"Our mission is to bring revenue back to hospitals for their surplus, un-used surgical products while offering them discounts on high volume products they are currently utilizing."

643 First Avenue, Suite 200, Pittsburgh, PA 15219
www.surgicalproductsolutions.com
(412) 564-1280
Dear Facilities and Providers of Healthcare Services,

Hospitals and surgical centers are under increasing pressure to control the spiraling cost of providing high quality healthcare. Additionally, the waste and environmental implications of disposable surgical devices is a matter of great concern for the entire medical community. Re-sterilization is a safe and effective solution to these challenges. Millions of dollars and thousands of landfill acres can be saved.

SPS Sterilization was created to re-sterilize non-contaminated open and unused, breached, and expired devices in accordance with the most rigorous standards. SPS Sterilization products are sterilized using a class 10,000 (ISO7) Clean room featuring 3M Sterilizers, incubators for sterility testing and validation, and validatable heat sealing equipment.

At SPS, patient safety always comes first. Procedures surrounding our re-sterilization process are constantly and rigorously being evaluated to ensure nothing is overlooked following the FDA guidelines for processes and procedures. Every aspect of the process is documented and filed to ensure compliance to procedure and device traceability by device and by facility. SPS and its partners put a great deal of effort into winning the confidence of the medical staff-and even more in keeping it.

Together, we can make a positive impact on healthcare cost at your organization while being good stewards of the environment.

Sincerely,

Steven M. Darocy
Chairman, CEO
Q: What is Re-sterilization?
A: Sterilization is the removal of all microorganisms and other pathogens from an object or surface by treating it with chemicals or subjecting it to high heat or radiation. Therefore, re-sterilization is the process of sterilizing a device that has been previously sterilized. At SPS, re-sterilization is only performed on devices that have never been used on a patient and are considered uncontaminated.

Q: What type of Sterilization Process is utilized by SPS?
A: At SPS we use Ethylene Oxide Gas. Ethylene oxide (EtO) sterilization is mainly used to sterilize medical and pharmaceutical products that cannot support conventional high temperature steam sterilization - such as devices that incorporate plastic packaging or plastic containers. In this process EtO gas infiltrates the packaging as well as products themselves to kill micro organisms that are left during production or packaging. Ethylene oxide sterilization is a chemical process consisting of four primary variables: 1) gas concentration, 2) humidity, 3) temperature and 4) time. In re-sterilization, the Ethylene oxide operates as an alkylating agent which disrupts the DNA of microorganisms and prevents them from reproducing. EO sterilization assures that a safe and sterile product will be delivered to your facility each and every time.

Q: How is re-sterilization different from re-processing?
A: The FDA defines a Single-Use Device (SUD) as a device that is intended for one use or on a single patient during a single procedure. In that same note, a Reprocessed Single-Use Device is an original device that has previously been used on a patient and has been subjected to additional processing and manufacturing for the purpose of an additional single use on a patient. This additional process includes the decontamination of the product and an extensive amount of validation testing in order to reinstate the functionality of the device. A Re-sterilized Single-Use Device is different in the fact that it was never used or contaminated. The device is still under the validation protocols by the FDA but the functionality is not in question as it has not been used. Several things that create the need for re-sterilization are:

1. Original date expiration
2. Device being opened - but not used
3. Device is breached (torn package or contaminated by making contact with a non-sterile surface). SPS DOES NOT reprocess devices.

Q: Is re-sterilization safe and legal?
A: Absolutely! The FDA regulates all re-sterilization processes with strict guidelines and protocols. Our sterilization process has been validated in accordance with ANSI/AAMI/ISO standards 11135. Patient safety always comes first at SPS. We re-qualify our sterilization process annually in order to ensure continued patient safety and device integrity. Our equipment is calibrated yearly with procedure documentation.
Q: How are your processes validated?
A: There FDA and AAMI/ISO standards have dictated the requirements that have to be met in order to provide this service. SPS has developed validated sterilization processes in accordance with ISO Standards 11135-1 and 11135-2. Every load is run with extra biological indicators which are packaged within Process Controlled Devices (PCD’s). They are placed in each quadrant of the sterilizer. We utilize 3m 8XL sterilizers which are state of the art. They have built in safety mechanisms that will shut our sterilizers down if temperature, humidity, or pressure deviates +/- 3 degrees on process specifications. This gives added safeguards that will insure that your products are being sterilized with the highest of standards. Our biological indicators are placed into 4 hour incubators immediately following the release of the load. As your products are going through our final packaging stages we are verifying that the product has been sterilized to a sterility assurance level of (SAL) of $10^{-6}$. All processes within SPS are verified by certified IAHCSMM technicians and devices are validated before final shipment to healthcare facility.

