UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **October 5, 2015**

ICU MEDICAL, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	**0-19974**	**33-0022692**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

951 Calle Amanecer, San Clemente, California	**92673**
(Address of principal executive offices)	(Zip Code)

(949) 366-2183

Registrant's telephone number, including area code

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01 Completion of Acquisition or Disposition of Assets.

On October 6, 2015, ICU Medical, Inc. (the "***Company***") acquired all of the outstanding shares of EXC Holding Corp, a Delaware corporation ("***EXC***"), for an aggregate of approximately $59.5 million in cash, pursuant to the terms of a Stock Purchase Agreement (the "***Stock Purchase Agreement***"), dated as of October 5, 2015, by and among the Company, Roundtable Healthcare Partners, L.P., a Delaware limited partnership, in its capacity as a seller and as the stockholder representative, Roundtable Healthcare Investors, L.P., a Delaware limited Partnership, and certain other holders of stock and options of EXC and Medline Industries, Inc. ("Medline"). All EXC stock options were terminated in connection with the transaction, and EXC is now a wholly owned subsidiary of the Company.

Immediately following the completion of the acquisition of EXC, on October 6, 2015, the Company sold all of the assets of EXC related to its business of manufacturing and selling pre-filled saline flush and swab flush syringe delivery systems (the "***Flush Business***") to Excelsior Medical, LLC, an Illinois limited liability company and an affiliate of Medline ("Excelsior") for approximately $27 million in cash and the assumption of the liabilities related to the Flush Business. The disposition was completed pursuant to the terms of an Asset Purchase Agreement (the "***Asset Purchase Agreement***"), dated as of October 5, 2015, by and between the Company, Excelsior and Medline, as guarantor of Excelsior's obligations under the Asset Purchase Agreement. The Company will retain all of the assets related to the business of manufacturing and selling the needleless connector disinfection cap ***(the "Cap Business")***. Under the Asset Purchase Agreement, the Company and Excelsior have each agreed for a period of three years to non-competition restrictions relating to the Flush Business and the Cap Business, respectively.

On October 5, 2015, the Company issued a press release announcing the entry into the Stock Purchase Agreement and the Asset Purchase Agreement. A copy of the press release is furnished as Exhibit 99.1.

The foregoing description of the Stock Purchase Agreement and the Asset Purchase Agreement and the transactions contemplated thereby, in each case, do not purport to be complete and are qualified in their entirety by reference to the Stock Purchase Agreement and the Asset Purchase Agreement, which are filed as Exhibit 2.1 and 2.2, respectively, hereto and which are incorporated herein by reference.

Item 9.01 Financial statements and Exhibits

(d) The following exhibits are furnished with this report:

Exhibit Number	Description
2.1*	Stock Purchase Agreement dated as of October 5, 2015 by and among ICU Medical, Inc., Medline Industries, Inc., Roundtable Healthcare Partners, L.P., Roundtable Healthcare Investors, L.P., and the other parties thereto.
2.2*	Asset Purchase Agreement dated as of October 5, 2015 by and among ICU Medical, Inc., Excelsior Medical, LLC and Medline Industries, Inc.
99.1	Press Release dated October 5, 2015.

* All schedules have been omitted from this filing pursuant to Item 601(b)(2) of Regulation S-K. The Company will furnish copies of any schedules to the Securities and Exchange Commission upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ICU Medical, Inc.

/s/ Scott E. Lamb

Scott E. Lamb

Secretary, Treasurer and Chief Financial Officer

Date: October 6, 2015

EXHIBIT INDEX

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99.1	Press Release dated October 5, 2015.

* All schedules have been omitted from this filing pursuant to Item 601(b)(2) of Regulation S-K. The Company will furnish copies of any schedules to the Securities and Exchange Commission upon request.

Exhibit 2.1

STOCK PURCHASE AGREEMENT

by and among

ROUNDTABLE HEALTHCARE PARTNERS, L.P.,

ROUNDTABLE HEALTHCARE INVESTORS, L.P.,

AND THE OTHER STOCKHOLDERS AND OPTIONHOLDERS PARTY HERETO,

as Sellers,

ICU Medical, Inc.,

as Buyer,

MEDLINE INDUSTRIES, INC.,
as Medline,

and

ROUNDTABLE HEALTHCARE PARTNERS, L.P.,

as the Stockholder Representative

Dated as of October 5, 2015

THIS DOCUMENT IS NOT INTENDED TO CREATE, NOR WILL IT BE DEEMED TO CREATE, A LEGALLY BINDING OR ENFORCEABLE OFFER OR AGREEMENT OF ANY TYPE OR NATURE, UNLESS AND UNTIL AGREED TO AND EXECUTED BY ALL PARTIES. SELLERS RESERVE THE RIGHT TO REVISE THIS FORM AT ANY TIME

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EXHIBITS

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT, dated as of October 5, 2015 (this "Agreement"), is by and among (i) **ROUNDTABLE HEALTHCARE PARTNERS, L.P.** , a Delaware limited partnership ("RT Partners"), in its capacity as a Seller and as the Stockholder Representative (in each case as defined below), **ROUNDTABLE HEALTHCARE INVESTORS, L.P.**, a Delaware limited partnership ("RT Investors"), the other stockholders set forth on Exhibit A hereto (together with RT Partners and RT Investors, the "Stockholders"), (ii) the Optionholders (as defined below) set forth on Exhibit A hereto (the "Optionholder Parties" and, together with the Stockholders, "Sellers"), (iii) **ICU Medical, Inc.**, a Delaware corporation ("Buyer"), and (iv) solely for purposes of Section 3.5, Article VI, Section 7.1, Section 7.2, Section 7.7, Article IX, Article XI and Article XIII, **MEDLINE INDUSTRIES, INC.**, an Illinois corporation ("Medline").

RECITALS

WHEREAS, the Stockholders are the owners of all of the issued and outstanding shares of common stock (the "Shares") of EXC Holding Corp., a Delaware corporation (the "Company");

WHEREAS, the Company and its wholly-owned subsidiary, Excelsior Medical Corporation (the "Company Subsidiary" and together with the Company, the "Acquired Companies"), are engaged in the business of manufacturing and selling pre-filled flush syringes, needleless connector disinfection caps, syringe pumps and associated tubing products (the "Business");

WHEREAS, the parties desire to enter into this Agreement pursuant to which (a) each Stockholder agrees to sell to Buyer, and Buyer agrees to purchase from each such Stockholder, all of the Shares owned by such Stockholder, and (b) all Options will be cancelled, in each case, on the terms and subject to the conditions set forth herein; and

WHEREAS, on the date hereof, Buyer entered into an Asset Purchase Agreement with Medline (the "Asset Purchase Agreement"), pursuant to which Buyer has agreed that, immediately following the consummation of the transactions contemplated by this Agreement, (a) Buyer shall cause the Acquired Companies to sell to Medline, and Medline shall purchase and assume from Buyer and the Acquired Companies, the assets and liabilities of the Acquired Companies relating to the ML Acquired Business (as defined below) (such transactions, the "Post-Closing Sale") and (b) Buyer and the Acquired Companies shall retain all of the remaining assets and liabilities of the Acquired Companies (excluding the ML Acquired Business), in each case, on the terms and subject to the conditions set forth in the Asset Purchase Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, it is hereby agreed among Sellers and Buyer as follows:

ARTICLE I

DEFINITIONS

Section 1.1 **Definitions**. In this Agreement, the following terms have the meanings specified or referred to in this Section 1.1 and shall be equally applicable to both the singular and plural forms.

"Accounting Principles" means: (a) the accounting principles, policies, procedures and methodologies set forth on Exhibit B hereto; (b) to the extent not inconsistent with clause (a), the accounting principles, policies, procedures, methodologies, categorizations, asset recognition bases, definitions, practices and techniques (including in respect of the exercise of management judgment) adopted in the preparation of the latest Audited Financial Statements; and (c) to the extent not otherwise addressed in clause (a) or (b), GAAP.

"Acquired Companies" has the meaning specified in the Recitals.

"Affiliate" means, with respect to any specified Person, any other Person which directly or indirectly controls, is controlled by or is under common control with such specified Person. For purposes of this definition, "control," when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through ownership of voting securities or equity or ownership interests or by contract, credit arrangement or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" has the meaning specified in the Preamble.

"Alternate Transaction" has the meaning specified in Section 7.5.

"Ancillary Agreement" means the Buyer Ancillary Agreements and the Seller Ancillary Agreements.

"Applicable Federal Rate" means the applicable federal rate as defined in Section 1274(d) of the Code.

"Arbitrator" means a nationally recognized certified public accounting firm as shall be mutually agreed upon by Buyer and the Stockholder Representative, which firm shall not be rendering (and during the two (2) year period preceding the date of this Agreement shall not have rendered) services to Buyer or Medline, the Acquired Companies, the Stockholder Representative or any of their respective Affiliates.

