

## CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT is hereby entered into as of the date last written below (“Effective Date”) by and between American Rheumatology Network, LLC (hereinafter referred to as “ARN”) and [REDACTED] and its Affiliates (“VENDOR”). ARN and VENDOR are each also referred to individually as a “Party” and collectively as the “Parties”. All references to a Party shall include such Party’s Affiliates.

**Background.** ARN provides group purchasing, data analytics, and other value-added services to its members, which are independent medical practices throughout the United States. VENDOR is [REDACTED]

The Parties wish to enter discussions (the “Discussions”) in contemplation of a potential business relationship between the Parties (the “Proposed Transaction”). During the Discussions, the Parties may exchange, have access to, or have disclosed to them, various material, documents, and information proprietary and confidential to the other Party (collectively “Confidential Information”).

In addition to the foregoing agreements related to the Discussions and the Proposed Transaction, the Parties also agree as follows:

1. **Compliance with Applicable Laws.** The Parties agree to comply with all applicable local, state, and federal laws.

2. **Confidentiality.** Each Party acknowledges that, during the Discussions, it will be gaining, or has gained, access to Confidential Information, including, but not limited to, financial and strategic plans and processes, financial information and data, operations information, personnel information, compensation information, patient lists, vendor lists, as well as various other data, documents and information associated with the operation of the respective Party, and that any further dissemination of any of the Confidential Information and any use of the Confidential Information for any purpose other than the Discussions could cause irreparable harm to the Party to whom the Confidential Information belongs. Confidential Information includes the existence of this Agreement, its terms and the fact that the Parties are entering into the Discussions. The terms of this Agreement shall apply to any documents or information exchanged between the Parties prior to the execution of this Agreement, but which were intended to be exchanged in furtherance of the Discussions. Each Party shall (a) treat and hold as confidential all Confidential Information and other information concerning the business and affairs of the other Party that is not then generally available to the public, (b) refrain from using any of the Confidential Information except in connection with the Discussions, and, (c) if any Party decides not to proceed with the Discussions, deliver promptly to the disclosing Party or destroy, at the written request and option of the disclosing Party, all of the Confidential Information which is in its possession. Each Party will limit the dissemination of the other Party’s Confidential Information to only those persons who reasonably need access thereto in order to perform their functions with respect to the Discussions. All advisors retained by the Parties shall be subject to this confidentiality requirement. In the event that any Party is required by law or action of a court of competent jurisdiction to disclose any Confidential Information, such Party will notify the other Party promptly of the request or requirement so that the other Party may seek appropriate relief or, in

such Party's sole discretion, waive compliance with the provisions of this section. No Party shall have any obligation to maintain the confidentiality of any Confidential Information that becomes generally available to the public from a source other than the Party that has received it pursuant to this Agreement.

3. **Limited Exceptions to Confidentiality Obligations.** The obligations under Paragraph 2 shall not apply to Confidential Information which: (a) is known to the receiving party prior to disclosure as evidenced by written documentation in the possession of the receiving party; (b) is or hereafter becomes known to the general public without breach or fault on the part of the receiving party; (c) is disclosed to the receiving party by a third party without restriction on disclosure and without breach of any nondisclosure obligation; or (d) is independently developed by the receiving party's personnel having no access to related information disclosed by the other party. The burden of proof with respect to each of the foregoing exceptions shall be on the receiving party.

4. **Term.** The term of this Agreement shall extend until the Discussions have been concluded with respect to the Parties hereto, including the conclusion of any arrangements between the Parties arising out of the Discussions, if any; provided, however, that the obligations set forth in **Section 2** shall continue to apply, and the Parties shall be bound to such terms, for an additional period of three (3) years following the conclusion of the Discussions with respect to the Parties hereto.

5. **Attorney-Client Privilege.** The Parties acknowledge that in the course of the Discussions, each Party has a common interest and may disclose information or other materials that may be subject to an attorney-client privilege in favor of a Party, that such disclosure is appropriate and necessary to enable the Parties to pursue the Discussions expeditiously and efficiently; and that such disclosure is agreed to herein on the express condition that no Party shall lose its attorney-client privilege as a result thereof. Each Party agrees that it will not assert in any proceeding that such disclosure results in any waiver or other loss of such privilege, and that each Party will limit its distribution of such privileged materials to only those persons who reasonably need access to the materials or information in order to perform their functions with respect to the Discussions. The Parties expressly do not waive any attorney/client privilege as to the dissemination of information to third parties who are not associated with the Discussions. Notwithstanding this provision or any other in this Agreement, no Party shall be obligated to disclose to any other Party any information protected by the attorney-client privilege or the attorney-work-product doctrine.

