

1. SYSTEM.

A. The Sharpsmart system and Regulated Medical Waste system will collectively be referred to as the "System".

B. Sharpsmart system – Where reusable Sharpsmart pricing is included herein, Daniels will install and service at Customer's premises an "S" series Sharpsmart reusable sharps container system. The system will primarily consist of Daniels universal brackets installed in agreed locations at the Premises and reusable Daniels sharps collection containers ("Containers") to be fitted on the brackets. The system may also comprise additional accessories as referenced in Section 4, below.

C. Regulated Medical Waste system – Where RMW pricing is included herein, Daniels will install and service at Customer premises bins used in the collection of Regulated Medical Waste. The system will consist of reusable bins ("Bins") which will be placed into the hospital. The Bin sizes may vary depending on the needs and availability. Customer may elect to use corrugated boxes ("Boxes") in lieu of or in addition to reusable bins.

2. SERVICE.

A. The System, its installation and service referred to in this Section 2 shall collectively be referred to as the "Service."

B. The Customer agrees to handle all waste in a safe, responsible manner, not jeopardizing human health, life and/or the environment. Customer shall store all waste in accordance with all laws in a secure area on the customer's premises when awaiting pick up.

C. No more than the frequency outlined in the respective agreement, Daniels shall pick up filled Containers, Bins, and Boxes (collectively called "Collectors") from the central location and deposit clean replacement Collectors. Collectors are not collected on weekends or outside scheduled hours. Collectors will not be exchanged unless full or near full.

D. Daniels shall treat and dispose of the waste in the filled collectors and clean and decontaminate the collectors in accordance with state and federal guidelines.

E. Customer warrants that the waste presented for collection will be properly segregated, packaged and labelled. Customer shall only place sharps in designated sharps containers. All Trace Chemotherapy, Pathological, and Non Hazardous Pharmaceutical waste requiring segregation, as defined in Section 3(C), must be clearly marked for identification and handling.

F. Where Hazardous waste services are being provided, Customer shall provide signed Hazardous Waste Profile(s), analytical testing, MSDS(s), reports of process generating waste, formulary, proposals, and other information regarding Hazardous waste they are presenting for pickup. Customer must also complete and sign a Hazardous waste manifest before waste can be offered for transport. Customer understands that all items to be transported are to be offered in accordance with the requirements of 49CFR (subparts 100-185) or Customer agrees to pay Overpack or added labor charges, as necessary, to conform to these requirements. Items offered for transportation must be free of Hazardous residue on external surfaces.

G. Daniels will not accept any Non-Conforming Waste as described in Section 3(D) or any waste identified by Daniels as unacceptable. Daniels reserves the right to refuse to pick up any incorrectly identified, packaged or labelled containers and/or containers that are wet or leaking. Any said Non-Conforming Waste will either be returned or treated/stored at an additional cost to Customer as defined in section 3.

H. Any product presented by Customer and picked up by Daniels that is not listed and priced in the agreement (or any subsequent addendums) will be charged at the proper market rate.

I. Daniels performance shall be contingent on the Disposal Facility's approval of Customer's Waste. Daniels shall be excused from performance in the event its Contractor or Disposal Facility becomes unavailable to Daniels for any reason.

J. Title and Risk of Loss to Conforming Waste (excluding waste that is land disposed) shall be vested in Daniels at such a time as it is loaded onto vehicles of Daniels, or Daniels Subcontractor(s) until such a time that Daniels or Daniels Subcontractors delivers said conforming waste to the Disposal Facility, then title and risk of loss shall transfer to the Disposal Facility. In the event that the Customer waste is refused at a Disposal Facility Daniels will notify the Customer explaining the reason and the pricing of alternative means of disposal.

3. DEFINITIONS.

A. "Sharps Waste" is all sharps, hypodermic needles, syringes, scalpels, broken glass, culture slides, rigid plastic, wires and items placed into the Sharpsmart system. Any item which may be contaminated with a pathogen or become contaminated, that is capable of cutting, penetrating or damaging the packaging or skin of a person.