"Asset Purchase Agreement" has the meaning specified in the Recitals.

"Audited Financial Statements" has the meaning specified in Section 5.4.

"Balance Sheet Date" has the meaning specified in Section 5.4.

"Base Purchase Price" has the meaning specified in Section 2.2(a)(i).

"Business" has the meaning specified in the Recitals.

"Business Day" means any day other than a Saturday, Sunday or other day on which banking institutions located in New York, New York are authorized or obligated by applicable Requirements of Law to close.

"Buyer" has the meaning specified in the Preamble.

"Buyer Ancillary Agreements" means all agreements, instruments and documents being or to be executed and delivered by Buyer or an Affiliate of Buyer under this Agreement or in connection herewith, including the Escrow Agreement.

"Buyer Group Member" means (a) Buyer and its Affiliates, directors, officers, employees and agents, and their respective successors and assigns and (b) Medline and its Affiliates, directors, officers, employees and agents, and their respective successors and assigns.

"Buyer Tax Group" has the meaning specified in Section 8.1(a)(v)(A).

"Cap" has the meaning specified in Section 11.1(b)(z).

"Cash and Cash Equivalents" means the aggregate amount of the Acquired Companies' cash and cash equivalents (including marketable securities and short term investments) on hand or in bank accounts, but excluding outstanding checks that have not cleared, in each case, as determined in accordance with the Accounting Principles.

"Claim Notice" has the meaning specified in Section 11.3(a).

"Clients" has the meaning specified in Section 13.17(a).

"Closing" means the consummation of the transfer of the Shares from Sellers to Buyer in exchange for the Purchase Price, upon the terms and subject to the conditions set forth herein.

"Closing Date" has the meaning specified in Section 3.1.

"Closing Date Balance Sheet" has the meaning specified in Section 2.3(b).

"Closing Date Cash" has the meaning specified in Section 2.3(b).

"Closing Date Debt" has the meaning specified in Section 2.3(b).

"Closing Date Transaction Expenses" has the meaning specified in Section 2.3(b).

"Closing Date Working Capital" has the meaning specified in Section 2.3(b).

"Closing Payment" has the meaning specified in Section 3.2(a).

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Company" has the meaning specified in the Recitals.

"Company Fundamental Representations" means the representations and warranties set forth in Section 5.1(a) (Organization of Company), Section 5.1(b) (Capital Structure of the Company), Section 5.1(d) (Investments), Section 5.2(a) (Company Subsidiary Organization), Section 5.2(b) (Capital Structure of Company Subsidiary), Section 5.2(d) (Investments), Section 5.6 (Taxes) and Section 5.24 (No Brokers).

"Company Intellectual Property" has the meaning specified in Section 5.10(a).

"Company Subsidiary" has the meaning specified in the Recitals.

"Competing Business" means the business of manufacturing and selling pre-filled saline flush syringes, needleless connector disinfection caps or pre-filled saline flush syringe and needleless connector disinfection cap combinations.

"Confidentiality Agreement" means the Letter Agreement, dated as of September 12, 2014, by and between the Company Subsidiary and Buyer.

"Confidential Information" means any information that is confidential, proprietary or generally not available to the public about the disclosing party; provided, that Confidential Information shall not include information that (a) is or becomes generally available to the public through no direct or indirect act or omission by the receiving party or any of its Affiliates; (b) is already known by, or is or becomes lawfully available to, the receiving party or its Affiliates from a source, other than the disclosing party or its Affiliates, who is not known by the receiving party to be prohibited from disclosing such portions to the receiving party or its Affiliates by any contractual, legal or fiduciary obligation; or (c) was independently developed by the receiving party or its Affiliates without any use of or reliance on any Confidential Information.

"Contracts" means all contracts, guaranties, leases (including the Lease Agreements), licenses, sublicenses, instruments, commitments, notes, bonds, mortgages, indentures, sales or purchase orders, invoices and other agreements, whether written or oral.

"Copyrights" means United States registered copyrights, and pending applications to register the same.

"Covered Employee" has the meaning specified in Section 8.4.

"Data Site" means Sellers's "Project Poseidon" online data site hosted by Intralinks, Inc.

"Debt" means the amount necessary to discharge the aggregate amount of outstanding Indebtedness of the Acquired Companies on the Closing Date.

"Dispute Notice" has the meaning specified in Section 2.3(b).

"DOJ" means the U.S. Department of Justice.

"Effective Time" means 11:59 p.m. Eastern Standard Time on the day immediately preceding the Closing Date.

"Encumbrance" means (a) with respect to the Shares or any shares of capital stock or equity interests of the Acquired Companies, any voting trust, shareholder agreement, proxy, right of first refusal or similar restriction, and (b) with respect to any property or asset of the Acquired Companies, the Shares or any shares of capital stock or equity interests of the Acquired Companies, any lien, adverse claim, charge, security interest, encumbrance, mortgage, pledge, easement, option or other right to acquire an interest, or other restrictions of a similar kind.

"End Date" means (a) ninety (90) days after the date hereof or (b) such later date to which Buyer and the Stockholder Representative may mutually agree in writing.

"Environmental Laws" means all federal, state and local statutes, regulations, ordinances and other provisions having the force or effect of law, in each case, concerning worker health and safety and pollution or protection of the environment (including those relating to the presence, use, production, generation, handling, transport, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, Release, threatened Release, control or cleanup of any Hazardous Material), each as amended and in effect as of the date hereof.

"Environmental Matter" means any matter relating to (a) the Release or threatened Release of a Hazardous Material on, at, to, from or beneath a facility or real property or (b) violations of or Liabilities arising under applicable Environmental Laws.

"ERISA" means the U.S. Employee Retirement Income Security Act of 1974.

"Escrow Agent" means The PrivateBank and Trust Company.

"Escrow Agreement" means an escrow agreement to be entered into at the Closing by and among the Stockholder Representative, Buyer, Medline and the Escrow Agent in substantially the form set forth as Exhibit C hereto.

"Escrow Funds" means the Indemnity Escrow Fund, the FDA Escrow Fund and the Working Capital Escrow Fund.

"Estimated Closing Date Cash" has the meaning specified in Section 2.2(b).

"Estimated Closing Date Debt" has the meaning specified in Section 2.2(b).

"Estimated Closing Date Transaction Expenses" has the meaning specified in Section 2.2(b).

"Estimated Closing Date Working Capital" has the meaning specified in Section 2.2(b).

"Excluded Taxes" has the meaning specified in Section 8.1(a)(i).

"Expenses" means any and all reasonable out-of-pocket expenses actually incurred in connection with defending or asserting any Proceeding incident to any matter indemnified against hereunder (including court filing fees, court costs, arbitration fees or costs, witness fees and reasonable fees and disbursements of legal counsel, expert witnesses, accountants and other professionals).

"Expense Reserve" has the meaning specified in Section 12.5.

"FDA" means the U.S. Food and Drug Administration.

"FDA Escrow Fund" has the meaning specified on Schedule 8.7.

"Federal Health Care Program" means Medicare, Medicaid and TRICARE programs (described in Title XVIII of the Social Security Act, Title XIX of the Social Security Act, and Title 10, Chapter 55 of the U.S.C., respectively), any state health care program (as defined in Section 1128(h) of the Social Security Act), and any similar Requirements of Law with respect to health care programs sponsored or administered by Governmental Bodies in foreign jurisdictions.

"Financial Statements" has the meaning specified in Section 5.4.

"Fraud" means, with respect to a party, an actual and intentional fraud of such party.

"FTC" means the U.S. Federal Trade Commission.

"GAAP" means United States generally accepted accounting principles.

"Governmental Approval" means an authorization, consent, or approval issued by, a registration or filing with, or a notice to or a waiver from any Governmental Body.

"Governmental Body" means any (a) foreign, federal, state, local or other government, (b) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department or other entity and any court or other tribunal), or (c) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature, including any arbitral tribunal.

"Governmental Permits" has the meaning specified in Section 5.7.

"Hazardous Material" means any contaminant, pollutant, or hazardous or toxic substance or waste, as such terms are defined in Environmental Laws.

"ICU Acquired Business" means the Acquired Companies' business of manufacturing and selling "SwabCap" needleless connector disinfection caps (including SwabPack), PharmAssist Pump, ESP syringe driver and associated disposables.

"ICU Acquired Business Claims" has the meaning specified in Section 11.6.

"Identified Taxes" means any and all state or local income, gross receipts, franchise, sales or use Tax matters identified in Schedule 1.1(a).

"Identified Tax VDAs" has the meaning specified in Section 8.1(b)(iii).

