

EQUIPMENT CONSIGNMENT AND SERVICES AGREEMENT

THIS EQUIPMENT CONSIGNMENT AND SERVICES AGREEMENT (“Agreement”) is made this 1st day of May, 2018, by and between DASCO Home Medical Equipment, Inc (“DASCO”), an Ohio Corporation and , and Sleep Center of Kentuckiana (“Sleep Lab”).

Background

A. DASCO is in the business of supplying durable medical equipment and supplies, including continuous positive airway pressure (“CPAP”) and bilevel positive airway pressure (“BiPAP”) devices, to patients for use in their homes.

B. Sleep Lab operates a facility for the diagnosis and treatment of sleep-related disorders. Patients of Sleep Lab sometime require CPAP and BiPAP devices.

C. Sleep Lab and DASCO wish to enter into an arrangement to provide convenient access to CPAP and BiPAP devices for Sleep Lab patients who choose to receive equipment from DASCO (“patients”).

D. DASCO often does not have personnel immediately available to provide equipment setup, patient instruction and related services as described in Exhibit A (“Services”) in a timely fashion for patients who require CPAP or BiPAP devices. DASCO wishes to engage Sleep Lab to provide Services to patients, and Sleep Lab wishes to accept such engagement, on the terms and subject to the conditions set forth in this Agreement.

Terms

In consideration of the mutual covenants contained herein, DASCO and Sleep Lab agree as follows:

1. Consignment of Equipment.

(a) DASCO will deliver to Sleep Lab’s facility, on a consignment basis, sleep-related equipment (the “Inventory”). DASCO will replace items distributed from the Inventory from time to time. DASCO may increase, decrease or change the quantity or kinds of equipment in the Inventory as DASCO deems appropriate, taking into account Sleep Lab’s preferences and usage patterns. Sleep Lab will provide suitable storage space for the Inventory at Sleep Lab’s facility, and will permit DASCO reasonable access to such storage space for purposes of verifying and replacing Inventory and as reasonably necessary to carry out the purposes of this Agreement. Upon the expiration or termination of this Agreement, DASCO will verify the remaining Inventory and will remove the Inventory from Sleep Lab’s facility.

(b) Title to the Inventory will remain with DASCO, and Sleep Lab will have no ownership interest in the Inventory. Sleep Lab will use reasonable care to prevent loss of or

damage to the Inventory. If any portion of the Inventory is lost or damaged due to theft, fire or casualty, Sleep Lab will promptly notify DASCOS and will cooperate as reasonably requested by DASCOS in connection with any insurance claim filed by DASCOS resulting from such theft, fire or casualty.

(c) Before dispensing equipment to a patient from the Inventory, Sleep Lab will explain to the patient that he or she may choose to obtain equipment from any supplier of his or her choice. If the patient elects to obtain equipment from DASCOS, Sleep Lab will provide equipment from the Inventory to the patient. Sleep Lab will notify DASCOS of the provision of equipment to the patient, and will provide the patient's name and insurance information to DASCOS. Sleep Lab will not distribute equipment to any person other than a patient who has chosen to receive equipment from DASCOS. Sleep Lab will not use the equipment provided by DASCOS hereunder to provide any service at Sleep Lab's office, or make any other use of the equipment or permit any other person to make any other use of the equipment, other than as expressly set forth in this Agreement. DASCOS may verify the Inventory from time to time as DASCOS reasonably deems necessary. If DASCOS determines that any equipment is missing from the Inventory for which Sleep Lab has not provided billing information as provided in this section, or for which Sleep Lab has not reported as lost or damaged, Sleep Lab will pay DASCOS for such equipment at its regular retail price. Sleep Lab's obligations under this section will survive expiration or termination of this Agreement.

(d) DASCOS will bill and collect for its own account all charges to patients and third-party payors for equipment distributed to patients from the Inventory by Sleep Lab. Sleep Lab will cooperate as reasonably requested by DASCOS in obtaining and providing documentation required to support claims for payment for such equipment.

(e) Neither DASCOS nor Sleep Lab will make any payment to the other in connection with the consignment arrangements described in this section.

2. Engagement of Sleep Lab; Services.

(a) DASCOS engages Sleep Lab to provide Services, as described in Exhibit A, to Sleep Lab patients when DASCOS is not able to provide Services to such patients in a timely fashion. Sleep Lab will ensure that (i) all persons it employs or engages to provide Services hereunder are fully qualified to provide Services, and (ii) all Services are provided in accordance with all applicable laws and regulations, DASCOS protocols, policies and procedures (including but not limited to policies regarding safety, infection control, and clinical practice) and operational specifications provided by equipment manufacturers and by DASCOS. DASCOS will provide a copy of its clinical protocols, policies and procedures to Sleep Lab, and may modify any protocol, policy or procedure upon giving ten (10) days prior written notice to Sleep Lab.