6. **Press Releases and Public Announcements.** VENDOR shall not issue any press release or make any public announcement referencing ARN or relating to the subject matter of the Discussions without the prior written approval of ARN.

7. **Advisors.** Each Party acknowledges that it has engaged competent and qualified advisors and that it will not rely on the other Party for information as to the advisability of entering into the Discussions or any agreements or other relationships that may arise from the Discussions.

8. **Succession and Assignment.** This Confidentiality Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and

permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party.

9. **Definitive Agreement.** Unless and until one or more definitive written agreements between the Parties effectuating a transaction has been executed and delivered, neither Party shall be under any legal obligation of any kind whatsoever to conduct a transaction by virtue of this Agreement. Except as set forth in a definitive written agreement as described above, the disclosing Party makes no representation or warranty as to the completeness or accuracy of any Confidential Information disclosed hereunder (it being understood that certain of the Confidential Information will be estimates, generalizations, summaries, or forward-looking).

10. **Remedies.** The Parties acknowledges and agree that: (a) the restrictions contained in this Agreement are reasonable in scope and duration and (b) if this Agreement is breached, the non-breaching Party will suffer immediate and irreparable harm for which the award of monetary damages alone will be an insufficient remedy. Accordingly, the non-breaching Party, in addition to any other remedy to which it may be entitled at law or in equity, shall be entitled to seek injunctive relief and specific performance, without the necessity of posting a bond or other security. The Party found to be in breach of this Agreement shall reimburse the non-breaching Party for all costs and expenses, including reasonable attorneys' fees, it incurs if non-breaching Party successfully enforces the obligations of this Agreement.

11. **Governing Law; Dispute Resolution.** Any and all claims or actions arising out of or relating to this Agreement shall be brought only in a court of competent jurisdiction located in Charleston County, South Carolina. The Parties consent to and avail themselves of the courts located in Charleston County, South Carolina. If the case is pending in state court, the venue shall be Charleston County Circuit Court. If any such claims or action case is pending in federal court, venue shall be in the U.S. District Court, District of South Carolina, Charleston Division. The parties further agree that any and all claims or actions arising out of or relating to this Agreement shall be tried non-jury and that the parties hereby expressly waive any and all rights to have such claims or actions tried before a jury. The parties hereby waive any right to claim or receive punitive, exemplary, multiplied or consequential damages, or attorneys' fees and costs.

12. **Survivability.** Sections 2, 3, 4, 5, 6, 8, 9, 10 and 11 shall survive the expiration or earlier termination of this Agreement.

13. **Severability.** If any part of a provision of this Agreement is found to be illegal or unenforceable, it will be enforced to the maximum extent permissible, and the legality and enforceability of the remainder of that provision and all other provisions of this Agreement will not be affected.

14. **Counterparts.** This Agreement may be executed in counterparts each of which is deemed an original and all of which, when taken together, shall form one legal instrument. This Agreement may be executed by the exchange of faxed executed copies, certified electronic signatures or copies delivered by electronic mail in Adobe Portable Document Format or similar format. Each signatory hereto represents and warrants that it is duly authorized to sign, execute, and deliver this Agreement on behalf of the Party it represents.

15. **Affiliate Definition.** As used in this Agreement, the term “Affiliates” means, with respect to a Party, any corporation, firm, partnership, or other entity that controls, is controlled by or is under common control with such Party. For purposes of this definition, “control” and “controlled” means the power to direct or cause the direction of management and policies, whether through ownership of voting securities, by contract or otherwise.

16. **Notices.** Except as otherwise provided, all notices given under this Agreement shall be in writing to the respective Party’s email address listed in the signature block of this Agreement. A notice will be deemed to have been received at the time shown in a delivery confirmation report generated by the sender's email system which indicates that delivery of the email to the recipient's email address has been completed.

17. **Entire Agreement; Amendments.** This Agreement is the complete and exclusive agreement between the Parties with respect to the subject matter hereof, superseding and replacing all prior agreements, communications, and understandings (written and oral) about its subject matter. This Agreement may be modified, or any rights under it waived, only by a written document executed by both Parties.

IN WITNESS WHEREOF, the undersigned has executed, sealed and delivered this Agreement as of \_\_\_\_\_.

**VENDOR**

Signature: \_\_\_\_\_

Signatory Name: \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Email Notice Address: \_\_\_\_\_

**ARN**

Signature: \_\_\_\_\_

Signatory Name: \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Email Notice Address:  
\_\_\_\_\_