"Indebtedness" means, with respect to any Person, (a) all indebtedness of such Person, whether or not contingent, for borrowed money, (b) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments or debt securities and warrants or other rights, including obligations so evidenced or incurred in connection with the acquisition

of property, assets or businesses (including capital lease obligations) and (c) all indebtedness of others referred to in clauses (a) and (b) hereof guaranteed, directly or indirectly, in any manner by such Person, or in effect guaranteed directly or indirectly by such Person through an agreement (i) to pay or purchase such indebtedness or to advance or supply funds for the payment or purchase of such indebtedness, (ii) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such indebtedness or to assure the holder of such indebtedness against loss, (iii) to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered), (iv) to grant an Encumbrance on property owned or acquired by such Person, whether or not the obligation secured thereby has been assumed, or (v) to otherwise assure a creditor against loss, including in each such case principal, accrued interest, default interest, break-up fees, fees or interest for voluntary pre-payment and any other payments, interests or fees under each such indebtedness, in each case, calculated in accordance with the Accounting Principles.

"Indemnified Party" has the meaning specified in Section 11.3(a).

"Indemnitor" has the meaning specified in Section 11.3(a).

"Indemnity Escrow Fund" means Four Million Four Hundred Eighty Thousand Dollars ($4,480,000.00) which amount shall be deposited with and held by the Escrow Agent pursuant to the Escrow Agreement to secure and serve as a fund in respect of the indemnification obligations of Sellers set forth in Article XI.

"Intellectual Property" means Copyrights, Patent Rights, Trademarks and Trade Secrets.

"Interim Financial Statements" has the meaning specified in Section 5.4.

"ISRA" means the New Jersey Industrial Site Recovery Act, N.J.A.C. 7:26B.

"Joint Instructions" has the meaning specified in Section 11.6(d).

"Knowledge of Sellers" means, as to a particular matter, the actual knowledge of the individuals listed on Schedule 1.1(b).

"Lease Agreements" has the meaning specified in Section 5.8(a).

"Leased Real Property" has the meaning specified in Section 5.8(a).

"Liability" means any liability, debt, obligation, loss, damage, claim, cost, expense or other charge, in each case, whether direct or indirect and whether accrued or contingent.

"Losses" means any and all out-of-pocket losses, costs, settlement payments, awards, judgments, fines, penalties, Taxes, damages, expenses, deficiencies or other charges; provided, that Losses shall not include (a) punitive or exemplary damages (in each such case, other than those resulting from a Third Person Claim), (b) incidental, special or consequential damages of any kind or the loss of anticipated or future business or profits, or opportunity cost damages (in each such case, other than any such damages (i) resulting from a Third Person Claim or (ii) that are consequential damages that are reasonably forseeable) or (c)

diminution in value damages and, in particular, no "multiple of profits" or "multiple of cash flow" or similar valuation methodology shall be used in calculating the amount of any Losses (other than those resulting from a Third Person Claim); provided, that diminution in value or such similar valuation methodologies may be used in calculating the amount of any Losses with respect to any breach or inaccuracy of the representations and warranties set forth in Section 5.4(a).

"Material Adverse Effect" means any event, change, circumstance or occurrence that is, or would reasonably be expected to be, either individually or in the aggregate with all other events, changes, circumstances or occurrences, materially adverse to the assets, properties, financial condition or results of operations of the Business or the Acquired Companies, taken as a whole, but shall exclude any prospects and shall also exclude any event, change, circumstance or occurrence to the extent resulting or arising from: (a) any change or prospective change in any Requirements of Law or GAAP or interpretation or enforcement thereof; (b) any change in interest rates or conditions generally affecting the financial, securities or banking markets (including any disruption thereof, any change in interest or exchange rates or any decline in the price of any security or any market index) or the economy of the United States of America or foreign countries in general; (c) any change that is generally applicable to the industries or markets in which the Acquired Companies operate; (d) the entry into or announcement of this Agreement and/or the consummation of the transactions contemplated hereby, including any such change relating to the identity of, or facts and circumstances relating to, Buyer and including any actions by customers, suppliers or personnel; (e) any action taken by Buyer or any of its Affiliates; (f) any change resulting from Buyer's failure to consent to any acts or actions requiring Buyer's consent under this Agreement and for which (A) Sellers or the Acquired Companies have, in writing, sought consent from Buyer and (B) the possibility of such change was a reasonably foreseeable result of Buyer's failure to consent, (g) any omission to act or action taken by Sellers or either Acquired Company which is expressly required by this Agreement; (h) any national or international political or social conditions, including the engagement by the United States of America in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the United States of America or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States of America; (i) any acts of God, including any earthquakes, hurricanes, tornados, floods, tsunamis or other natural disasters, or any other damage to or destruction of assets caused by casualty; or (j) any failure, in and of itself, to meet internal or published projections, estimates or forecasts of revenues, earnings or other measures of financial or operating performance for any period; provided, however, that the underlying causes of such failure (subject to the other provisions of this definition of "Material Adverse Effect") shall not be excluded; provided, further, that in the case of each of clauses (a), (b), (c), (h) and (i) of this definition, any such event, change, circumstance or occurrence shall not be excluded to the extent that it has or would reasonably be expected to have a materially disproportionate adverse effect on the assets, properties, financial condition, or results of the operations of the Business or the Acquired Companies, taken as a whole, relative to that of other comparable companies in the same industry as the Acquired Companies.

"Material Contracts" has the meaning specified in Section 5.14.

"Medical Product Regulatory Authority" means any Governmental Body that is primarily concerned with the use, safety, efficacy, reliability, manufacture, sale, import, export or marketing of medical devices, including the FDA, U.S. Customs and Border Protection and the relevant competent authorities of the Member States of the European Union.

"Medline" has the meaning set forth in the Preamble.

"Medline Ancillary Agreements" means all agreements, instruments and documents being or to be executed and delivered by Medline or an Affiliate of Medline under this Agreement or in connection herewith, including the Escrow Agreement.

"ML Acquired Business" means the Acquired Companies' stand-alone flush syringe business and the "SwabFlush" business.

"ML Acquired Business Claims" has the meaning specified in Section 11.6.

"Multiemployer Plan" means a "multiemployer plan," as defined in Section 4001(a)(3) of ERISA.

"Options" means any option to purchase Shares granted under the EXC Holding Corp. 2004 Stock Option Plan.

"Optionholders" means any Person holding an Option that is outstanding immediately prior to the Closing.

"Order" means any order, judgment, injunction, award, decree, ruling or writ of any Governmental Body.

"Organizational Documents" means, with respect to any Person that is not an individual, such Person's charter, certificate or articles of incorporation or formation, bylaws, memorandum and articles of association, operating agreement, limited liability company agreement, partnership agreement, limited partnership agreement, limited liability partnership agreement or other constituent or organizational documents of such Person.

"Patent Rights" means United States and foreign patents and patent applications.

"Percentage Interests" means, with respect to each Seller, the applicable percentage set forth next to such Seller's name on Exhibit A hereto.

"Permitted Encumbrances" means, collectively, (a) liens for Taxes and other governmental charges and assessments which are not yet due and payable or are being contested in good faith; (b) liens of landlords and liens of carriers, warehousemen, mechanics and materialmen and other like liens arising in the ordinary course of business or pursuant to the Requirements of Law for sums not yet due and payable; (c) any Encumbrances identified in Schedule 1.1(c); (d) other Encumbrances or imperfections on property which are not material in amount or do not materially detract from the value of or materially impair the existing use of the property affected by such Encumbrance or imperfection; (e) pledges or deposits to secure obligations under workers' compensation, unemployment insurance or other types of social security or similar Requirements of Law; (f) Encumbrances imposed by zoning laws, building codes and land use laws regulating the use or occupancy of any property that constitutes real property or the activities conducted thereon that are imposed

by any Governmental Body having jurisdiction over such real property and are not violated by the current use or occupancy of such real property or the operation of the Business as conducted thereon as of the date hereof; and (g) Encumbrances not created by the Acquired Companies or Sellers that affect the underlying fee interest of any Leased Real Property.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or Governmental Body.

"Plan" means (a) any "employee pension benefit plan" as defined in Section 3(2) of ERISA, (b) any "employee welfare benefit plan" as defined in Section 3(1) of ERISA, or (c) any other material agreement, plan, program, fund, policy, contract or arrangement providing compensation (other than wages or salary), stock or stock-based compensation, bonus, change of control, deferred compensation, severance, disability, or other employee benefits that is maintained or contributed to by either Acquired Company, other than any plan, program, policy or arrangement which is maintained by a Governmental Body or which is required to be maintained to satisfy Requirements of Law.

"Pre-Closing Tax Period" means any taxable year or period that ends on or before the Closing Date and, with respect to any Straddle Period, the portion of such Straddle Period ending on and including the Closing Date.

"Preliminary Cash Determination" has the meaning specified in Section 2.3(a)(ii).

"Preliminary Closing Date Balance Sheet" has the meaning specified in Section 2.3(a)(i).

"Preliminary Closing Statement" has the meaning specified in Section 2.3(a)(ii).

"Preliminary Debt Determination" has the meaning specified in Section 2.3(a)(ii).

