



HOANA MEDICAL, INC.

Department of Veterans Affairs
Federal Supply Service
Authorized Federal Supply Schedule Price List
(Supplement number if it applies)

On-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order are available through GSA Advantage!, a menu-driven database system. The INTERNET address for GSA Advantage is: GSAAdvantage.gov.

Medical Equipment and Supplies
FSC Group 65, Part II, Section A
FSC Class:6530
Contract Number: V797P-4065b

For more information on ordering Federal Supply Schedules click on the FSS Schedules button at fss.gsa.gov.

Contract Period: January 1, 2008 through December 31, 2012

Contractor Name: Hoana Medical, Inc.
Address: 828 Fort Street Mall, Suite 620
Honolulu, Hawaii 96813
Phone #808-523-5410
Fax #808- 523-5480
Website: WWW.HOANA.COM

Contract Administration Source: Department of Veterans Affairs, National Acquisition Center (049A2-2) FSS Division – Med/Surg Div. P.O. Box 76, 1st Avenue North of Cermak Road, Building 37 Hines, IL 60141

Business Size: 50 Employees



CUSTOMER INFORMATION:

- 1a. *Table of awarded special item number(s) with appropriate cross-reference to item descriptions and awarded price(s).* Special Item Number: A50(h), FSC Class 6530, Physiological Monitors with accessories and replacement parts. Awarded price - \$14.00 per unit per bed per day.
- 1b. *Identification of the lowest priced model number and lowest unit price for that model for each special item number awarded in the contract.* This price is the Government price based on a unit of one, per day, per bed exclusive of any quantity/dollar volume, prompt payment, or any other concession affecting price. See 1a above.
2. *Maximum order.* \$600,000.00 or one (1) system
3. *Minimum order.* 25 Units
4. *Geographic coverage (delivery area).* 48 states, District of Columbia, Hawaii and Point of Exportation (POE) to Alaska and Puerto Rico.
5. *Point(s) of production.* San Jose, California, United States.
6. *Discount from list prices or statement of net price.* 6.67% Discount or \$14.00 per unit per bed per day.
7. *Quantity discounts.* 5% off the list price for 100+ units at one hospital and a single order
8. *Payment terms.* Net 30 days after receipt of order
- 9a. *Notification that Government purchase cards are accepted up to the micro-purchase threshold.* Accepted up to and above the micro-purchase threshold.
- 9b. *Notification whether Government purchase cards are accepted or not accepted above the micro-purchase threshold.* Accepted up to and above the micro-purchase threshold.
10. *Foreign items.* None.
- 11a. *Time of delivery.* Within 14 business days ARO. Within 42 business days ARO for large orders (25+ units)
- 11b. *Expedited Delivery.* All items are available for expedited delivery - within 12 business days ARO for less than 25 units per order. Ordering facilities will pay only the difference between normal and expedited shipping charges.
- 11c. *Overnight and 2-day delivery.* Not Available unless the Items are In Stock. The Customer or Ordering facilities will pay for the Overnight and 2 delivery. The Customer or Ordering facilities may contact Hoana Medical for rates for overnight and 2-day delivery.
- 11d. *Urgent Requirements.* "Urgent Requirements" is the same as 11c. Agencies can also contact the Hoana representative to affect a faster delivery.



12. *F.O.B. point(s)*. Destination includes 48 contiguous states, the District of Columbia, Hawaii with point of exportation (POE) to Alaska and Puerto Rico
- 13a. *Ordering address*. 828 Fort Street Mall Suite 620, Honolulu, Hawaii 96813
- 13b. *Ordering procedures*. For supplies and services, the ordering procedures, information on Blanket Purchase Agreements (BPA's), and a sample BPA can be found at the GSA/FSS Schedule homepage (fss.gsa.gov/schedules)
14. *Payment address*. Hoana Medical, Inc.
828 Fort Street Mall
Suite 620
Honolulu, Hawaii 96813
15. *Warranty provision*. Government standard warranty clauses 52.2 12-4(o)(p) in conjunction with Hoana's warranty. HOANA warrants and implies that the items delivered hereunder are merchantable, fit for use of the particular purpose, and will be free from defects in material and workmanship for a period of not less than one (1) year from the date of delivery. Hoana will replace, at its option, all parts found defective within the period with cost of replacement, including shipping charge, to be borne by the contractor. Under no circumstances will any equipment covered by this guarantee be returned without (a) advance written notice to the Hoana, or (b) obtaining shipping instructions from Hoana Medical, Inc.

