebacks

Assigned per distributor - one single point of contact per distributor

Covidien.DistributorRebates&TracingClaims1@covidien.com

Covidien.DistributorRebates&TracingClaims2@covidien.com

Covidien.DistributorRebates&TracingsClaims3@covidien.com

*Contact Wendy Luca wendy.luca@covidien.com if you have questions about your single point of contact.

GPO Pricing

Patient Recovery

Email: MansfieldGPOcontracts@Covidien.com

Surgical Innovations

Email: Mansfield.GPOUSSURGEBD@Covidien.com

Respiratory and Monitoring Solutions

Email: Mansfield.GPORespiratory@Covidien.com

GPO Rosters, Memberships & LOCs

Email: membership.mansfield@covidien.com

Individual Customer Pricing

Patient Recovery

Email: MansfieldIndividualContracts@Covidien.com

Surgical Innovations

Email: Mansfield.IndividualUSSURGEBD@Covidien.com

Respiratory and Monitoring Solutions

Email: Mansfield.IndividualRespiratory@Covidien.com

D. INTRODUCTION

The Medtronic Direct Policies and Procedures are applicable to transactions involving Customers purchasing any Product directly from Medtronic or one of its Business Units and shall govern those transactions. This Policy is subject to change by Medtronic from time to time. Medtronic will provide Customer sixty (60) days advance notice of any material change to this Policy.

E. DEFINITIONS

“Business Unit” means any of the Medtronic divisions or businesses, or operating companies owned by Medtronic, which is operated under common control with Medtronic, as listed in Section A above and directly below:

- Patient Recovery (including Renal Care Solutions)
- Respiratory & Monitoring Solutions
- Surgical Innovations

“Customer” means any customer entity located in the 50 United States or the District of Columbia purchasing Products directly from Medtronic or one or more of its Business Units.

“Medtronic” means Covidien Sales LLC, a Medtronic company.

“Policy” means these Medtronic Direct Policies and Procedures as such policies and procedures are updated from time to time.

“Products” shall mean any products in the product categories listed in Section A (Minimally Invasive Therapies Group (MITG) Product Listing) sold by Medtronic or a Business Unit to a Customer.

F. ADMINISTRATIVE REQUIREMENTS

- 1) Customer will pay all invoices from Medtronic within standard, cash-payment terms.
- 2) In the event Customer requires a proof of delivery, Customer will make such request from Medtronic Customer Service within 30 days after the invoice date.
- 3) Customer will resolve all Medtronic additional billings for disputed items within 60 days of add-bill date.
- 4) Customer will provide a detailed deduction explanation for all adjustments to invoices from Medtronic.
- 5) Customer will submit all requests for credit within 90 days after the invoice date.

G. CONTRACT AND PAYMENT TERMS

- 1) **Payment Terms.** Subject to continuing credit approval, Medtronic offers payment terms of net 30 days from date of invoice. Medtronic reserves the right to charge interest on delinquent accounts.
- 2) **Rebate Payments.** All rebates payments, if applicable under a separate written

rebate agreement with Customer, will be calculated on purchases made directly from Medtronic based on invoice date, not order date, and/or Distributor, Custom Procedure Tray Manufacturer “CPTM” and on Integrated Delivery Network Service Center “IDNSC” provided sales tracings.

3) ***Custom Products.*** Custom Products are intended for sale to the Customer specified on the Product label, and are made to the specifications and requirements of the individual Customer. These Products may not be sold to any other Customer without the prior written approval of Medtronic.

4) ***Purchase Only from Medtronic; Own Use.*** Customer must purchase Product directly from Medtronic or a distributor duly authorized by Medtronic to resell Products. Customer agrees to purchase Products only for its own account and not to resell, exchange or otherwise transfer such Products to or with any third party. Medtronic shall be entitled to injunctive relief and all other equitable and legal remedies available to it in the event of a breach by Customer of this obligation. By purchasing any Product designated by Medtronic for “single use,” “multiple use in a single procedure,” “do not re-sterilize,” or the like, Customer agrees to limit that Product’s use in accordance with those express designations.

5) ***Trade Controls.*** Customer agrees to fully comply with all applicable export control and economic sanctions laws, and will not divert Products contrary to U.S. law. By purchasing Product from Medtronic, Customer warrants that it is not set forth on, nor owned or controlled by any person set forth on, a restricted party list maintained by the U.S. or other governments.