"Preliminary Transaction Expenses Determination" has the meaning specified in Section 2.3(a)(ii).

"Preliminary Working Capital Determination" has the meaning specified in Section 2.3(a)(ii).

"Proceeding" means any claim, demand, charge, complaint, action, litigation, suit, arbitration, proceeding, hearing, audit or investigation, whether civil, criminal, judicial or administrative, of any Person or Governmental Body.

"Purchase Price" has the meaning specified in Section 2.2(a).

"Qualified Plan" has the meaning specified in Section 5.15(e).

"Release" means the release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal or leaching of a Hazardous Material into the environment.

"Remedial Action" means actions required by any Environmental Law to (a) clean up, remove, treat or in any other way address Hazardous Materials in the environment, (b) prevent the Release or threatened Release or minimize the further Release of Hazardous Materials or (c) investigate and determine if Remedial Action is required, and to design and implement such Remedial Action, including any necessary post-remedial investigation, monitoring, operation and maintenance and care.

"Requirements of Law" means any foreign, federal, state and local laws, statutes, treaties, regulations, rules, codes or ordinances enacted, adopted, issued or promulgated by any Governmental Body.

"Restricted Parties" means the Persons set forth on Schedule 1.1(d).

"Restricted Period" means the three (3) year period beginning on the Closing Date.

"RT Investors" has the meaning specified in the Preamble.

"RT Partners" has the meaning specified in the Preamble.

"Schedules" means the schedules delivered by Sellers to Buyer simultaneously with the execution and delivery of this Agreement and which form a part of this Agreement.

"Seller Ancillary Agreements" means all agreements, instruments and documents being or to be executed and delivered by a Seller (including, for the avoidance of doubt, the Stockholder Representative) or an Affiliate of such Seller pursuant to this Agreement, including the Escrow Agreement.

"Seller Fundamental Representations" means the representations and warranties set forth in Section 4.1 (Organization and Authority of Sellers), Section 4.2 (Title to Shares), Section 4.3 (No Option) and Section 4.6 (No Broker).

"Seller Group Member" means each Seller and its respective Affiliates, directors, officers, employees, agents, and their respective successors and assigns.

"Seller Related Parties" has the meaning specified in Section 13.15.

"Sellers" has the meaning specified in the Preamble.

"Shares" has the meaning specified in the Recitals.

"Sidley" has the meaning specified in Section 13.17(a).

"Software" means all computer software programs and software systems, including all databases, compilations, tool sets, compilers, higher level "proprietary" languages, related documentation and materials, whether in source code, object code or human readable form;

provided, however, that "Software" does not include software that is available generally through retail stores, distribution networks or is otherwise subject to "shrink-wrap" or "click-through" license agreements, including any software pre-installed in the ordinary course of business as a standard part of hardware purchased by the Acquired Companies.

"Stockholders' Agreement" means the Stockholders' Agreement, dated as of June 28, 2004, by and among the Company and certain of Sellers.

"Stockholder Representative" has the meaning specified in Section 12.1(a).

"Stockholders" has the meaning specified in the Preamble.

"Straddle Period" means any taxable year or period beginning on or before and ending after the Closing Date.

"Subsidiary" of any Person means another Person, an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, 50% or more of the equity interests of which) is owned directly or indirectly by such first Person or by another subsidiary of such first Person.

"Target Working Capital" means Nine Million Five Hundred Thousand Dollars ($9,500,000.00).

"Tax" means (a) any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add-on minimum, ad valorem, value added, transfer or excise tax, escheat, windfall profit, severance, production, stamp or environmental tax, (b) any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, addition to tax or additional amount imposed by any taxing authority of any Governmental Body, and (c) any liability for the payment of any amounts of the type described in clause (a) or (b) of this definition as a result of being or having been a member of an affiliated, consolidated, combined, unitary or similar group for any period (including any arrangement for group or consortium relief or similar arrangement) or as a transferee or successor or by Contract (other than ordinary course commercial Contracts the primary subject of which is not Tax).

"Tax Reduction" has the meaning specified in Section 8.1(a)(v).

"Tax Return" means any return, report or similar statement filed or required to be filed with respect to any Tax (including any attached schedules), including any information return, claim for refund, amended return or declaration of estimated Tax.

"Third Person Claim" has the meaning specified in Section 11.4(a).

"Trade Secrets" means confidential ideas, trade secrets, know-how, concepts, methods, processes, formulae, reports, data, customer lists, mailing lists, business plans, or other proprietary information that provides the owner with a competitive advantage.

"Trademarks" means registered United States federal, state and foreign trademarks, service marks and trade names, common law trademarks, and pending applications to register the foregoing.

"Transaction Engagement" has the meaning specified in Section 13.17(a).

"Transaction Expenses" means any fees, costs and expenses incurred or subject to reimbursement by either of the Acquired Companies, in each case in connection with the transactions contemplated by this Agreement and not paid prior to the Closing, including (a) any brokerage fees, commissions, finders' fees, or financial advisory fees, and, in each case, related costs and expenses, including any fees of Robert W. Baird & Co. Incorporated; (b) any fees, costs and expenses of counsel, accountants or other advisors or service providers; (c) any fees, costs and expenses or payments of either of the Acquired Companies related to any transaction bonus, discretionary bonus, change-of-control payment, retention or other compensatory payments made to any employee of either of the Acquired Companies as a result of the execution of this Agreement or in connection with the transactions contemplated by this Agreement (excluding, for the avoidance of doubt, the payment of the Purchase Price to Sellers pursuant to this Agreement); and (d) the amounts for contractual severance payable to the employees of the Company pursuant to the Contracts set forth on Schedule 1.1(e) to the extent such employees are terminated at the Closing or within thirty (30) days after the Closing; provided, however, that Transaction Expenses shall not include any fees, costs, payments, expenses or disbursements incurred by, on behalf of or for the account of Buyer and its Affiliates (including, after the Closing, the Acquired Companies).

"Transaction Tax Deductions" means any and all deductions related to (A) any bonuses paid on or prior to the Closing Date in connection with the transactions contemplated hereby, (B) expenses with respect to Indebtedness being paid in connection with the Closing, (C) all transaction expenses and payments charged to the account of the Sellers that are deductible for Tax purposes, including Transaction Expenses and other fees and expenses of legal counsel, accountants, investment bankers and the Stockholder Representative, and (D) the transactions contemplated by Section 2.5.

"Unaudited Financial Statements" has the meaning specified in Section 5.4.

"VDAs" has the meaning specified in Section 8.1(b)(iii).

"Working Capital" means, without duplication, (a) the consolidated current assets of the Acquired Companies (excluding Cash and Cash Equivalents, any income tax receivable and deferred tax assets) minus (b) the consolidated current liabilities of the Acquired Companies (excluding Closing Date Debt, Closing Date Transaction Expenses, any income tax payable, deferred tax liabilities, any liabilities for other Identified Taxes and, for the avoidance of doubt, any past due payables of the Acquired Companies that are settled and paid at or prior to the Closing), in each case calculated in accordance with Exhibit D and the Accounting Principles.

"Working Capital Escrow Fund" means Five Hundred Thousand Dollars ($500,000.00) which amount shall be deposited with and held by the Escrow Agent together with any interest or earnings thereon pursuant to the Escrow Agreement to secure and serve as a fund in respect of any payment obligations of Sellers set forth in Section 2.4.

Section 1.2 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation," (b) the word "or" is not exclusive, and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (i) to Articles, Sections, Exhibits and Schedules mean the Articles and Sections of, and the Exhibits and Schedules attached to, this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement, as applicable; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The Schedules and Exhibits referred to herein and attached hereto shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. Titles to Articles and headings of Sections are inserted for convenience of reference only and shall not be deemed a part of or to affect the meaning or interpretation of this Agreement. All references to days shall be to calendar days unless Business Days are specified. All references to "dollars" or "$" shall mean United States Dollars.

ARTICLE II
PURCHASE AND SALE; PURCHASE PRICE

Section 2.1 Purchase and Sale of the Shares . Upon the terms and subject to the conditions of this Agreement, on the Closing Date, the Stockholders shall sell, transfer, assign, convey and deliver to Buyer, and Buyer shall purchase and accept from the Stockholders, the Shares.

Section 2.2 Purchase Price.

(a) The purchase price (the "Purchase Price") to be paid by Buyer to Sellers (subject, in the case of the Optionholder Parties, to the provisions of Section 2.5) shall be equal to:

(i) Fifty Nine Million Five Hundred Thousand Dollars ($59,500,000.00) in cash (the "Base Purchase Price");

(ii) plus the amount, if any, by which the Closing Date Working Capital exceeds the Target Working Capital;

(iii) minus the amount, if any, by which the Target Working Capital exceeds the Closing Date Working Capital;

(iv) minus an amount equal to the Closing Date Debt;

(v) minus an amount equal to the Closing Date Transaction Expenses; and

(vi) plus an amount equal to the Closing Date Cash;

provided, however, that no line item included in the calculation of any of Closing Date Working Capital, Closing Date Debt, Closing Date Transaction Expenses or Closing Date Cash shall be duplicative of any other line item included in such other calculations.