Q: Is SPS’s Sterilization FDA and ISO Certified?
A: The FDA does not certify any process for manufacturers or otherwise. The FDA audits corporations and requires documentation and validated proof that companies are compliant and following national standards to ensure the safety of the public. The FDA recently conducted a thorough investigation on SPS and found the company to be compliant on all levels. We document and observe all AAMI/ISO standards to maintain compliancy but we are not ISO certified.

Q: Why should my hospital re-sterilize medical devices?
A: Single use devices (SUD’s) have revealed a significant source of waste in healthcare facilities not only in cost but also in volume. Patients and staff often see many products used one time and thrown away which has driven the re-processing industry. However, the same facilities are throwing away an equal or larger amount of product because of outdated expirations or breached reasoning.

**Waste Reduction:** Re-sterilization reduces the amount of waste your facility is sending out as medical waste to the landfill in terms of both packaging and product. Paper and cardboard make up more than 50% of the waste generated by hospitals.

**How much waste is your facility sending out daily?**

**Cost Savings:** Re-sterilizing SUD’s provides a significant cost savings to your facility as compared to purchasing a device new. Typically, each device that is re-sterilized saves approximately 50%-60% vs. the cost of buying the product band new. The total saving associated with re-sterilization will vary based on the size of the facility, the comprehensiveness, and the efficiency of their re-sterilization program. The wider range of devices you re-sterilize, the greater savings you can achieve. Not only will your inventory costs be reduced, but you will notice additional cost savings through reduced waste generation and material handling.

**Where can the money saved by re-sterilizing SUD’s be used elsewhere in your facility?**
Q: **Why do Original Equipment Manufacturers (OEMs) Label Devices: “For Single use Only”?**

A: There are many concerns and misconceptions about whether or not devices that are labeled for single use can be re-processed or re-sterilized without putting patients at risk. The following statement can be verified with the FDA and also the AMDR (Association of Medical Device Reprocessors):

> The “single-use” label is not an FDA requirement but chosen at the manufacturer’s discretion, often for economic reasons, not patient safety reasons.

Q: **What devices are eligible to be re-sterilized?**

A: Medical devices that are deemed to be eligible for re-sterilization:

- Devices that have NEVER been used on a patient. We do not accept any contaminated devices.
- Products that have been previously sterilized by ETO by original manufacturer.
- Date expired within 2 years of current date
- Breached but not contaminated
- Products with an OEM value greater than $25.00.
- Please see our products list for a more detailed listing of products and companies.

Q: **What creates a non-conforming device?**

A: Non-conforming devices are defined as any medical device that is unable to be re-sterilized or does not fulfill SPS parameters for re-sterilization. The following are a few of the items that cannot be sterilized in order to assist you in deciding which items to re-sterilize.

- All CLASS III devices will be categorized as Non-conformable. A Class III device is the most stringent regulatory category for devices. This medical class is usually for products in which insufficient information exists to assure safety. Class III devices are generally those that support or sustain human life.

Below are several examples of Class III Devices:

- Implants (Heart Valves - Endosseous Implants - pacemaker pulse generators)
- Any medical device containing batteries.
- Catheters or products longer than 3 feet.
- Medical devices that have expired 2 years past original manufacture expiration. (E.G. -7 Expires in 2010 and the year is 2015. This would be non-conformable.)
- Medical devices not in original packaging
- Medical devices that have already been re-sterilized once before.
- Products with adhesive components as part of the product (electrodes, defibrillator pads, dressings)
• Any implant that is permanently placed in the body for the life of the patient. This can include but is not limited to the following:
  1. Non-absorbable suture
  2. Screws
  3. Plates
  4. Orthopedic Repair implants - Arrows, Darts, Endo-buttons, etc.

**Q: Why should I partner with SPS Sterilization?**

**A:** The effectiveness of a re-sterilization program is best measured by the amount of cost saving generated while delivering a quality product in a timely manner and providing maintainable inventory par levels to your facility. SPS strives to give each and every customer the highest savings possible and unprecedented quality.