H. FREIGHT TERMS

Standard Product Orders. Standard orders will be shipped F.O.B. Shipping Point, Freight Prepaid using Medtronic’s preferred shipping method including, but not limited to, common carrier, parcel or air depending on size of order, Customer US location and Product requirements. Freight for capital goods varies by item. Medtronic reserves the right to ship capital goods freight prepaid by Medtronic with the cost of freight added to the invoice. Check with your Medtronic sales representative for details. Ownership and risk of loss shall transfer to Customer at the F.O.B. point.

Expedited Orders. Expedited orders will be shipped F.O.B. Shipping Point, Freight Prepaid. Additional costs associated with expediting shall be added to the invoice, using the most timely and efficient delivery option based on carriers’ delivery schedules to Customer’s US location. Orders expedited at Customer’s request will incur a fee for premium service. The fee will reflect the current published rate for the designated carrier and mode of transportation, less a 20% discount. Ownership and risk of loss shall transfer to Customer at the F.O.B. point.

Hawaii Orders. For Medtronic Patient Recovery Business Unit only, Medtronic Patient Recovery Business Unit will not ship directly to HI. For Product purchases in HI, Medtronic Patient Recovery Business Unit Products are available only through Medtronic authorized distributors. Note, authorized distributor will add appropriate mark up for freight charges from CA to HI.

I. MINIMUM ORDER AND DIRECT ORDER TERMS

Minimum order requirements and direct order charges are outlined in the table below.

Minimum Order Requirements. The minimum order fee will be applied to any purchase order that does not satisfy the minimum order requirement. The minimum order fee will automatically be included on the invoice. Customer may not be notified in advance or at time of order entry.

Direct Order Charge. Orders placed directly with Medtronic for Products that are available through authorized distributors will be assessed a 3% direct order charge. Some Products (such as parts, equipment and some disposables) will not be assessed a direct order charge. Contact your Business Unit Sales Representative or Medtronic Customer Service for details.

MINIMUM AND DIRECT ORDER TERMS

Minimum Order Purchase Requirement	Minimum Order Fee	Direct Order Charge
\$500	\$90 per order	3% of product purchase price

J. RETURNED GOODS POLICY

1) Except as set forth in Section J.4 below, all standard saleable Products may be returned for credit. Credit is issued based upon the reason for the return (see Exhibit B for credit amount). Product must be returned in original packaging with return label placed in an open area of package to receive credit. Medtronic reserves the right to refuse any return.

2) All returns must be authorized by Medtronic Customer Service or Returned Goods Department. All Product returns must be sent freight prepaid unless prior approval is granted.

3) For overstock returns, Medtronic Customer Service or Returned Goods Department will assign a Product return authorization number once the following information is provided:

- a) Reason for return
- b) Item number
- c) Quantity of item
- d) Original invoice number
- e) Purchase order number
- f) Lot number, if applicable

Customer Service will forward a copy of the Product return authorization to the appropriate Customer contact along with return instructions. The Product return number and a return goods packing list *must be included* with all paper work.

4) Customer should not return Product with respect to any of the following. Credit will not be given and the Product will not be returned to the Customer:

- a) All made-to-order or custom-manufactured Products
 - b) Discontinued Products, divested Products, and Products not listed in current price lists
 - c) Expired Products or Products within the applicable Business Unit's "required months from expiration" as set forth in Exhibit A attached to these Policies
 - d) Used Products or unreported damaged Products;
 - e) Products that are not in original packaging, standard selling unit-of- measure (i.e., full, unopened cases of Product)
 - f) Products that were not purchased directly from Medtronic or an authorized distributor
 - g) Products for which no "authorization to return" has been given
- 5) Customer must report receipt of defective Product to Medtronic's Customer Service Department within 24 hours of discovering such defect, providing all information below. Medtronic will contact the Customer, investigate the problem, and notify the Customer of the outcome and any action taken.

- a) Customer name and address
- b) Customer contact and phone number
- c) Product catalog number and description
- d) Lot number, if applicable
- e) Nature of problem and quantity involved
- f) PO Number

