



United to Improve
America's Health[®]

PATRONAGE AGREEMENT

This Patronage Agreement ("Agreement") is made by and between VHA Inc. ("VHA"), with an address of 220 E. Las Colinas Blvd., Irving, Texas 75039-5500, and _____
("Patron"), with an address of _____

The effective date of this Agreement is May 1, 2003 ("Effective Date").

WHEREAS, VHA is a health care, group purchasing organization ("GPO") cooperative that offers group purchasing supply chain services, and related clinical improvement services directly, or indirectly through subsidiary or related organizations (collectively referred to as "Group Purchasing Program"), to the patrons and affiliates of the cooperative; and

WHEREAS, Patron desires to become a patron of the cooperative and participate in the Group Purchasing Program under the terms of this Agreement,

NOW, THEREFORE, in consideration of the mutual covenants below, the parties agree as follows:

1. GROUP PURCHASING PROGRAM

Prerequisites to Participation. To participate in VHA's Group Purchasing Program, Patron is required to: i) sign this Agreement, ii) pay periodic national and/or regional participation fees, and (iii) if Patron is joining as a shareholder, sign a separate Shareholders Agreement document. All of the foregoing are subject to VHA's acceptance. VHA offers optional clinical improvement programs, many of which are offered at no cost. However, some of them require Patron to sign additional program-specific agreements and pay fees.

VHA as GPO Agent. Patron hereby appoints VHA as a non-exclusive, limited GPO purchasing agent of Patron to make available to Patron on a non-exclusive, option basis the opportunity to purchase, lease, license or otherwise receive, obtain or acquire from sellers, licensors, lessors, and distributors (collectively "Suppliers") (i) products including without limitation, goods and equipment, (ii) rights including, without limitation, intangible rights to computer software; and (iii) services, including without limitation, distribution services and consulting services (all of the foregoing are collectively referred to as "Products"). Products may be available from one or more Suppliers. Contracts to acquire Products are solely between Patron and the Suppliers, and each purchase order issued by Patron to a Supplier for Products shall constitute Patron's agreement to the terms, conditions, and pricing of the applicable Supplier's contract.

Participation Fees. VHA may determine from time to time the amount, mathematical method of computation, and time of payment of the periodic national and regional Group Purchasing Program participation fees to be paid by each Patron to VHA. VHA shall promptly notify Patron of such determinations, and Patron agrees to pay the fees in U.S. dollars when due. In addition to any other remedy available to VHA for any nonpayment, Patron agrees that VHA may offset against and deduct all or any portion of unpaid amounts from any and all Patronage Dividends (as defined below) or other amounts payable by VHA to Patron.

2. PATRONAGE PAYMENTS

Patronage Dividends. Not later than the 15th day of the 9th month after the end of each fiscal year of VHA, all Patronage Income with respect to each Patronage Activity for such fiscal year shall be paid as a patronage dividend to persons that were Patrons at any time during such fiscal year upon the basis of the value of the business done through VHA programs or services during such fiscal year. These payments shall be made to each Patron based on the Patron's patronage during the fiscal year, and may be distributed in accordance with one or more allocation units or pools as may be established by the Board of Directors of VHA (the "Board").

Patronage dividends shall be paid either in cash, in written notices of allocation or other property, or in a combination of cash, written notices of allocation or other property, in whatever proportions the Board shall determine in its discretion. Written notices of allocation may be "qualified" or "nonqualified" (as defined in Section 1388 of the Internal Revenue Code of 1986, as amended) as determined by the Board, and the form of the written notices of allocation shall be determined by the Board. Written notices of allocation may be repurchased at the discretion of the Board. Written notices of allocation will not be entitled to receive interest or dividends and will not be transferable or assignable without VHA's consent. VHA will have first lien rights and offset rights upon all written notices of allocation and upon all patronage dividends declared for any indebtedness of the respective holders or eligible recipients thereof to VHA.

* Understands that VHA shall provide Patron (or its authorized agent or designee) with an annual Sales and Revenue Report, which will itemize Patron's actual purchases through the Group Purchasing Program, and the amount received by VHA from each Supplier with respect to such purchases.

*If Patron needs any additional fee or other information concerning any Supplier contract, then Patron should contact its applicable VHA regional office.