We offer the following:

• Continuous in-services with facility staff on the latest FDA Requirements and practices
• A broad device re-sterilization list
• Consistent on-site pickup or scheduled shipment of devices to be re-sterilized
• Quality customer service
• SPS offers two return options upon the receipt of a purchase order:
  • SPS Red Priority: 72 hours
  • SPS Standard: 5-10 days

Do you have a few questions that we haven’t answered yet?

**Give us a call!**

(412) 564-1280

We would love to answer them and help you in making your decision to utilize SPS Sterilization services today!
OPTIONS FOR GETTING STARTED

Once SPS and the participating facility have a contract agreement in place that outlines terms of service, scope of service, and the completed on-boarding and in-servicing process has been completed. SPS offers several options on how it will provide service based on the customer’s needs in getting these products back on the shelf.

OPTION 1

Call our customer service line for immediate pick up of desired items/devices. One of our specialists will verify that the products are approved devices and will need Manufacturer, part or reference number, description, and reason for non-sterility on the form provided. Facility will need to create a Purchase Order on those items prior to shipping. Upon receipt, items will be turned around in 72 hours if requesting “Priority Red” Service or 5-10 business days using standard service.

OPTION 2

Facility may place sealable bins, boxes or containers provided by SPS in the desired sub-specialty areas where products will be collected for re-sterilization. These items would need to exclude all non-conforming device categories outlined in this manual. SPS will reach out to your facility once a month or once a quarter, depending on your facility’s needs. For tracking and budgeting of specific cost centers, collection boxes or shipping containers would need to be clearly marked or include a packing slip within the shipment that would indicate what department or sub-specialty these products will be charged back to. If this level of tracking is not desired or necessary than no special notations will be necessary. A full inventory of products received will be generated within 24-72 hours and will indicate what devices meet standards for re-sterilization. No products will be re-sterilized until a Purchase Order is received. All items that have not passed the quality control inspection, or if the facility does not want them returned will be donated to one of the charity organizations that SPS partners with.

✓ All products are doubled packaged in DuPont Tyvek ® paper before they are re-sterilized. There are also 5 sizes of outer boxes that products are placed in for additional protection and easy storage. Only oddly sized items may ship in the double wrap Tyvek paper only. The boxes are clearly marked with a sticker where you can find all of the information from the original O.E.M. label and a new 2 year expiration date. Packaging is clearly marked with a large green label, showing that the product has been re-sterilized not reprocessed.
# RE-PROCESSING VS RE-STERILIZING

**What are the differences? What are the benefits?**

## RE-PROCESSING

Devices requiring reprocessing **HAVE BEEN USED ON A PATIENT** and are highly contaminated.

Re-Processing bins in your facility are placed in Central Processing because they hold **CONTAMINATED** devices.

Re-Processors will **NOT** re-sterilize Expired, Open & Unused, and Breached Devices unless you place them in a contaminated bin and process them as a used device.

*In return, you will receive a re-processed device; not the unused device you sent in.*

- If the re-processor does not have a 510k to re-process that device, they will discard it. This could cost you facility thousands of dollars.
- If the device is not approved for use in your facility as a reprocessed device the confusion with your Surgeons and Staff could be significant and costly.

## RE-STERILIZING

Devices that are Re-Sterilized **HAVE NOT BEEN USED ON A PATIENT** but are:

- Expired
- Open and Unused
- Breached

ALL SPS Bins are placed in Central Sterile Areas.

SPS will provide pre-paid shipping labels with each Bin to ship out devices in each department on a scheduled basis. You can customize the schedule to meets your departments needs.

- Inventory listing will be emailed to you within 72 hours of receiving product at SPS Sterilization.
- Upon receipt of a purchase order, the devices you have selected will be re-sterilized and returned to your facility within 7 - 10 days.

## LET SPS RE-STERILIZE YOUR EXPIRED, OPENED AND UNUSED PRODUCTS TODAY!!!!

Re-Sterilization can be used in the following departments:

- Ambulance Service
- Cath Lab
- Central Supply
- Emergency Room
- GI Lab
- ICU
- Nuclear Medicine
- Surgery

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(412) 564-1280
MEDICAL PACKAGE RENEWAL

What Departments Can Utilize This Service?

