The Contract between the VA and AmeriSource shall be modified as follows:

The following terms shall apply to all tribal entities purchasing under that one certain contract between the Department of Veterans Affairs and AmeriSource Corporation assigned the contract number V797P99-PPV-0001 (the "Contract") through HHS. For purposes of this modification, each tribal entity is referred to as "Customer". Except as specifically set forth herein, all other terms and conditions of the contract remain unchanged.

1. PRICE OF GOODS:

	Price of Goods on a Cost +/- basis			
Average	Monthly	Next	Weekly	Semi-
Monthly	Prepay	Day	Pay	Monthly
Volume Per	Terms	Pay	Terms	Pay
Delivery		Terms		Terms
Location				
\$5,000 -	0.80%	1.05%	1.25%	1.50%
\$15,000				
\$15,001 -	0.60%	0.85%	1.00%	1.20%
\$25,000				
\$25,001 -	0.00%	0.25%	0.40%	0.60%
\$50,000				
\$50,001 -	-0.25%	0.00%	0.15%	0.35%
and up				

However, to the extent a Customer has a more favorable Price of Goods schedule as of the original date of this Modification; such Customer's schedule shall be grandfathered into this Modification.

All payment schedules are based on Electronic Funds Transfer.

AmeriSource reserves the right to charge and collect interest on late payments as set forth in the Contract and to put the account on credit hold preventing shipment in the event of late payment.

Customer's payment method shall be determined by mutual agreement between AmeriSource and each individual Customer.

2. MINIMUM PURCHASES: Customer shall purchase a minimum of \$5000 per calendar month as measured on a quarterly basis. In the event that Customer does not order a minimum of \$5000 per month, AmeriSource reserves the right to refuse to ship and to terminate this Contract upon thirty (30) days written notice to

Customer and the VA contract officer. There shall be no penalties for the first thirty (30) days after ordering.

3. **DELIVERIES**: Deliveries shall be scheduled as follows:

Purchases per Month	Deliveries per Week		
\$5000 - \$10,000	1 delivery per week		
\$10,001 - \$25,000	2 deliveries per week		
\$25,001 - \$50,000	3 deliveries per week		
Above \$50,000	5 deliveries per week		

However, to the extent a Customer has a more favorable delivery schedule as of the original date of this Modification; such Customer's schedule shall be grandfathered into this Modification.

Delivery shall be within 24 hours of an order request where normal commercial delivery is available and within 48 hours in all other locations, in both cases for Customers with multiple deliveries per week.

Customer agrees to inform AmeriSource of any anticipated material changes in ordering patterns.

- **4. COST REPORTING:** Customer understands that rebates and discounts may need to be reported as a part of its cost for purposes of federal and/or state healthcare programs, including for purposes of 42 CFR 1001.952(h).
- 5. PROPRIETARY SOFTWARE: AmeriSource grants to Customer a non-exclusive non-transferable license the ("License") to use the AmeriSource's proprietary software (the "Software"), including without limitation the ECHO system and the ECHO software, solely for the purposes of this Modification at the Customer locations, in accordance with, and subject to, the terms and conditions of this Modification.

AmeriSource will provide the Software in the form of a CD-ROM, diskettes or other media containing machine-readable object-code. AmeriSource may provide the Software to Customer on more than one medium. Regardless of the type or size of the medium that Customer receives, Customer may only use the medium appropriate for its designated computer or network server.

AmeriSource or its suppliers retain all rights to the Software and related documentation (including, but not limited to any images, "applets," photographs, animations, video, audio, music and text incorporated therein, copyright, trade secrets and other proprietary rights) which are not expressly granted to Customer

under this Modification. All updates, enhancements, modifications and additions to the software developed by AmeriSource or any other entity will be the sole and exclusive property of AmeriSource.

Customer agrees that it and its locations will not copy, duplicate, or prepare derivative works from any element of the Software except that (i) Customer may make one (1) back-up or archival copy of the Software at each Customer location as permitted by the copyright law of the United States; and/or (ii) install the Software on a single hard disk at each Customer location. Customer shall not remove any copyright or proprietary rights notice included in or on any Program element, and shall reproduce all such notices in or on all copies made by Customer.

- 6. HARDWARE: Certain hardware (the "Hardware") will be provided to each Customer location purchasing at least \$50,000 per month at no charge for use with the Software only. Title to the Hardware shall remain in AmeriSource. Sites ordering below \$50,000 may utilize InterNet ordering through the Software. Customer locations that have Hardware on site as of the effective date of this Modification shall be entitled to retain the Hardware under the same conditions under which the Hardware was originally received.
- PROPRIETARY SOFTWARE/HARDWARE LIMITED WARRANTY: AmeriSource 7. warrants that the Software, if operated as directed, will perform substantially in accordance with its documentation for a period of ninety (90) days from the effective date of this Modification as it applies to each Customer. AmeriSource also warrants that the Hardware provided by AmeriSource, and the diskettes, CD-ROMs, or other media on which the Software is provided, will be free from defects and workmanship under normal use for a period of ninety (90) days from the Effective Date. Other than as set forth in this paragraph, (a) AmeriSource makes no warranty, express or implied, including without limitation, any implied warranty of merchantability or fitness for a particular purpose, and (b) no oral or written information provided by AmeriSource or its employees, agents or representatives will create any representation or warranty.