(b) Sleep Lab will provide to patients DASCOS's a 24-hour emergency telephone number.

(c) DASC0 will provide orientation and continuing education to Sleep Lab staff regarding Services, as DASC0 reasonably determines is necessary in its discretion and at its expense.

(d) Sleep Lab will cooperate with DASC0 in the conduct of quality improvement activities.

(e) The parties will work together in good faith to resolve problems that arise in the course of Sleep Lab's provision of Services. Either party may initiate a care conference to address issues relating to the provision of Services to a particular patient.

3. Compensation. As full compensation for the Services, DASC0 will pay Sleep Lab fixed annual compensation of \$36,000.00 payable in equal monthly installments of \$3,000.00 within 10 days after the end of each calendar month. Sleep Lab is responsible for sending detailed invoice to DASC0 every monthly for services rendered. Sleep Lab will document customer name and date of set up on monthly invoice. Sleep Lab will not be entitled to additional compensation or reimbursement for expenses incurred in the delivery of Services. Sleep Lab will not bill patients or third-party payors for any Services.

4. Term and Termination. This Agreement will be effective as of the date set forth in the introductory paragraph and will continue in effect through one year. Either party may terminate this Agreement upon 10 days prior written notice if the other party breaches or fails to perform any term or obligation under this Agreement, or if the other party engages in practices that the terminating party reasonably believes are inconsistent with quality patient care. Either party may terminate this Agreement at any time without cause upon giving at least 30 days prior written notice to the other party. If this Agreement is terminated before the end of its term, the parties will not enter into any contract for the same or similar services until after the Expiration Date.

5. Indemnification. Each party will indemnify and hold harmless the other party and its directors, officers, employees and agents from and against any and all claims, losses, damages and costs, including reasonable attorney's fees, arising out of such party's negligence or willful misconduct in the performance of its obligations under this Agreement.

6. Confidentiality. Sleep Lab will not disclose to any person or entity (i) the existence of any agreement with DASC0 nor (ii) any of the terms of this Agreement. Sleep Lab will not cause or allow the original or a copy of this Agreement to be delivered or transmitted to any person or entity. The information and documentation described in the preceding two sentences will be referred to as "Confidential Information." As an exception to the foregoing, Sleep Lab may disclose Confidential Information as required to comply with the binding order of a governmental entity that has jurisdiction over it, provided that Sleep Lab (i) gives DASC0 reasonable written notice to allow DASC0 to seek a protective order or other appropriate remedy, (ii) discloses only such information as is required by the governmental entity and (iii) uses commercially reasonable efforts to obtain confidential treatment for any Confidential Information so disclosed.

7. Business Associate Provisions. The following provisions are included for purposes of complying with the Security Standards for the Protection of Electronic Protected Health Information and the Standards for Privacy of Individually Identifiable Health Information (collectively the “HIPAA Standards”), 45 CFR parts 160 and 164, and apply with respect to all Protected Health Information (“PHI”), as defined in 45 CFR § 164.501, created or received by either party to this Agreement (“Business Associate”) in performing its duties under this Agreement.

(a) Business Associate will not use or disclose PHI other than as permitted or required by this Agreement or as required by law.

(b) Business Associate will use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement.

(c) Business Associate will mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

(d) Business Associate will report to the other party to this Agreement (“Covered Entity”) any use or disclosure of PHI not provided for by this Agreement of which Business Associate becomes aware.

(e) Business Associate will ensure that any agent to whom Business Associate provides PHI received from or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

(f) Business Associate will make books and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary of Health and Human Services or the Secretary’s designee, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity’s compliance with the HIPAA Standards.

(g) At Covered Entity’s request, Business Associate will make available PHI in Business Associate’s possession to enable Covered Entity to respond to a request by an individual for access to PHI in accordance with 45 CFR § 164.524.

(h) At Covered Entity’s request, Business Associate will make available PHI in Business Associate’s possession for amendment, and will incorporate any amendments to PHI, in accordance with 42 CFR § 164.526

(i) Business Associate will document and provide to Covered Entity such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

(j) Business Associate may use or disclose PHI to perform services for or on behalf of Covered Entity as specified in this Agreement, provided that such use or disclosure would not violate the HIPAA Standards if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity.