All Departments that are using / storing sterile devices will benefit from

SPS STERILIZATION
MEDICAL PACKAGE RENEWAL PROGRAM

Specifically, but not limited to:

AMBULANCE SERVICES
FACILITY WIDE: CRASH CARTS
CATH LAB
CENTRAL STEREILE
EMERGENCY ROOM
ENDOSCOPY
INTERVENTIONAL RADIOLOGY
MED SURG
SPECIALTY ICU’S
STERILE PROCESSING
SURGERY

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NON-CONFORMING PRODUCTS

Items listed below are NOT approved for re-sterilization:

- SURGICAL PACKS
- CEMENT MIXERS
- IMPLANTS REQUIRING TRACKING
- MESH
- DEVICES THAT CONTAIN LATEX COMPONENTS
- WOVEN GOWNS, DRAPES, AND SHEETS
- DEVICES THAT REQUIRE CALIBRATION CODES
- SUTURE TACKS / ANCHORS
- DEVICES THAT HAVE BEEN PREVIOUSLY RE-STERILIZED OR REPROCESSED
- DEVICES SUPPLIED NON-STERILE BY OEM
- DEVICES WITH BIO-ACTIVE COATINGS (HEPARIN, COLLAGEN)
- DRUG ELUTING STENTS / CATHETERS
- DEVICES CLASSIFIED AS CLASS III DEVICES BY THE FDA
- DEVICES WITH BATTERIES AND PRESSURE CARTRIDGES
- NO PRODUCTS PAST 2 YEARS OF THE ORIGINAL OEM EXPIRATION DATE
- ALL PRODUCTS LESS THAN $25.00 AT OEM PRICE

The list above is not comprehensive, please contact your SPS representative with questions.

Products are all subject to validation process upon receipt.

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RE-STERILIZABLE PRODUCTS
DATE EXPIRED • OPEN PRODUCT • UNUSED PRODUCT • BREACHED PACKAGING

We accept items listed below for re-sterilization:

<table>
<thead>
<tr>
<th>ARTHROSCOPIC / ORTHOPAEDIC</th>
<th>CARDIOVASCULAR</th>
<th>ENDOSCOPIC / LAPAROSCOPIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Arthroscopic Shavers/Burrs</td>
<td>• Angiography Catheters</td>
<td>• Clip Applic. / Staplers</td>
</tr>
<tr>
<td>• Cannula Sets</td>
<td>• Introducers</td>
<td>• Harmonic Scalpeis</td>
</tr>
<tr>
<td>• Cartilage Knives</td>
<td>• Arterial &amp; Venuous Cannulas</td>
<td>• Insufflation Needles</td>
</tr>
<tr>
<td>• Clamps</td>
<td>• EP Catheters</td>
<td>• Introducers</td>
</tr>
<tr>
<td>• Saw Blades / Drill Bits / Burrs</td>
<td>• Guidewires</td>
<td>• Ligation Devices</td>
</tr>
<tr>
<td>• Soft Tissue Ablators</td>
<td>• Glidewires</td>
<td>• Scissors, clamps, Dissectors</td>
</tr>
<tr>
<td>• Hemovac Drains</td>
<td>• Guiding Catheters</td>
<td>• Specimen Pouches / Retractors</td>
</tr>
<tr>
<td>• Jackson Pratt Drains</td>
<td>• OPCAB Devices</td>
<td>• Suction / Irrigation / Tubing</td>
</tr>
</tbody>
</table>

The list above is not comprehensive, please contact your SPS representative with questions.

Products are all subject to validation process upon receipt.

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We accept items listed below for re-sterilization:

**RADIOLOGY DEVICES**

- ABBOTT VASCULAR
- ARGON
- ALLIANT HEALTHCARE
- BARD
- COOK
- CORDIS WEBSTER
- KYPHON, INC.
- MALLINCKRODT
- MICROVASIVE
- MEDI-TECH
- MEDTRONIC
- SPECIALTY MEDICAL
- STERILE KITS DUE TO DRUG OUTDATES

- Inventory list returned within 48 hours
- Choose what devices you want back
- Save on medical waste
- Priority Service - NO CHARGE
- Average return in 3-5 business days
- NO MINIMUMS!
RE-STERILIZATION OF
CATH LAB DEVICES

DATE EXPIRED • OPEN PRODUCT • UNUSED PRODUCT • BREACHED PACKAGING

We accept items listed below for re-sterilization:

CATH LAB DEVICES

ADVANCED DESIGN
ARGON
BARD
BECTIN DICKINSON
BIOSENSE WEBSTER
BOSTON SCIENTIFIC
CARDIOVASCULAR SYSTEM
CORDIS WEBSTER
DAIG
EDWARDS
ICU MEDICAL
INTEGRA
MEDTRONIC LAUNCHER CATHETERS
NEUROCARE
SIEMENS
TELEFLEX
TERUMO

STERILE KITS DUE TO DRUG OUTDATES

• Inventory list returned within 48 hours
• Choose what devices you want back
• Save on medical waste
• Priority Service - NO CHARGE
• Average return in 3-5 business days
• NO MINIMUMS!