(b) Not less than two (2) Business Days prior to the Closing Date, the Stockholder Representative (on behalf of Sellers) shall deliver to Buyer a certificate executed on behalf of the Company by an officer thereof, setting forth (i) a good faith estimate of the (A) Working Capital as of the Effective Time (the "Estimated Closing Date Working Capital"), (B) the Cash and Cash Equivalents as of the Effective Time (the "Estimated Closing Date Cash") (C) the Transaction Expenses (the "Estimated Closing Date Transaction Expenses"), and (D) the Debt (the "Estimated Closing Date Debt") and (ii) based on such estimates, the calculation of the Closing Payment pursuant to Section 3.2(a), all in reasonable detail prepared in accordance with the Accounting Principles and, with respect to the calculation of the Working Capital, in a manner consistent with the illustration set forth in Exhibit D, which sets forth the Closing Date Working Capital as if the Closing occurred on the Balance Sheet Date.

Section 2.3 Purchase Price Adjustments.

(a) As promptly as practicable (but not later than sixty (60) days) following the Closing Date, Buyer shall:

(i) prepare, in accordance with the Accounting Principles, a consolidated balance sheet of the Acquired Companies as of the Effective Time (the "Preliminary Closing Date Balance Sheet"); and

(ii)

(iii) deliver to the Stockholder Representative the Preliminary Closing Date Balance Sheet and a certificate setting forth in reasonable detail Buyer's calculation of the (A) Working Capital as of the Effective Time (the "Preliminary Working Capital Determination"), (B) Cash and Cash Equivalents as of the Effective Time (the "Preliminary Cash Determination"), (C) the Transaction Expenses (the "Preliminary Transaction Expenses Determination") and (D) the Debt (the "Preliminary Debt Determination" and, together with the Preliminary Closing Date Balance Sheet and the Preliminary Working Capital Determination, the Preliminary Cash Determination and the Preliminary Transaction Expenses Determination, the "Preliminary Closing Statement").

Until such time as the calculation of the amounts shown on the Closing Date Balance Sheet and the Closing Date Working Capital, Closing Date Cash, Closing Date Transaction Expenses and Closing Date Debt determinations are final and binding on the parties pursuant to this Section 2.3, the Stockholder Representative and its accountants (at the Stockholder Representative's expense) shall be permitted to discuss with Buyer and its accountants the Preliminary Closing Statement and shall be provided copies of, and have access upon reasonable notice at all reasonable times during normal business hours to, subject to the Stockholder Representative's entrance into a customary confidentiality agreement with Buyer's accountants (if required thereby), the work papers and supporting records of the Acquired Companies and its

accountants that were available for purposes of the preparation and calculation of the Preliminary Closing Statement so as to allow the Stockholder Representative and its accountants to become informed concerning all matters relating to the preparation of the Preliminary Closing Statement and the accounting procedures, methodologies, tests and approaches used in connection therewith; provided, that the Stockholder Representative and its accountants shall have no such right to receive copies of or have access to Buyer's internal correspondence or analysis to the extent they relate to a matter in dispute between the Stockholder Representative and Buyer.

(b) Following receipt of the Preliminary Closing Statement, if the Stockholder Representative reasonably determines that the Preliminary Closing Statement has not been prepared on a basis consistent with the requirements set forth in this Agreement concerning determination of the amounts set forth therein or contains a mathematical or clerical error, the Stockholder Representative shall deliver written notice to Buyer within forty-five (45) days after the date of such receipt thereof, which notice shall set forth a specific description of the basis of each objection of the Stockholder Representative, and to the extent then determinable, (i) a specific adjustment to each item of the Preliminary Closing Statement that the Stockholder Representative believes should be made and (ii) the Stockholder Representative's calculation of the Preliminary Closing Statement (the "Dispute Notice"). In the event that the Stockholder Representative does not deliver a Dispute Notice within such forty-five (45)-day period, the Preliminary Closing Date Balance Sheet, Preliminary Working Capital Determination, Preliminary Cash Determination, Preliminary Transaction Expenses Determination and Preliminary Debt Determination set forth therein shall be final and binding as the "Closing Date Balance Sheet," "Closing Date Working Capital," "Closing Date Cash," "Closing Date Transaction Expenses," and "Closing Date Debt," respectively, for purposes of this Agreement. In the event such Dispute Notice is delivered, the Stockholder Representative and Buyer shall negotiate in good faith to resolve such dispute. If Buyer and the Stockholder Representative, notwithstanding such good faith efforts, fail to resolve such dispute within thirty (30) days after delivery of the Dispute Notice, then each of the Stockholder Representative and Buyer shall engage the Arbitrator to conduct a special review of the Stockholder Representative's objections to the Preliminary Closing Date Balance Sheet and/or Preliminary Working Capital Determination and/or Preliminary Cash Determination and/or Preliminary Transaction Expenses Determination and/or Preliminary Debt Determination, as the case may be, as promptly as reasonably practicable (such review to be completed no later than thirty (30) days after the Arbitrator is requested to conduct such special review), which review shall be performed consistent with the Accounting Principles and Exhibit D. Upon completion of such review, the Arbitrator shall deliver written notice to the Stockholder Representative and Buyer setting forth the Arbitrator's resolution of such objections and the resulting adjustments shall be deemed finally determined for purposes of this Section 2.3. The Arbitrator's role in completing such review shall be limited to resolving such objections and determining the correct calculations to be used with respect to only the disputed portions of the Preliminary Closing Statement. In resolving such objections, the Arbitrator shall apply the provisions of this Agreement concerning determination of the amounts set forth in the Preliminary Closing Statement, and the decision of the Arbitrator shall be solely based on (i) whether such item objected to was prepared in accordance with the requirements

set forth in this Agreement concerning determination of the amounts set forth therein or (ii) whether the item objected to contains a mathematical or clerical error. The parties agree that the Arbitrator may not assign a value greater than the greatest value for such item claimed by either party or smaller than the smallest value for such item claimed by either party. The Preliminary Closing Date Balance Sheet, Preliminary Working Capital Determination, Preliminary Cash Determination, Preliminary Transaction Expenses Determination and Preliminary Debt Determination as agreed by Buyer and the Stockholder Representative or as determined by the Arbitrator, as the case may be, shall be final and binding as the "Closing Date Balance Sheet," "Closing Date Working Capital," "Closing Date Cash," "Closing Date Transaction Expenses" and "Closing Date Debt," respectively, for purposes of this Agreement.

(c) The parties hereto shall make available to the Arbitrator (if applicable), such books, records and other information (including work papers) that were available for purposes of the preparation and calculation of the Preliminary Closing Statement, that the Arbitrator may reasonably request in order to review the Preliminary Closing Statement; provided, that neither party shall be required to provide copies of such party's internal correspondence or analysis to the extent they relate to a matter in dispute between the Stockholder Representative and Buyer. The fees and expenses of the Arbitrator hereunder shall be paid by Buyer, on the one hand, and the Stockholder Representative (on behalf of Sellers), on the other hand, based on the percentage which the portion of the contested amount not awarded to each party bears to the amount actually contested by or on behalf of such party.

Section 2.4 Purchase Price Adjustment Payments. Promptly (but not later than two (2) Business Days) after the final determination of the Closing Date Working Capital, Closing Date Cash, Closing Date Transaction Expenses and Closing Date Debt pursuant to Section 2.3, the parties shall take the following actions, as applicable:

(a) Working Capital Adjustment.

(i) If the Closing Date Working Capital (as finally determined pursuant to Section 2.3) exceeds the Estimated Closing Date Working Capital, then the Purchase Price shall be increased on a dollar-for-dollar basis by a dollar amount equal to the amount of such excess; and

(ii) if the Estimated Closing Date Working Capital exceeds the Closing Date Working Capital (as finally determined pursuant to Section 2.3), then the Purchase Price shall be decreased on a dollar-for-dollar basis by a dollar amount equal to the amount of such deficit;

provided, however, for the avoidance of doubt, that if the Closing Date Working Capital (as finally determined pursuant to Section 2.3) is equal to the Estimated Closing Date Working Capital, no adjustment to the Purchase Price shall be made by the parties pursuant to this Section 2.4(a).

(b) Cash Adjustment.

(i) If the Closing Date Cash (as finally determined pursuant to Section 2.3) exceeds the Estimated Closing Date Cash, then the Purchase Price shall be increased on a dollar-for-dollar basis by a dollar amount equal to the amount of such excess; and

(ii) if the Estimated Closing Date Cash exceeds the Closing Date Cash (as finally determined pursuant to Section 2.3), then the Purchase Price shall be decreased on a dollar-for-dollar basis by a dollar amount equal to the amount of such deficit;

provided, however, for the avoidance of doubt, that if the Closing Date Cash (as finally determined pursuant to Section 2.3) is equal to the Estimated Closing Date Cash, no adjustment to the Purchase Price shall be made by the parties pursuant to this Section 2.4(b).