B. "Regulated Medical Waste" (RMW) means microbial cultures, tissue cultures, animal tissues or organs, animal carcasses, animal bedding, laboratory containers and slides that meet the

definition of regulated medical waste under 29 CFR 1910.1030 or 49 CFR 173.134; non-regulated medical devices; infectious substances arising from the agents listed under 42 CFR 72.3; and discarded items which may have been contaminated by chemotherapeutic, cytotoxic, or antineoplastic drugs and/ or agents, provided that such items, including vials and syringes, shall be "empty" as defined in applicable federal, state, county or municipal Laws, regulations and guidelines. This also includes any medical treatment materials used on humans and animals for treatment or diagnosis. RMW specifically excludes any item which is defined as Sharps Waste (Section 3(A)).

C. Waste requiring segregation for alternative treatment (by incineration or regulatory approved technology) means:

1. Trace Chemotherapy waste:

- a. Items contaminated with residual (less than 3% of the original contents by weight) amounts of chemotherapy drugs, such as empty drug bottles, drug dispensing devices or IV bags and tubing.
- b. Gloves, gowns, masks, goggles and other disposable items used when administering chemotherapy drugs.

2. Pathological waste including tissues, organs, body parts (excluding head and torso) and body fluids that are removed during surgery, autopsy or other medical procedures, and specimens of body fluids and their containers.

3. Non Hazardous Pharmaceutical waste: Pharmaceutical waste not falling under RCRA Hazardous waste as defined in EPA 40CFR Part 260.

D. "Non-Conforming Waste" means:

1. Any waste or other material not falling within sections 3(A), 3(B) or 3(C).

2. Human torsos, fetuses/products of conception and cadavers.

3. RCRA Hazardous waste as defined in EPA 40CFR Part 260. This includes but is not limited to RCRA P and U listed waste, universal waste and characteristic waste. Such waste includes: Bulk chemotherapy waste and Chemotherapy Waste which has an alcohol base that makes the mixture ignitable, such as Vepesid; and Chlorabucil, Cyclophosphamide, Daunomycin, Melphalan, Mitomycin C, Streptozotocin, and Uracil Mustard (which are listed RCRA Hazardous Wastes and must be managed as such). Where hazardous waste services are being provided under this Agreement, any substances which are listed for service in the attached Pricing Schedule A (or subsequent addendum) will no longer be deemed non-conforming and will fall under section C: waste requiring segregation for alternative treatment.

4. Radioactive, reactive, corrosive, ignitable, mercury, compressed gas cylinders & Canisters, inhalers, aerosol can or toxic wastes, batteries, lead, heavy metals, bulk liquids, and any and all other hazardous wastes and substances as defined in any applicable federal, state, county or municipal laws, regulations and guidelines. Where hazardous waste services are being provided under this Agreement, any substances which are listed for service in the attached Pricing Schedule A (or subsequent addendum) will no longer be deemed non-conforming and will fall under section C: waste requiring segregation for alternative treatment.

5. DEA Controlled Substances.

6. Improperly classified and/or improperly packaged, segregated, or identified as unacceptable under any Daniels waste acceptance protocol in effect during the term of this agreement.

7. RMW Bins/Boxes that are overweight and deemed to be unsafe for reasonable handling. Such Bins/Boxes may be subject to a "Repackaging Fee" to bring them within safe limits. 28 gallon bins/boxes shall not exceed 30 pounds. 38 gallon bins shall not exceed 40 pounds. 96 gallon bins shall not exceed 75 pounds.

E. "Missed Pick up" means when Daniels comes on a scheduled time/pick up and the waste/ Bins is not made available. Example: office is closed.

F. "Repackaging Fee" means charges to be paid by Customer for waste that it is incorrectly packaged or labelled.

G. "Onsite Pick up Rejection Fee" means charges to be paid by Customer when a service for non-conforming waste is requested and the load is rejected at the generator's site.

H. "Returned Shipment Rejection Fee" means charges to be paid by Customer when a return shipment to the Customer or Customers' designee is required due to non-conforming waste.

I. "Non-Conforming Waste Fee" means charges to be paid by Customer for waste analysis as well as the repair, replacement, decontamination and cleaning of equipment or any other relevant charges that may apply due to presentation and or pick up of non-conforming waste.

4. COMPLIANCE.

Daniels certifies that it, and its employees, will comply with all federal and state laws including, without limitation, the Health Insurance portability and Accountability Act (HIPAA), PHI, Medicare and Medicaid.