“Our mission is to bring revenue back to hospitals for their surplus, un-used surgical products while offering them discounts on high volume products they are currently utilizing.”

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RE-STERILIZATION REQUEST FORM

DATE

FACILITY

ADDRESS

CITY

CONTACT

STATE

EMAIL

REPRESENTATIVE

PHONE

ACCOUNT

P.O. NUMBER

<table>
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<tr>
<th>QTY</th>
<th>OEM</th>
<th>REFERENCE NUMBER</th>
<th>DESCRIPTION</th>
<th>PRICE (IF QUOTED)</th>
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SAMPLE? (CHECK IF THIS IS A SAMPLE)

TRANSFER ITEMS TO MISSIONS (ORDER CANCELLED)

RETURN PRODUCT TO FACILITY (ORDER CANCELLED)
Date: 1/16/2015

RE: Statement of Compliance of Processes used by SPS for Unused single use devices (SUDs)

To Whom It May Concern:

This letter certifies that SPS re-packaging, re-labeling, and re-sterilization processes used on SUDs are in compliance with National Standards and FDA regulations. The enforcement priorities for single-use devices, reprocessed by third parties and hospitals, do not apply to opened-but-unused SUDs. Thus, FDA does not regulate third-party firms that re-package, re-label, and re-sterilize unused SUDs. SPS only processes unused SUDs. SPS does, however, adhere to FDA’s Quality System Regulations and performs the above-mentioned process in compliance with national standards and FDA regulation and guidance documents.

- Label design meets the requirements of Sec. 502 of Act; 21 CFR Part 801. The label contains the OEM manufacturer, reference number, lot number, list of components, and inserts if applicable. The label also includes the SPS lot number, expiration date, and identifies the product as unused.

The approach that SPS takes to re-package, re-label, and re-sterilize unused SUD product meets guidelines of the following organizations:

- IEC - International Electro-technical Commission
- AORN - Association of Peri-Operative Registered Nurses
- USP - United States Pharmacopeial Convention, Inc.
- ASTM - International Standards Worldwide
- AMA - American Medical Association

SPS is registered with FDA - Contracted Vendor

As my capacity as Chairman & CEO of SPS, I certify the above to be truthful and accurate. Please contact me at (412) 564-1280 if you have any questions.

Sincerely,

Steven M. Darocy
Chairman, CEO
**Declarations Page**

This is Claims Made Coverage, Please Read Carefully. This *certificate* is limited to liability for only those claims that are first made against the insured during the *policy* period. Please review the *certificate* carefully.

This Declarations Page is issued in conjunction with and forms a part of Policy Number: GLX0864

Renewal of Number: NEW BUSINESS

---

**Item 1. Name of Insured:** SURGICAL PRODUCT SOLUTIONS, LLC

Address: 643 FIRST AVENUE, SUITE 200

PITTSBURGH, PA 15219

---

**Item 2. Policy Period:** MAY 15, 2015 to MAY 15, 2015

(both days at 12:01 a.m. Pacific Standard Time at address of Insured stated above)

---

**Item 3. Description of Insurance afforded hereunder:** COMMERCIAL GENERAL LIABILITY – CLAIMS MADE

---

**Item 4. Retroactive Date:** MAY 15, 2015

---

**Item 5. Limits of Liability:**

Coverage is provided only if a limit is shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Limit</th>
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</thead>
<tbody>
<tr>
<td>General Aggregate Limit (other than Products–Completed Operations)</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Products – Completed Operations Aggregate Limit</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Personal &amp; Advertising Injury Limit</td>
<td>$1,000,000.00</td>
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<tr>
<td>Each Occurrence Limit</td>
<td>$1,000,000.00</td>
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<tr>
<td>Medical Payments Limit</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Fire Damage Limit</td>
<td>$50,000.00</td>
</tr>
</tbody>
</table>