K. BREAKAGE, SHORTAGE & OVERAGE PROCEDURES

- 1) **Damage or Breakage.** In the event damage or breakage occurred during, or resulting from, Medtronic's packing and loading is noted upon arrival at Customer's site, Customer should do the following or credit will not be allowed:
- a) Accept the Products delivered by the carrier, note the visible damage or breakage on the carrier's delivery documents, and have the carrier sign the document.
 - b) Promptly notify the Medtronic Customer Service Department of the damage or breakage.
 - c) **Concealed Damage or Breakage:** Concealed damage or breakage which occurred during, or resulting from, Medtronic's packing and loading over-packs or pallets must be reported within 7 calendar days of delivery, Customer should notify Medtronic Customer Service of the following concealed damage or breakage:
 - i. Over-packs (e.g., multiple SKUs in a master case); or
 - ii. Damage or breakage concealed within palletized shipments.
 - d) **Non-conforming Product:** Non-conforming product, defective product or out-of-box failures should be handled as a warranty issue by contacting Medtronic Customer Service.
- 2) **Shortages.** To ensure appropriate credit is issued in the event a shortage occurs in transit, Customers should accept all Products delivered by carrier, note visible shortages on the carrier's delivery documents and contact Medtronic Customer Service.
- a) Medtronic will make arrangements for a replacement shipment, if requested by Customer.
 - b) Medtronic will investigate shortage claims by reviewing carrier Proof of Delivery, pallet architecture (for pallet shipments) and distribution center

product cycle count.

- c) Medtronic will issue a credit for shortages if Medtronic concludes the shortage is validated and subject to the following conditions:
 - i. Shortages must be reported to the Medtronic Customer Service Department within 7 calendar days of delivery. This applies to dropped trailers, live unload palletized and small package shipments, and includes shortages within an over-packed corrugate. Note, Customer must sign for number of pallets received.
 - ii. Shortages within full cases should be reported to Medtronic Customer Service immediately when encountered.

3) **Overages.** To ensure appropriate processing (billing or return authorization) is completed in the event an overage occurs in transit, Customers should accept all Products delivered by carrier, note visible overage on the carrier's delivery document and report the overage to Medtronic Customer Service.

- a) Medtronic will make arrangements for a carrier to pick up the over-shipped Product within a reasonable timeframe.
- b) Medtronic will issue an invoice for over-shipped Product at Customer request.
- c) Overages must be reported to the Medtronic Customer Service Department within 7 calendar days of delivery. This applies to dropped trailers, live unload palletized and small shipments and includes overages within an over-packed corrugate.

4) Returned Goods Authorization Numbers not utilized within *30 days* are automatically deemed to be cancelled and null and void. Customer must contact Medtronic Customer Service for a new returned goods authorization number *after 30 days have lapsed*.

L. E-BUSINESS TRANSACTIONS

Current technology provides the tools to rapidly automate manual business processes and transactions throughout the health care supply chain. Increased use of this automation will streamline product selection, purchasing, and utilization for the mutual benefit of all parties. A full statement of Medtronic's E-Business principles is included in Exhibit C, Guiding Principles for E-Business, attached to this Policy.

- 1) Medtronic utilizes the EDI standard HIBCC subset of the ANSI x.12 format.
- 2) E-Business solution is via the EDI X.12 standard. Medtronic supports transactions via Global Health Exchange (GHX). GHX offers a variety of connection solutions for our Customers.
- 3) Medtronic currently uses electronic automation (E-Business) and is willing to comply with any of the open E-Business EDI standards. Direct customer E-Business will be implemented according to the following table. Medtronic will not pay third party EDI testing process fees or monthly fees for EDI processing.

Business Transaction	Preferred Format	Acceptable Format	Availability Status	Non-conformance Fee
End-user Sales	X.12 Direct EDI or via GHX	EDI 867	Currently available	None
Purchase Order	X.12 Direct EDI or via GHX	EDI 850	Currently available	None
Purchase Order Acknowledgement	X.12 Direct EDI or via GHX	EDI 855	Currently available	None
Invoice	X.12 Direct EDI or via GHX	EDI 810	Currently available	None
Payment Order/Remittance Advice	Direct from bank	EDI 820	Currently available	None
Advanced Ship Notice	X.12 Direct EDI or via GHX	EDI 856	Currently available	None

Purchase-Order (Transaction Set #850). The electronic transmission of purchase order data using industry standard format: (HIBCC approved version of ANSI x.12).

Purchase Order Acknowledgement (Transaction Set #855). The electronic transmission of purchase order confirmation data using industry standard format.

Invoicing (Transaction Set #810). The electronic transmission of invoice information from Medtronic to Customer. This data will be provided in industry approved ANSI x.12 format, and will enable Customer to automatically match invoices to the original purchase order and receipt.

Funds Transfer (Transaction Set #820). Electronic funds transfer provides a means for Customer to electronically transfer funds and remittance data Medtronic. The data would be provided in industry-approved banking standards (CTX). Medtronic can provide support for working through the necessary testing and communications with Customer's bank to help facilitate the setup of this transaction.