Return Goods Policy. If a shipping error occurs due to Hoana Medical, Inc.'s error, Hoana will pay freight both ways for return/exchange of goods. If an ordering facility error occurs, the ordering facility will pay return freight. No restocking fee will apply either way. Contact Hoana Medical, Inc. Customer Service Department for a Return Authorization Number (RA#) at (866)744-6262.

Limitation of Liability. Contractual Limitation Period. Under breach of warranty action in no event shall Hoana or any of its Licensors, Suppliers, Shareholders, Officers, Directors, Employees, Agents or Representative (Collectively, Hoana parties) be liable to Licensee or the Customer or any third party for any injury, costs of procurement of substitute products or services, lost profits, data or business, or indirect special, incidental exemplary or consequential damages of any kind (including, without limitation, damages for lost profits, business interruption, loss of business information, loss of goodwill, computer malfunction, or any and all other damages or losses, commercial or otherwise arising out of or in connection with this Agreement or the use of the (LG¹) LifeBedTM patient vigilance system, however, caused and on any theory of liability whether in contract, tort (including without limitation, negligence), strict liability or otherwise. To the maximum extent allowed by law, Hoana's total and cumulative liability arising under or in connection with this agreement, whether in contract, tort (including without limitation, negligence), strict liability or otherwise shall in no event exceed the amounts received by Hoana from the Licensee or the Customer under this agreement in the thirty days prior to the date the cause of action arose. The limitations set forth in this section shall apply



even if Hoana or the other Hoana parties have been advised of the possibility of such damages and notwithstanding any failure of essential purpose of any limited remedy.

Any action based upon any (LG¹) LifeBed™ patient vigilance system, the quote, any warranty claim and/or any other terms and conditions hereof must be commenced within one year after the cause of action has accrued or be forever barred.

At the end of the Term, the Customer shall immediately discontinue use of the (LG¹) LifeBed system and return all components to Hoana in packaging provided by Hoana. The shipping cost shall be paid by Hoana.

16. *Export packing charges.* Not Applicable
17. *Terms and conditions of Government purchase card acceptance.* Any thresholds above the micro-purchase level.
18. *Terms and conditions of rental, maintenance, and repair (if applicable).* Licensee or the Customer shall use the (LG¹) LifeBed™ patient vigilance system solely to provide patient vigilance services at the hospital location set forth in the Order Agreement.

Hoana will deliver the (LG¹) LifeBed system as the parties shall agree. During the term, Hoana will replace all defective or worn components free of charge; provided, however, that such components are returned in packaging provided by Hoana and have not been damaged or broken by the Licensee or the Customer outside of normal wear and tear. The Customer shall pay Hoana for any Components that have been damaged outside of normal wear and tear (Coverlet, \$1,250.00; Display unit, \$3,500.00; Cables, \$150.00). "Components" means hardware, software and documentation.

Notices: All notices given hereunder shall be given in writing by personal delivery, first class mail, or recognized overnight courier service at the respective addresses of the parties set forth in the quote, unless either party at any time or times designates another address for itself by notifying the other party thereof in the manner set forth above, in which case all notices to such party shall thereafter be given at its most recently so designated address. Each such notice shall be deemed delivered (a) on the date delivered if by personal delivery; (b) on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed; or (c) on the second business day following delivery to a recognized overnight courier service for next business day delivery.

During the term, Hoana will provide Licensee or the Customer with any updates or upgrades to the (LG¹) LifeBed system free of charge.

Title to and ownership of the LifeBed™ patient vigilance system, as well as all Intellectual Property Rights embodied in the System, shall at all times remain the property of Lessor. "*Intellectual Property Rights*" means all patent rights, copyrights, trade secret rights, rights to know-how, trademark, service mark and trade dress rights and other intellectual property rights, current or future, under the laws of any jurisdiction, together with all applications therefore and registrations thereto. Lessee or the Customer shall not (i) sell, rent, sublease, license, loan, or otherwise transfer or assign the



LifeBed system or any part thereof to any third party; (ii) reproduce, modify or create derivative works of the LifeBed system; or (iii) decompile, disassemble, reverse engineer, or otherwise attempt to gain unauthorized access to, the software source code or the LifeBed system or unbundle any embedded software from the LifeBed system. Lessee or the Customer shall not alter, modify or copy the Documentation or remove it from the Hospital without the prior written approval of Lessor or Hoana. Any permitted copies of the Documentation shall include Hoana's copyright and other proprietary notices. Hoana reserves all rights not expressly granted in this Lease, and no licenses are granted by Hoana under this Lease, whether by implication, estoppel or otherwise. Lessee or the Customer assigns all data and data rights exclusively to Hoana..