---

**Item 6. Deductible:**

$5,000.00 Per Claim

---

**Item 7. Service of Suit Nominee:** Mendes & Mount, LLP

750 7TH Avenue, New York, NY 10019-6829

---

**Item 8. The Named Insured is:**

- [ ] Individual
- [ ] Partnership
- [ ] Corporation
- [ ] Joint Venture
- [ ] Other
- [x] Limited Liability Corporation

---

**Item 9. Premium:** The premium stated herein is the minimum premium for the policy period. Any adjustment upon audit will be upward only. There will be no premium refund of the minimum premium upon audit, if the estimated exposure is less than shown herein. Twenty-five percent (25%) of the annual premium is fully earned as of the inception date of the policy.

- [x] Annual
- [ ] Term $13,850.00 MINIMUM & DEPOSIT
- [ ] Flat
- [x] Adjustable at a Rate of: $4.45 PER $1,000 OF GROSS RECEIPTS
- [ ] Flat Fully Earned

Estimated Exposure: $3,000,000.00

---

**Item 10. Endorsements and forms attached to this Policy:**

ENDORSEMENTS 1 THROUGH 18

ADEC1 (ED. 10/00); SYNENDT (10/07); CLAIMS MADE FORM ED. 03-04, REV. 12-09-Beazley

---

Dated at P.O. Box 411, Los Olivos, CA 93441
Lic. #0H05102 (the Office of the Correspondent)
B1179A060815000

This June 3, 2015 by SHGINS Insurance Solutions (the Correspondent)

This evidences that insurance has been placed with certain **UNDERWRITERS AT LLOYD'S, LONDON.** Percentage: 100%
## ADDITIONAL DECLARATIONS

For attachment to Policy Number GLX0864 to complete said policy.

Location of all premises owned by, rented to or controlled by the Named Insured (Enter “Same” if same location as address shown in Item 1 of the declarations).

SAME

The following discloses all hazards insured hereunder known to exist at the effective date of this policy, unless otherwise stated herein.

### GENERAL LIABILITY HAZARDS SCHEDULE

<table>
<thead>
<tr>
<th>Description of Hazard</th>
<th>Code No.</th>
<th>Premium Basis</th>
<th>Rates</th>
<th>Advance Premiums</th>
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</thead>
<tbody>
<tr>
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<td>BI</td>
<td>PD</td>
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<tr>
<td>Premises &amp; Operations</td>
<td></td>
<td></td>
<td>Gross Receipts</td>
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<tr>
<td>Escalators (Number at Premises)</td>
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<tr>
<td>Completed Operations</td>
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<td>MEDICAL, DENTAL, HOSPITAL OR SURGICAL EQUIPMENT</td>
<td>56806</td>
<td>Gross Receipts</td>
<td>Per $1,000 of</td>
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<td>$3,000,000.00</td>
<td>$4.45</td>
<td>$13,850.00</td>
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**Total Advance BI & PD Premiums** $13,850.00 INCLUDED

When used as a premium basis:

1. “admissions” means the total number of persons, other than employees of the named insured, admitted to the event insured or to events conducted on the premises whether on paid admission tickets, complimentary tickets or passes;
2. “cost” means the total cost to the named insured with respect to operations performed for the named insured during the policy period by independent contractors of all work let or sub-let in connection with each specific project, including the cost of all labor, materials and equipment furnished, used or delivered for use in the execution of such work, whether furnished by the owner or contractor or subcontractor, including all fees, allowances, bonuses or commissions made, paid or due;
3. “receipts” means the gross amount of money charged by the named insured for such operations by the named insured or by others during the policy period as are rated on a receipts basis other than receipts from telecasting, broadcasting or motion pictures, and includes taxes other than taxes which the named insured collects as a separate item and remits directly to a governmental division;
4. “remuneration” means the entire remuneration earned during the policy period by proprietors and by all employees of the named insured, other than chauffeurs (except operations of mobile equipment) and aircraft pilots and co-pilots, subject to any overtime earnings or limitation of remuneration rule applicable in accordance with the manuals in use by the company;
5. “sales” means the gross amount of money charged by the named insured or by others trading under his name for all goods and products sold or distributed during the policy period and charged during the policy period for installation, servicing or repair, and includes taxes, other than taxes which the named insured and such other collect as a separate item and remit directly to a governmental division;
6. “billed hours” means total number of hours billed by the insured to his clients for services rendered as a security guard.

ADEC1 (ED.10/00)