(k) Business Associate may use PHI (i) for the proper management and administration of Business Associate or (ii) to carry out Business Associate's legal responsibilities.

(l) Business Associate may disclose PHI (i) for the proper management and administration of Business Associate or (ii) to carry out Business Associate's legal responsibilities if (A) the disclosure is required by law or (B)(1) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and (2) the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(m) Business Associate will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of the covered entity as required by the HIPAA Standards.

(n) Business Associate will ensure that any agent, including a subcontractor, to whom it provides PHI agrees to implement reasonable and appropriate safeguards to protect it.

(o) Business Associate will report to Covered Entity any security incident (as defined in the HIPAA Standards) of which it becomes aware.

(p) Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may either (i) provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; (ii) immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or (iii) if neither termination nor cure is feasible, report the violation to the Secretary.

(q) Upon termination of this Agreement, for any reason, Business Associate will return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision will apply to PHI that is in the possession of contractors or agents of Business Associate. Business Associate will retain no copies of PHI. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate will notify Covered Entity of the conditions that make return or destruction infeasible, and will extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

8. Miscellaneous.

(a) Relationship of Parties. The relationship between Sleep Lab and DASCO established by this Agreement is solely that of independent contractors. Neither party will be considered the legal representative or agent of the other, nor authorized or empowered to assume any obligation of any kind, implied or expressed, on behalf of the other party, except with the express prior written consent of the other party.

(b) Assignment; Binding Effect. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that this Agreement will not be assignable by either party without the other party's written consent.

(c) No Waiver. Neither the waiver by either party of any breach of or default under any of the provisions of this Agreement, nor the failure of either party to enforce any of the provisions of this Agreement or to exercise any right hereunder, will be construed as a waiver of any subsequent breach or default, or a waiver of any rights or provisions hereunder.

(d) Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio. No provision of this Agreement will be applied to or construed in a manner inconsistent with applicable state and federal laws and regulations.

(e) No Third-Party Beneficiaries. No person or entity, other than the parties hereto, will be entitled to bring any action to enforce any provision of this Agreement against a party hereto.

(f) Severability. No provision of this Agreement which is in violation of any state or federal law or regulation will be effective; provided, however, if one or more provisions of this Agreement are determined to be invalid and unenforceable, same will not invalidate the remainder of the Agreement unless the unenforceability or invalidity has the effect of substantially changing the terms and conditions of this Agreement or operates in such a manner as to invalidate or defeat the primary purposes or objectives of this Agreement.

(g) Entire Agreement. This Agreement is the entire agreement between the parties as to its subject matter, and all prior written or oral agreements, promises or representations are incorporated herein. This Agreement may be amended only by a writing executed by the parties.

(h) Notices. Any notice required or permitted to be given under this Agreement will be in writing and will be hand delivered, sent by certified mail with return receipt requested, or delivered by overnight courier service providing written proof of delivery, addressed as follows:

If to DASCO: DASCO Home Medical, Inc.
 375 North West Street
 Westerville, OH 43082
 Attn.: Jason M. Seeley, President

If to Sleep Lab: Sleep Center of Kentuckiana
7926 Preston Hwy #200
Louisville, KY 40219
Attn: Ed Dana, Administrator

or to such other address as either party may designate by notice pursuant to this section.

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf.

DASCO HOME MEDICAL, INC.

By: _____
Jason M. Seeley, President

By: _____

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Exhibit A

Services

Within a reasonable period of time (not to exceed 48 hours) after notification by DASCO that a patient requires Services, Sleep Lab will:

- § set up the DASCO equipment required by the patient
- § provide education and training to the patient and family on operation and use of equipment, and provide DASCO's contact information (including 24-hour emergency number) to patient and family
- § complete and obtain necessary signatures on the following documents, in the form required by DASCO, and deliver same to DASCO.
 - a) Delivery Ticket
 - b) Copy of Sleep Study Report
 - c) Copy of Physician Prescription

Sleep Lab will receive and immediately forward to DASCO patient complaints regarding use of equipment. Sleep Lab will maintain a log that records (i) the date of the complaint, (ii) the identity and contact information of the complainant, (iii) the nature of the complaint and (iv) date and time the complaint is forwarded to DASCO. Sleep Lab will make the log available to DASCO upon DASCO's request.

Sleep Lab will document the Services provided on forms supplied by DASCO and communicate these actions to attending physicians and other appropriate individuals.

Sleep Lab will assist DASCO as reasonably requested in obtaining the necessary forms and documentation for billing and reimbursement for items and services provided by DASCO.

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