AmeriSource's entire liability, and Customer's exclusive remedy, for breach of the warranties contained in this paragraph shall be, at AmeriSource's option, to (i) repair or replace the Software so that it performs substantially in accordance with its documentation; (ii) advise Customer how to achieve substantially the same functionality with the Software as described in any documentation through a procedure different from that set forth in any documentation, or (iii) replace defective media returned within ninety (90) days of the Effective Date. Any replacement

software shall not serve to extend the original ninety (90) day warranty.

- 8. COMPLIANCE WITH LAW: For purposes of this Modification, Customer agrees to act in accordance with all laws of the United States of America, including, without limitation, the Federal Food, Drug, and Cosmetic Act as amended by the Prescription Drug Marketing Act of 1987, all as amended. In the event that Customer commits one or more acts of diversion, Customer shall reimburse AmeriSource for all chargebacks made with regard to the diverted product(s) and for all costs and legal fees incurred by AmeriSource with regard to the diversion, and AmeriSource reserves the right to terminate or remove any and all contracts at the direction of the manufacturer in connection with its FSS The VA or its designee shall monitor ordering through contract. reports provided under the Contract. AmeriSource agrees to cooperate with the monitoring efforts of the VA or its designee, and to notify the VA if AmeriSource identifies a suspicious ordering pattern.
- 9. INDEMNIFICATION: Customer agrees to indemnify, defend and hold harmless AmeriSource, its subsidiaries and assigns from and against all claims, losses, damages, liabilities and expenses (including but not limited to attorneys' fees and court costs) arising as a result of negligence, illegality or wrongdoing of any kind alleged or actual on the part of Customer.
- 10. LIMITATION OF LIABILITY: In all cases, AmeriSource Corporation's liability shall be limited to actual damages proven by the Customer. In no event shall Customer be entitled to indirect, consequential or punitive damages.
- 11. INSOLVENCY: In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against Customer, the inability of Customer to meet its debts as they become due, or in the event of the appointment, with or without Customer's consent, of an assignee for the benefit of creditors or of a receiver, then AmeriSource shall be entitled, at its sole option, to terminate this Contract and Modification as it applies to Customer without notice and to withhold shipment of any order without any liability whatsoever.
- 12. INSURANCE: Customer shall maintain professional liability insurance in the amounts of not less than one million dollars (\$1,000,000) per incident and five million dollars (\$5,000,000) in the aggregate. AmeriSource shall be named on Customer's policy as an additional insured.
- 13. ENTIRE AGREEMENT: This Modification supersedes all prior agreements between the parties with regard to the subject matter

hereof and there are no other understandings or agreements between them except the VA Contract. No representations, warranties, or promises pertaining to this Modification have been made by, or shall be binding on any of the parties, except as expressly stated in this Modification. This Modification may not be changed orally, but only by an agreement signed by the party against whom enforcement of any such change is sought.

- 14. SEVERABILITY: If any provision or clause of this Modification conflicts with applicable law, such conflict shall not affect other provisions of the Modification or the VA Contract if the provisions can be given effect without the conflicting provision. To this end the provisions of this Modification are declared to be severable. If any provision of this Modification is held to be invalid or unenforceable for any reason whatsoever, including any conflict with applicable law, the remaining provisions shall remain valid and unimpaired, and shall continue in full force and effect.
- 15. WAIVERS: Failure of either party to enforce strict performance of any obligations under this Modification shall not constitute a waiver of such party's right to thereafter enforce every term and condition hereof.
- 16. NOTICES: All notices required to be given hereunder shall be made in writing and shall be deemed sufficiently given if delivered by certified or registered mail return receipt requested, overnight or same-day delivery (such as Federal Express or special courier), at the addresses set forth. The notice shall be effective on the date indicated on the return receipt in the case of certified or registered mail, effective on the date following the date of mailing in the case of overnight delivery and effective the date of delivery in the case of same-day delivery at the addresses below or at such addresses as may subsequently be provided in writing to the respective parties.
- 17. GOVERNING LAW: The construction, application and enforcement of this Modification and the VA Contract shall be governed by the laws of the United States and the state surrounding the applicable Customer's tribal lands. Customer agrees to waive any rights it may have or may assert to have any dispute or question regarding this Modification or the VA Contract resolved or heard by Tribal Council.