(c) Transaction Expenses Adjustment.

(i) If the Closing Date Transaction Expenses (as finally determined pursuant to Section 2.3) exceeds the Estimated Closing Date Transaction Expenses, then the Purchase Price shall be decreased on a dollar-for-dollar basis by a dollar amount equal to the amount of such excess; and

(ii) if the Estimated Closing Date Transaction Expenses exceeds the Closing Date Transaction Expenses (as finally determined pursuant to Section 2.3), then the Purchase Price shall be increased on a dollar-for-dollar basis by a dollar amount equal to the amount of such deficit;

provided, however, for the avoidance of doubt, that if the Closing Date Transaction Expenses (as finally determined pursuant to Section 2.3) is equal to the Estimated Closing Date Transaction Expenses, no adjustment to the Purchase Price shall be made by the parties pursuant to this Section 2.4(c).

(d) Debt Adjustment.

(i) If the Closing Date Debt (as finally determined pursuant to Section 2.3) exceeds the Estimated Closing Date Debt, then the Purchase Price shall be decreased on a dollar-for-dollar basis by a dollar amount equal to the amount of such excess; and

(ii) if the Estimated Closing Date Debt exceeds the Closing Date Debt (as finally determined pursuant to Section 2.3), then the Purchase Price shall be increased on a dollar-for-dollar basis by a dollar amount equal to the amount of such deficit;

provided, however, for the avoidance of doubt, that if the Closing Date Debt (as finally determined pursuant to Section 2.3) is equal to the Estimated Closing Date Debt, no adjustment to the Purchase Price shall be made by the parties pursuant to this Section 2.4(d).

(e) Netting and Payment.

(i) If the aggregate amount by which the Purchase Price is required to be increased pursuant to Sections 2.4(a)(i), 2.4(b)(i), 2.4(c)(ii) and 2.4(d)(ii) is greater than the aggregate amount by which the Purchase Price is required to be decreased pursuant to Sections 2.4(a)(ii), 2.4(b)(ii), 2.4(c)(i) and 2.4(d)(i) then Buyer shall pay to Sellers in accordance with their Percentage Interests by wire transfer of immediately available funds a dollar amount equal to the amount of such aggregate excess; and

(ii) if the aggregate amount by which the Purchase Price is required to be increased pursuant to Sections 2.4(a)(i), 2.4(b)(i), 2.4(c)(ii) and 2.4(d)(ii) is less than the aggregate amount by which the Purchase Price is required to be decreased pursuant to Sections 2.4(a)(ii), 2.4(b)(ii), 2.4(c)(i) and 2.4(d)(i), then such deficit shall be paid to Buyer first from the Working Capital Escrow Fund, pursuant to the terms of the Escrow Agreement and, if the Working Capital Escrow Fund is insufficient to fully satisfy such deficit, then the Stockholder Representative, on behalf of Sellers, shall pay to Buyer by wire transfer of immediately available funds from the Expense Reserve a dollar amount equal to the amount by which the deficit exceeds the payment from the Working Capital Escrow Fund;

provided, however, for the avoidance of doubt, if the aggregate amount by which the Purchase Price is required to be increased pursuant to Sections 2.4(a)(i), 2.4(b)(i), 2.4(c)(ii) and 2.4(d)(ii) is equal to the aggregate amount by which the Purchase Price is required to be decreased pursuant to Sections 2.4(a)(ii), 2.4(b)(ii), 2.4(c)(i) and 2.4(d)(i), no payments shall be made by the parties pursuant to this Section 2.4(e).

Section 2.5 Options.

(a) Each Option outstanding immediately prior to the Closing shall, as of the Closing, be forfeited and cancelled. As shall be reflected in each Optionholder Party's Percentage Interest set forth on Exhibit A, each Optionholder Party shall receive at the Closing, in respect of each of his or her Options outstanding immediately prior to the Closing (whether vested or unvested), an amount of the Closing Payment that is equal to the amount such Optionholder Party would receive (on a per Option basis) if such Option was a Share, minus the applicable exercise price of such Option; provided, however, that no Optionholder shall receive any payment or other consideration pursuant to this Section 2.5(a) with respect to any such Option for which the amount such Optionholder would receive (on a per Option basis) if such Option were a Share is less than the applicable exercise price of such Option. At the Closing, each Optionholder shall be deemed to have sold all of the Options held by him or her on the same terms and conditions applicable to the Shares, except as otherwise provided for herein, and the Options and all agreements providing therefor shall terminate automatically without any action by the parties thereto and shall thereafter be deemed null and void in all respects. For the avoidance of doubt, an Optionholder Party who is not entitled to a payment under the first sentence of this Section 2.5(a) may be entitled to a payment at any later time when payments are made to Sellers in connection with the transactions contemplated by this Agreement and such

Optionholder Party's Percentage Interest is, at such time, greater than zero percent (0%) in accordance with the provisions of Exhibit A.

(b) Any payments made to the Sellers after the Closing Date pursuant to Section 2.4, 11.2, 12.5 or upon the release of any of the Escrow Funds to the Sellers shall also be paid to any Optionholder Parties in accordance with the Percentage Interests as set forth on Exhibit A applicable to such payments.

(c) Notwithstanding the foregoing, no Optionholder shall receive any payment or other consideration hereunder if such Optionholder is not an Optionholder Party. All payments made pursuant to this Section 2.5 shall be subject to applicable withholding for Taxes. Buyer shall pay at the Closing any amounts representing such withholding for Taxes to the Company with respect to any payments to be made in accordance with Section 2.5(a) for the purpose of making the required withholding payments to the appropriate Governmental Bodies. Sellers' Representative, on behalf of the applicable Optionholder Party, shall pay to the Company from amounts received by the Sellers' Representative for payment to any Optionholder Party any applicable amounts representing such withholding for Taxes with respect to any payments to be made in accordance with Section 2.5(b) for the purpose of making the required withholding payments to the appropriate Governmental Bodies.

Section 2.6 Withholding. Buyer, the Acquired Companies, the Escrow Agent and their respective Affiliates shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Agreement such amounts as are required to be deducted or withheld therefrom under applicable law; provided, however, that Buyer shall provide the Stockholder Representative with written notice of its intent to withhold at least five (5) Business Days prior to making the relevant payment. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes of this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid. Buyer and the Stockholder Representative shall cooperate in good faith and take reasonable steps to minimize any withholding; provided, however, that such reasonable steps shall not include any changes to the operations of Buyer (or any of its Subsidiaries) or require Buyer (or any of its Subsidiaries) to carry out restructuring activities or implement any Tax planning techniques.

ARTICLE III

CLOSING

Section 3.1 Closing Date. The Closing shall be held at the offices of Sidley Austin LLP, One South Dearborn Street, Chicago, Illinois, at 10:00 a.m. Chicago time on the later of (a) the second (2nd) Business Day following the date on which each of the conditions set forth in Article IX is satisfied or waived by the party entitled to waive such condition (except for any conditions that by their nature can only be satisfied on the Closing Date, but subject to the satisfaction of such conditions or waiver by the party entitled to waive such conditions), and (b) two (2) Business Days after the date of this Agreement, or at such other date, time and place (including remotely via the exchange of executed documents and other deliverables) as shall be mutually agreed upon by Buyer and the Stockholder Representative. The date on and time at which the Closing is actually held is referred to herein as the "Closing Date."

Section 3.2 Payments on the Closing Date. Subject to fulfillment or waiver (where permissible) of the conditions set forth in Article IX, at the Closing:

(a) Buyer shall pay to the Stockholders and the Optionholder Parties (subject, in the case of the Optionholder Parties, to Section 2.5) in accordance with their Percentage Interests an aggregate amount equal to (i) the Base Purchase Price, plus (ii) the amount by which Estimated Closing Date Working Capital exceeds Target Working Capital or minus (iii) the amount by which Target Working Capital exceeds Estimated Closing Date Working Capital, minus (iv) Estimated Closing Date Debt, minus (v) the Estimated Closing Date Transaction Expenses, plus (vi) the Estimated Closing Date Cash, minus (vii) the Indemnity Escrow Fund, minus (viii) the Working Capital Escrow Fund, minus (ix) the FDA Escrow Fund and minus (x) the Expense Reserve (the "Closing Payment"), by wire transfer of immediately available funds to the bank account or accounts specified by the Stockholder Representative (on behalf of each Seller) in writing at least two (2) Business Days prior to the Closing Date; provided, however, that, with respect to each Optionholder Party who is an employee of an Acquired Company, Buyer shall pay such amount to the applicable Acquired Company on behalf of each such Optionholder Party, and shall cause such Acquired Company, promptly following the Closing, to pay such amount to each such Optionholder Party;

(b) Buyer shall (on behalf of the Acquired Companies) repay in full the Estimated Closing Date Debt to the extent set forth in the payoff letters delivered by Sellers pursuant to Section 3.4(f), by wire transfer of immediately available funds to the bank account or accounts specified by the holders of such Indebtedness in writing at least two (2) Business Days prior to the Closing Date;

(c) Buyer shall deposit with the Escrow Agent the Escrow Funds, pursuant to the Escrow Agreement, by wire transfer of immediately available funds to the respective bank accounts specified therein;

(d) Buyer shall deposit with the Stockholder Representative the Expense Reserve, by wire transfer of immediately available funds to the bank account specified by the Stockholder Representative in writing at least two (2) Business Days prior to the Closing Date; and

(e) Buyer shall (on behalf of the Acquired Companies) pay by wire transfer of immediately available funds to the bank account or accounts specified by the Stockholder Representative in writing at least two (2) Business Days prior to the Closing Date, an amount sufficient to pay in full each Estimated Closing Date Transaction Expense.