Patron Disclosures. To the extent that Patron receives or earns discounts, rebates, incentives or any other remuneration (such as manufacturer incentives or patronage dividends) as a result of purchases made under VHA's Group Purchasing Program, Patron may have an obligation to disclose such remuneration (for example, as part of the cost reporting process) to federal or state health care programs or other payors. To the extent that Patron receives any remuneration as described above, Patron agrees to properly disclose and reflect any such remuneration on its costs claimed or charges made to Medicare and Medicaid, and as otherwise required by applicable state and federal law.

4. GENERAL TERMS AND CONDITIONS

Term and Termination. This Agreement is for a one-year term from the Effective Date, and shall automatically renew unless either party gives prior notice of termination. Either party may at any time during the term of this Agreement terminate it for its convenience, without liability therefore, by providing at least thirty (30) days prior written notice to the other party. Either party may at any time during the term of this Agreement terminate it for cause and pursue its legal remedies, if the other party fails to cure a material breach within thirty (30) days after written notice from the non-breaching party. In the event of termination, the parties shall return to each other any confidential information and make any payments for amounts that were due prior to termination. This Agreement shall automatically terminate without notice upon the date, if any, that Patron may cease to be a Patron of the VHA Group Purchasing Program.

Liability Disclaimer. VHA, its subsidiaries and affiliates, and their directors, officers, agents and employees shall not be liable to Patron for any act, or failure to act, in connection with this Agreement. VHA shall not have any liability to Patron for any failure of a Supplier to perform any contract with Patron, and Patron is solely liable to make any payments for goods, services, and taxes under its contracts with Suppliers. NO WARRANTIES, EXPRESS OR IMPLIED APPLY TO VHA'S PERFORMANCE UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR OF MERCHANTABILITY.

Losses. If VHA sustains a loss for any fiscal year in any allocation unit, VHA may at the discretion of the Board (i) carry such loss forward to subsequent years within such allocation unit or (ii) apportion such loss among the Patrons participating in such allocation unit on a cooperative basis and recoup the amount due from each Patron by offsetting it, in whole or in part, against patronage due such Patron in future years or against written notices of allocation to such Patron.

Notices. Any notice pursuant to this Agreement shall be effectively delivered when personally delivered to the recipient, or when mailed by certified mail, return receipt requested, or sent by receipted courier service, postage prepaid to the addresses first stated above, addressed to "Attention: President".

Miscellaneous. This Agreement shall inure to the benefit of, and be binding upon and enforceable by and against Patron and VHA and their respective successors and assigns. Patron may not assign this Agreement or any of its rights, title or interest herein to any other person without the prior written consent of VHA. This Agreement shall be governed by and enforced under the laws of the State of Delaware, excluding its principles of conflicts of laws. Patron agrees to treat this Agreement and any information it receives related to VHA's Group Purchasing Program, as the confidential information of VHA, Novation, and Suppliers during and after the term of agreement.

Entire Agreement. This Agreement represents the entire understanding and agreement of the parties regarding the subject matter hereof. All prior understandings or agreements regarding the subject matter hereof, including but not limited to any "Patronage Agreement" that Patron may have previously signed, are merged into and superseded by this Agreement.

Amendments. This Agreement may be amended from time to time by the written agreement of VHA and at least a majority of the Patrons, and as so amended, shall continue to be binding upon and enforceable against VHA, each Patron and their respective successors and assigns. Any amendment may restate this Agreement, as amended.

Tax Status. Patron has checked the number below that correctly reflects Patron's organizational legal structure and tax status, and agrees to provide VHA with written notice of any changes during the term of this Agreement.

- _____ 1. 501(c)(3) tax-exempt corporation
 - _____ 2. For-profit corporation
 - _____ 3. Pass-through entity -- all members of the LLC or partners of the partnership are either for-profit corporations or 501(c)(3) entities
 - _____ 4. Other (e.g. pass-through entity with individual members or partners) -- Patron's description of structure:
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IN WITNESS WHEREOF, authorized representatives of the parties have signed below.

("Patron")

VIA Inc.

By: _____

Printed Name: _____

Title: _____

Date: _____

By: Curt Nonomague

Printed Name: Curt Nonomague

Title: President & CEO

Date: May 1, 2003