The parties agree that Confidential information of Hoana (i) is the sole property of Hoana, (ii) shall be used by Licensee or the Customer solely for the purpose of performing its obligations under this Agreement and (iii) shall not be published, transmitted, released or disclosed in whole or in part by Licensee or the Customer to any third party without the prior written consent of Hoana, which consent Hoana may withhold in its sole discretion. "Confidential information of Hoana" means all information obtained (before or after the date hereof) in any form or medium by Licensee or the Customer about Hoana which is described as or which a reasonable person in the position of Licensee or the Customer would understand to be of a confidential nature, and includes, without limitation, all information concerning the (LG¹) LifeBed system or Hoana's business, customers, products, proposed products, plans, inventions, processes and techniques.

19. *Terms and conditions of installation (if applicable).* Hoana and Licensee or the Customer will coordinate the dates for the delivery and installation of the (LG¹) LifeBed system. The Customer shall prepare the hospital for installation of the (LG¹) LifeBed system prior to the date of its delivery; establish the notification parameters; integrate the (LG¹) LifeBed system into the existing nurse call system; and fully comply with all laws, ordinances, accrediting agency standards and governmental rules and regulations that are applicable to the operation of the hospital and the use of the LifeBed system. At Licensee's or the Customer's request, Hoana shall provide field service engineer installation support at the rates set forth in the quote.

Hoana shall provide education and training to Licensee's or the Customer's staff members in the use of the (LG¹) LifeBed system and will be performed under a "Train the Trainer" model intended to enable the Purchaser or the Customer to perform subsequent training for its staff. The Licensee or the Customer shall be responsible for identifying all individuals to be trained by Hoana. Any additional training will be provided at the rate set forth in the purchase order.

- 20a. *Terms and conditions of repair parts indicating date of parts price lists and any discounts from list prices (if applicable).* See 18a.



- 20b. *Terms and conditions for any other services.* During the term, Hoana shall be available to provide technical support by phone or email from 5:00 a.m. to 4:00 p.m. Pacific Time Monday through Friday, excluding holidays. Email or voicemail trouble calls placed to the Hoana Technical Support phone line or email address during these normal business hours will receive an initial response within a 4 hour callback period.
- 20. *List of service and distribution points.* Not Applicable
- 21. *List of participating dealers.* Not Applicable
- 22. *Preventive maintenance.* Not Applicable.
- 24a. *Special attributes such as environmental attributes.* Certain parts are recyclable
- 24b. *If applicable, indicate that Section 508 compliance information is available on Electronic and Information Technology (EIT) supplies and services and show where full details can be found (e.g. contractor's website or other location.) The EIT standards can be found at: www.Section508.gov/.* Not Applicable
- 25. *Data Universal Number System. (DUNS) number.* 119624547
- 26. *Notification regarding registration in Central Contractor Registration (CCR) database.* Hoana Medical, Inc is registered in the Central Contractor Registration (CCR) database.



HOANA MEDICAL, INC.
Contract #V797P-4065b

| SIN | Product Number | Description | Unit Of Measure | FSS Net Price |
|--------|----------------|--|-----------------|----------------------------------|
| A50(h) | 010257 | Vigilance Service System (LifeBed TM patient vigilance system includes: | 1 (one) | \$14.00 per unit per day per bed |
| | 010135 | Bedside Unit with Accessories (LifeBed Display) | | |
| | 020098 | Sensor Coverlet (Lifebed coverlet) | | |
| | 020031 | Sensor Exchange Cable (LifeBed cables) | | |
| | | All Items above are available for expedited delivery. | | |
| | | Urgent Requirement Not available unless the items are in stock. The ordering facilities may also contact the Hoana representative to affect a faster delivery. | | |

HO'ANA MEDICAL, INC.