Additional Electronic Business Transactions. Additional electronic business transactions supported by Medtronic are: Contract, Advance Ship Notice, Pricing, and Availability. Please contact Medtronic E-Business Group for additional information.

M. GENERAL PROVISIONS

1) Medtronic Business Units reserve the right to maintain their own policies and criteria regarding Customer purchases. Accordingly, not all Customers may be qualified to purchase all Products of all Medtronic Business Units and divisions.

2) **Changes in Products.** Customer's access to a Product is subject to such Product's regulatory status (e.g., "may be dispensed by prescription only"). Medtronic may discontinue or modify any Product at any time.

3) **Notices.** Any notice given in connection with this Policy shall be sufficient if in writing and delivered by messenger or by postage prepaid mail or by facsimile to the Customer at its last known address on record at Medtronic, provided that notices or

communications shall be effective when received by or otherwise known to the recipient or its legal representative. The methods of delivery described in the foregoing are not intended to be exclusive and any written notice actually received shall be sufficient.

4) ***Relationship of Parties.*** The relationship of Customer to Medtronic and its Business Units is that of independent contractor. This Policy does not create a partnership, association or other business entity. Nothing in this Policy is intended to benefit any person or entity not a party hereto.

5) ***Force Majeure.*** Noncompliance with any obligation under this Policy for reasons of force majeure (such as: acts, regulations or laws of any government; war or civil commotion; destruction of production facilities or materials; fire, earthquake or storm; labor disturbances; failure of public utilities or common carriers; and any other causes beyond the reasonable control of the party affected) shall not constitute a breach of this Policy.

6) ***Compliance with the Law.*** Each of Medtronic and Customer will comply with all applicable federal, state and local laws in connection with this Policy and the acquisition, transfer or consumption of any Products hereunder by Customer. To the extent that Medtronic provides Customer a discount or other reduction in price with respect to one or more Products under 42 USC 1320A-7B§ 1128B(b) (3) (A) of the Social Security Act (42 USC §1320a-1128B(b)(3)(A) and regulations issued thereunder, Customer is responsible for accurately reporting and/or providing information regarding any such discounts, including rebates or reductions in price, to reimbursement agencies (including Medicare and Medicaid) and other entities in accordance with all applicable laws and regulations, including, without limitation, the provisions of the discount exception at 42 U.S.C. § 1320a-7b(b)(3)(A) and/or the discount safe harbor regulation at 42 CFR § 1001.952(h).

8) ***Trademarks and Proprietary Information***

a) The packaging and labeling of the Products shall contain Medtronic's trademarks and trade names. Medtronic's trademarks and trade names shall remain its exclusive property and nothing herein shall be construed as transferring any right, title, or interest of any kind or nature whatsoever thereto to Customer. Except as specifically provided herein or in a license agreement between Medtronic and Customer, neither party shall use in any way the trademarks or trade names of the other party, and will not do any act which would in any way infringe upon or be in derogation of the validity of such other party's trademarks or trade names, and will notify the other party of any conflicting claims that challenge any trademarks or trade names of such party of which it is aware.

b) Customer shall hold in confidence Proprietary Information (as defined below) supplied to it by Medtronic and shall not divulge the same to any other person or entity without the prior written permission of Medtronic. The confidentiality obligations in this Section 8(b) shall not apply to information which:

- i. becomes public other than through Customer,
- ii. is already known to Customer as evidenced by its written records,
- iii. becomes known by Customer in the future from another source which is under no obligation of confidentiality to Medtronic, or
- iv. is subsequently developed by Customer in a manner

which it can conclusively establish was independent of the disclosure hereunder.

- v. This Section 8(b) shall survive termination of any agreement or similar arrangement between Medtronic and Customer.

For purposes of this Policy, "Proprietary Information" means all data and other information relating to Medtronic's business that could reasonably be expected to be valuable to a competitor or potential competitor or a customer for any such competitor of Medtronic, including, without limitation, any product specifications. Upon request by Medtronic, Customer shall promptly return or destroy all Proprietary Information and certify thereto.

9) ***Product Incident Notification.*** Customer shall (i) immediately notify Medtronic of (a) any event that might require Medtronic to file a report or otherwise comply with any applicable law, rule, or regulation governing medical devices, (b) any Product malfunction which, were it to recur, would be likely to cause serious injury or death, or (c) any serious device effects to a patient and/or operator, and (ii) report all Product and service complaints to the applicable Business Unit, including the following information: Product model number, Product serial number (if applicable and available), nature of complaint or situation, any action taken.