Section 3.3 **Buyer's Additional Closing Deliveries**. Subject to fulfillment or waiver (where permissible) of the conditions set forth in Article IX, at the Closing, Buyer shall deliver to the Stockholder Representative (on behalf of Sellers) all of the following:

(a) a copy of Buyer's certificate of incorporation certified within ten (10) Business Days prior to the Closing Date by the Secretary of State of the State of Delaware;

(b) a certificate of good standing of Buyer issued within ten (10) Business Days prior to the Closing Date by the Secretary of State of the State of Delaware;

(c) a certificate of the secretary or an assistant secretary of Buyer, dated the Closing Date, in form and substance reasonably satisfactory to the Stockholder Representative, as to (i) no amendments to the certificate of incorporation of Buyer since the date of the certificate delivered to the Stockholder Representative pursuant to Section 3.3(a); (ii) the bylaws of Buyer in effect as of the Closing Date and (iii) the resolutions of the board of directors of Buyer authorizing the execution and performance of this Agreement and any Buyer Ancillary Agreement and the transactions contemplated hereby and thereby;

(d) a copy of each of the Buyer Ancillary Agreements, duly executed by Buyer; and

(e) the certificate contemplated by Section 9.2(c), duly executed by an authorized officer of Buyer.

Section 3.4 **Sellers' Closing Deliveries**. Subject to fulfillment or waiver (where permissible) of the conditions set forth in Article IX, at the Closing, the Stockholder Representative (on behalf of Sellers) shall deliver to Buyer all of the following:

(a) a copy of the certificate of incorporation of each Acquired Company certified within ten (10) Business Days prior to the Closing Date by the Secretary of State of the state of Delaware;

(b) a certificate of good standing of each Acquired Company issued within ten (10) Business Days prior to the Closing Date by the Secretary of State of the state of Delaware;

(c) a certificate of the secretary or an assistant secretary of each of the Acquired Companies, in each case dated the Closing Date, in form and substance reasonably satisfactory to Buyer, as to (i) no amendments to the certificate of incorporation of such Acquired Company since the date of the certificate delivered to Buyer pursuant to Section 3.4(a); (ii) the bylaws of such Acquired Company in effect as of the Closing Date and (iii) the resolutions of the board of directors of such Acquired Company authorizing the execution and performance of any Seller Ancillary Agreement to which such Acquired Company is a party and the transactions contemplated hereby and thereby;

(d) a release in the form of Exhibit E, duly executed by each Seller;

(e) evidence, in form and substance reasonably satisfactory to Buyer, that each agreement listed on Schedule 3.4(e) has been terminated and will be without any further force or effect or Liability to Buyer or any Acquired Company;

(f) the written resignations, in form and substance reasonably satisfactory to Buyer, of each of the officers and directors of each Acquired Company requested by Buyer at least two (2) Business Days prior to the Closing Date;

(g) executed stock powers, in form and substance reasonably satisfactory to Buyer, in proper form for transfer of the Shares to Buyer;

(h) a payoff letter and, where applicable, a form of release of any applicable Encumbrances to be filed upon receipt of the payments contemplated by Section 3.2(b), from each Person or Persons to whom any Debt is owed and shall be paid at the Closing;

(i) a copy of each of the Seller Ancillary Agreements, duly executed by the applicable Sellers;

(j) a copy of each third party consent set forth on Schedule 3.4(j), in form and substance reasonably satisfactory to Buyer;

(k) the certificate contemplated by Section 9.3(c), duly executed by the Stockholder Representative; and

(l) a certificate from the Company certifying that the Company is not, and has not been during the five (5)-year period ending on the Closing Date, a "United States real property holding corporation" for purposes of Sections 897 and 1445 of the Code.

Section 3.5 Medline's Additional Closing Deliveries. Subject to fulfillment or waiver (where permissible) of the conditions set forth in Article IX, at the Closing, Medline shall deliver to the Stockholder Representative (on behalf of Sellers) all of the following:

(a) a copy of each of the Medline Ancillary Agreements, duly executed by Medline; and

(b) the certificate contemplated by Section 9.2(d), duly executed by an authorized officer of Medline.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES CONCERNING SELLERS

As an inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, each Seller severally (and not jointly and severally) represents and warrants to Buyer that, as of the date of this Agreement and as of the Closing Date, the statements set forth in this Article IV are correct and complete:

Section 4.1 Organization and Authority of Sellers

(a) If such Seller is not an individual, such Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation.

(b) Such Seller has the requisite power and authority (and, in the case of each Seller who is a natural person, capacity) to execute, deliver and perform its obligations under this Agreement and each of the Seller Ancillary Agreements to which it is a party. This Agreement has been duly authorized, executed and delivered by such Seller and represents (assuming the valid authorization, execution and delivery of this Agreement by each other party hereto) the legal, valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms, and each of the Seller Ancillary Agreements to which such Seller is a party has been duly authorized by such Seller and, upon execution and delivery by such Seller, will represent (assuming the valid authorization, execution and delivery by the other parties thereto) the legal, valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms, in each case subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and subject to general equity principles.

Section 4.2 Title to Shares.

(a) Such Seller is the sole record and beneficial owner of the number of Shares indicated opposite such Seller's name on Schedule 4.2(a), free and clear of all Encumbrances. The delivery to Buyer of such Seller's Shares pursuant to this Agreement will transfer and convey marketable title thereto to Buyer, free and clear of all Encumbrances.

(b) Except for this Agreement or as set forth in Schedule 4.2(b), there are no agreements, arrangements, warrants, options, puts, rights or other commitments, plans or understandings of any character assigned or granted by such Seller or to which such Seller is a party relating to the issuance, sale, purchase, redemption, conversion, exchange, registration, voting or transfer of any of the Shares.

Section 4.3 No Options. Such Seller who is an Optionholder is the sole record and beneficial owner of the Options set forth opposite such Seller's name on Exhibit A, free and clear of all Encumbrances. Except for this Agreement and the provisions of the applicable award agreement, there are no agreements, arrangements, rights or other commitments, plans or understandings of any character assigned or granted by such Seller

or to which such Seller is a party relating to the issuance, sale, purchase, redemption, exercise, registration or transfer of any of the Options.

Section 4.4 Conflicts. Neither the execution and delivery by such Seller of this Agreement or any of the Seller Ancillary Agreements to which it is a party or the consummation by such Seller of any of the transactions contemplated hereby or thereby, nor compliance by such Seller with, or fulfillment of, the terms, conditions and provisions hereof or thereof will:

(a) assuming the receipt of all necessary consents and approvals and the filing of all necessary documents as described in Section 4.4(b), result in a violation or breach of the terms, conditions or provisions of, conflict with or constitute a default under any provision of, an event of default or an event that, after notice or lapse of time or both, would result in the creation of rights of acceleration, termination or cancellation or a loss of rights under (i) the Organizational Documents of such Seller (as and if applicable), (ii) any material Contract to which such Seller is a party or any of its properties is subject or by which such Seller is bound, (iii) any Order to which such Seller is a party or by which it is bound or (iv) any Requirements of Law affecting such Seller, other than, in the case of clauses (ii), (iii) and (iv) above, any such violations, breaches, defaults, rights or loss of rights that, individually or in the aggregate, would not materially impair the ability of such Seller to perform its obligations under this Agreement or any of the Seller Ancillary Agreements to which it is a party or prevent the consummation of any of the transactions contemplated hereby or thereby; or

(b) require the approval, consent, authorization or act of, the notice to or the making by such Seller of any declaration, filing or registration with, any Governmental Body, except for such approvals, consents, authorizations, declarations, filings or registrations the failure of which to be obtained or made would not impair the ability of such Seller to perform its obligations under this Agreement or any of the Seller Ancillary Agreements to which it is a party or prevent the consummation of any of the transactions contemplated hereby or thereby.