FEDERAL FACILITY PRICE LIST FOR CAPITAL PURCHASE OPTION

LIFEBED™ SYSTEM

| UNITS (EACH) | PRODUCT NUMBER | PRODUCT NAME | PRICE |
|---------------------------------------|-----------------------|---------------------|--------------|
| 0-25 Units | 010135P | LIFEBED™ SYSTEM (1) | \$7,200.00 |
| 26-100 LifeBed™ System @ 10% discount | | | \$6,300.00 |
| >100 LifeBed™ System @ 20% discount | | | \$5,400.00 |

NOTE:(1) Lifebed™ System (formerly Bedside Unit) includes a license for the LifeBed™ System, display, quick release cable, connectors and user documentation. The LifeBed System and the LifeBed Coverlet work as one unit.

LIFEBED™ COVERLET

| UNITS | PRODUCT NUMBER | PRODUCT NAME | PRICE |
|--------------|-----------------------|----------------------|--------------|
| EACH | 020098P | LIFEBED™ COVERLET(2) | \$585.00 |

NOTE: 2) LifeBed™ Coverlet was formerly called Sensor Coverlet. The LifeBed™ System and the LifeBed™ Coverlet work as one unit.

REQUEST FOR MODIFICATION FORM
Product Additions

Contractor Name: Hoana Medical, Inc.

Date submitted to VANAC: August 11, 2008

Contract No.: V797P-4065B

FSSS Schedule (Please check the correct schedule): (X) 65 Part II, Section A – Medical Equipment and Supplies

Prime Vendor Participation: VA () Yes (X) No

Proposed Category of Tracking Customer(s) for item(s) being added for purposes of the Price Reduction Clause: Queen's Medical Center

Is the MFC the previously agreed upon tracking customer or within the tracking customer category? YES XX NO _____

PRODUCT ADDITIONS

Provide the following information for each item to be added to your contract. Please submit this information in a minimum **FONT SIZE OF 12**.

Commercial Information (See Commercial Sales Practices section of your contract for instructions)

| SIN | Product # | Product Name | FDA Registration Number | Commercial List Price | Estimated/Actual Annual Comm. Sales | *MFC Name | *MFC Price | MFC Discount off List Price | Quantity /Volume (include quantity or volume tiers) | FOB Terms Contiguous USA except for Alaska, Hawaii, Puerto Rico | Additional Discounts or Concession (i.e. PPT) |
|--------|-----------|-------------------------------------|-------------------------|-----------------------|-------------------------------------|-----------|------------|-----------------------------|---|---|---|
| A50(h) | 010135P | Bedside Unit or LifeBed system | 3005596882 | \$8,000.00 each | \$1,000,000 (2008). | N/A | -0- | -0- | See attach | | -0- |
| | 020098P | Sensor Coverlet or LifeBed Coverlet | | \$650.00 each | | | | | | | |

* Most Favored Commercial Customer - See page 2, paragraph E, (1) & (2). Also, if paragraph E, (2) applies, please include a separate spreadsheet with all required information. Products #

FSS Information

| SIN | Product # | Product or Item Name | QTY | Unit of packaging | Estimated/Actual Annual Gov't Sales | Percent (%) Discount off commercial list price | Proposed NET FSS Price |
|--------|-----------|-------------------------------------|------|--|-------------------------------------|--|------------------------|
| A50(h) | 010135P | Bedside Unit or LifeBed system | Each | 1 unit includes LifeBed System (010135) & Sensor Coverlet (020098) | \$300,000. (2008) | 10% | \$7,200.00 |
| | 020098P | Sensor Coverlet or LifeBed Coverlet | | | | | \$585.00 |

Federal Supply Contract Number: V797P-4065B; SIN A-50(h)

Hoana Medical, Inc. would like to offer the Government a temporary, limited time offer for the Vigilance Service System: This Includes:

1. 010257 Vigilance Service System (Per System Unit per Day Fee)
2. 010135 Bedside Unit with Accessories
3. 020098 Sensor Coverlet
4. 020031 Sensor Extension Cable

The Current FSS pricing is \$16.24 per unit per day for the items listed above. The temporary, limited price reduction is as follows:

1. First 30 days: Fees will be waived (no charge)
2. Sixty (60) Days thereafter: Fees will be \$5.00 per unit per day
3. Thereafter the fee will be \$14.00 per unit per day (The FSS pricing)

Time Frame: Temporary, limited time price reduction offer is for Six (6) Months through December 31, 2008