10) ***Limitation of Liability.*** IN NO EVENT SHALL MEDTRONIC BE LIABLE TO CUSTOMER OR ANY OTHER PERSON FOR REPROCUREMENT COSTS, LOST PROFITS, BUSINESS INTERRUPTION, LOSS OF USE, OR INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES OF ANY NATURE, EVEN IF MEDTRONIC HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. IN NO EVENT SHALL MEDTRONIC'S LIABILITY ARISING IN CONNECTION WITH ANY PRODUCT(S) SOLD OR TO BE SOLD HEREUNDER (WHETHER SUCH LIABILITY ARISES FROM A CLAIM UNDER CONTRACT, WARRANTY, TORT, OR OTHERWISE) EXCEED THE ACTUAL AMOUNT PAID BY CUSTOMER TO MEDTRONIC FOR THE PRODUCT(S) INVOLVED IN SUCH CLAIM.

EXHIBIT A - RETURNED GOODS POLICY

BUSINESS UNIT	MONTHS PRIOR TO EXPIRATION FOR ACCEPTABLE RETURNED PRODUCT	MANUFACTURING DATE IDENTIFICATION	EQUIPMENT/ PRODUCTS REQUIRING SALES REPRESENTATIVE RETURN AUTHORIZATION	RETURN LOCATION	¹REDRESS/ RESTOCKING FEES
Patient Recovery	6 months	Contained in lot number or stamped on product package. Contact Customer Service for more information	Contact your Sales Representative or call 1-800-962-9888	Will be provided by Customer Service upon receiving return authorization	See Exhibit B
Respiratory & Monitoring Solutions	12 months	Stamped on Product Packaging	Contact your Sales Representative or call 1-800-962-9888	Will be provided by Customer Service upon receiving return authorization	See Exhibit B
Surgical Innovations	12 months	Contained in lot # or batch # - contact Customer Service for more information	Contact Distributor Sales or call 1-800-962-9888	Will be provided by Customer Service upon receiving return authorization	See Exhibit B

¹Disposition or need for redress is determined by Business Unit and is deducted from the credit amount.

* Permacol™ Surgical implant and certain tissue adhesive Products are expressly prohibited from being returned for credit.

EXHIBIT B - RESTOCKING FEE SCHEDULE

Reason for Return	Patient Recovery*	Respiratory and Monitoring Solutions*	Surgical Innovations
Defective Product -Sales Representative must initiate and authorize.	Invoiced price	Invoiced price	Suture credit on invoiced price - AS credit on invoiced price or replacement upon receipt
Business Unit Shipping error	Invoiced price within 90 days	Invoiced price within 90 days	Invoiced price within 90 days
Business Unit Order error	Invoiced price within 90 days	Invoiced price within 90 days	Invoiced price within 90 days
Customer order error	Invoiced price less 20% Restock fee	Invoiced price less 20% Restock fee	Invoiced price less 20% Restock fee
Refused shipment (not Business Unit error)	Invoiced price less 20% Restock fee	Invoiced price less 20% Restock fee	Invoiced price less 20% Restock fee

*For equipment returns, call Business Unit Customer Service for schedule

EXHIBIT C - Medtronic's Guiding Principles for E-Business

At Medtronic, meeting our Customer needs is our top priority. We are committed to making available Internet enabled purchasing services at no incremental cost to our Customers. Medtronic believes that supply chain efficiencies derived from E- Business will be reallocated over time throughout the entire supply chain. We also believe this will make product selection, purchase and utilization more efficient for all connected parties. To this end, Medtronic will allocate resources to all mutually beneficial initiatives. The following are our guiding principles:

- Medtronic will work with its Customers to create quantifiable savings and efficiencies in our E-Business efforts.
- Medtronic is committed to holding down supply chain costs and will not pay incremental fees that will result in increased supply chain costs.
- Medtronic will accept transactions from e-commerce companies when our Customers request it.
- Medtronic cannot be responsible for keeping information up-to-date on any third party or e-commerce company's websites or portals, as it will only increase the costs and inefficiencies of doing business.
- Medtronic does not approve, condone nor authorize transaction or pricing data to be available to any parties other than the purchaser and Business Unit(s) involved in the transaction.
- Medtronic will support industry data standardization efforts if they measurably benefit all constituents in the supply chain.
- All e-commerce messages and transactions to Medtronic must be either X12 EDI or XML.