Section 4.5 No Violation or Litigation. Except as set forth in Schedule 4.5:

(a) there are no Proceedings pending or, to the knowledge of such Seller, threatened against such Seller which are reasonably expected to materially impair the ability of such Seller to perform its obligations under this Agreement or any of the Seller Ancillary Agreements to which it is a party or prevent the consummation of any of the transactions contemplated hereby or thereby;

(b) there are no Proceedings pending or, to the knowledge of such Seller, threatened that question the legality of the transactions contemplated by this Agreement or any of the Seller Ancillary Agreements to which it is a party; and

(c) such Seller is not subject to any outstanding Order that prohibits or otherwise restricts the ability of such Seller to consummate fully the transactions

contemplated by this Agreement or any of the Seller Ancillary Agreements to which it is a party.

Section 4.6 No Brokers. Except for the services of Robert W. Baird & Co. Incorporated, no such Seller nor any Person acting on such Seller's behalf has incurred any Liability to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement or any Seller Ancillary Agreement.

Section 4.7 No Other Representations. Except for the representations and warranties contained in this Article IV, no such Seller, nor any other Person acting on behalf of such Seller, makes any representation or warranty, express or implied, regarding such Seller or any other Seller.

ARTICLE V
REPRESENTATIONS AND WARRANTIES
CONCERNING THE ACQUIRED COMPANIES

As an inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, each Seller represents and warrants to Buyer that, as of the date of this Agreement and as of the Closing Date, the statements set forth in this Article V are correct and complete:

Section 5.1 Company Organization; Capital Structure; Power and Authority and Qualification.

(a) The Company has been duly incorporated and is validly existing under the laws of the State of Delaware.

(b) As of the date hereof, the authorized capital stock of the Company consists of 20,000 shares of common stock, par value $0.001 per share, on a fully diluted basis, of which (i) 10,303 Shares are issued and outstanding and are held of record and beneficially owned by Sellers, in accordance with their Percentage Interests, free and clear of all Encumbrances (except for Encumbrances from such Persons to whom amounts of Indebtedness shall be paid at Closing pursuant to Section 3.2(b)), and (ii) 702.75 Shares are subject to outstanding Options. Except for the Shares and the Options, there are no shares of capital stock or other equity securities of the Company issued, reserved for issuance or outstanding. All of the outstanding Shares (A) are duly authorized, validly issued, fully paid and nonassessable, (B) are, other than with respect to Shares subject to Options, not subject to, nor have they been issued in violation of, any purchase option, call option, right of first refusal, preemptive right, subscription right or any similar right under any provision of an applicable Requirement of Law, the Organizational Documents of the Company or any Contract to which any Seller or the Company is a party or otherwise bound and (C) have been offered, sold and issued in compliance with applicable Requirements of Law, including federal and state securities laws, and all requirements set forth in any applicable Contracts governing the issuance of such Shares. Except for this Agreement and as set forth in Schedule 5.1(b), there are no agreements, arrangements,

options, warrants, puts, calls, subscriptions, rights, claims or commitments of any character relating to the issuance, sale, purchase, redemption, conversion, exchange, registration, voting or transfer of any capital stock of the Company or outstanding securities of the Company that are convertible into or exchangeable for capital stock of the Company.

(c) The Company is duly qualified or licensed to transact business and is in good standing in each jurisdiction where the character of its properties owned or held under lease or the nature of its activities makes such qualification necessary, except where the failure to be so qualified or in good standing would not reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect. The Company has the requisite corporate power and authority to own or lease and operate its assets as and where currently owned, operated and leased and to carry on the Business in the manner that it was conducted as of the date hereof.

(d) The Company does not own or have the right to acquire, directly or indirectly, any outstanding capital stock of, or other equity interests in, any Person (other than the Company Subsidiary).

Section 5.2 Company Subsidiary Organization; Capital Structure; Power and Authority; Qualification and Investments.

(a) The Company Subsidiary has been duly incorporated and is validly existing under the laws of the State of Delaware.

(b) All of the outstanding capital stock or other equity interests or securities of the Company Subsidiary are owned of record and beneficially by the Company, free and clear of all Encumbrances (except for Encumbrances from such Persons to whom amounts of Indebtedness shall be paid at Closing pursuant to Section 3.2(b)). All of the outstanding capital stock or other equity interests or securities of the Company Subsidiary are duly authorized, validly issued, fully paid and nonassessable and not subject to or issued in violation of any purchase option, call option, right of first refusal, preemptive right, subscription right or any similar right under any applicable Requirement of Law, the Organizational Documents of the Company Subsidiary or any Contract to which the Company Subsidiary is a party or otherwise bound, and have been offered, sold and issued in compliance with applicable Requirements of Law, including federal and state securities laws. Sellers have supplied Buyer with true, correct and complete copies of the Organizational Documents, each as in effect on the date hereof, of the Company Subsidiary. Except for this Agreement and as set forth in Schedule 5.2(b), with respect to the Company Subsidiary, there are no agreements, arrangements, options, warrants, puts, calls, subscriptions, rights, claims or commitments of any character relating to the issuance, sale, purchase, redemption, conversion, exchange, registration, voting or transfer of any capital stock or other equity interests or securities of the Company Subsidiary that are convertible into or exchangeable for any equity securities of the Company Subsidiary.

(c) The Company Subsidiary is duly qualified or licensed to transact business and is in good standing in each jurisdiction where the character of its properties owned or held under lease or the nature of its activities makes such qualification necessary, except where the failure to be so qualified or in good standing would not reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect. The Company Subsidiary has the requisite corporate power and authority to own or lease and operate its assets as and where currently owned, operated and leased and to carry on the Business in the manner that it was conducted as of the date hereof.

(d) The Company Subsidiary does not own or have the right to acquire, directly or indirectly, any outstanding capital stock of, or other equity interests in, any Person.

Section 5.3 Conflicts. Except as set forth in Schedule 5.3(a) or such filings as may be required by ISRA as described in Section 8.3, none of the execution and delivery by any Seller of this Agreement or any of the Seller Ancillary Agreements to which such Seller is a party, the consummation by Sellers of any of the transactions contemplated hereby or thereby, or the compliance by Sellers with, or fulfillment by any Sellers of, the terms, conditions and provisions hereof or thereof will:

(a) assuming the receipt of all necessary consents and approvals and the filing of all necessary documents as described in Section 5.3(b), result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event that, after notice or lapse of time or both, would result in the creation of rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Encumbrance upon any of the Shares, any of the outstanding equity securities and other securities of the Company Subsidiary or any of the assets of either of the Acquired Companies, under (i) the Organizational Documents of either of the Acquired Companies, (ii) any Material Contract, (iii) any Order to which either of the Acquired Companies is a party or by which either of the Acquired Companies is bound or (iv) any material Requirements of Law affecting the Acquired Companies, other than, in the case of clauses (ii), (iii) and (iv) of the foregoing, any such violations, breaches, defaults, rights, loss of rights or Encumbrances that, individually or in the aggregate, would not reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect, or would not prevent the consummation of any of the transactions contemplated hereby; or

(b) require the approval, consent, authorization or act of, the notice to or the making by either of the Acquired Companies of any declaration, filing or registration with, any Governmental Body, except (i) such filings as may be required in connection with the Taxes described in Section 8.1 and (ii) such approvals, consents, authorizations, declarations, filings or registrations the failure of which to be obtained or made would not reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect, or would not prevent the consummation of any of the transactions contemplated hereby.

Section 5.4 Financial Statements; Bank Accounts; No Undisclosed Liabilities.

(a) Schedule 5.4(a) contains (i) copies of the audited consolidated balance sheets of the Acquired Companies as of February 28, 2013 and 2014 and the audited consolidated statements of operations, stockholders' equity and cash flows of the Acquired Companies, together with the notes thereto, for the years ended February 28, 2013 and 2014 (collectively, the "Audited Financial Statements"), and (ii)(A) the unaudited consolidated balance sheets of the Acquired Companies as of February 28, 2015 and the unaudited consolidated statements of operations and cash flows of the Acquired Companies for the year ended February 28, 2015 and (B) the unaudited consolidated balance sheet of the Acquired Companies as of June 30, 2015 (the "Balance Sheet Date") and the related unaudited consolidated statements of operations and cash flows for the four (4) month period ended June 30, 2015 (the financial statements in subsection (B), the "Interim Financial Statements" and subsections (A) and (B) collectively, the "Unaudited Financial Statements" and, together with the Audited Financial Statements, the "Financial Statements"). The Financial Statements have been prepared in accordance with GAAP, consistently applied throughout the periods involved, and present fairly, in all material respects, the consolidated financial position, results of operations, stockholders' equity and cash flows of the Acquired Companies, as of their respective dates and for the respective periods covered thereby, subject, in the case of the Unaudited Financial Statements, to normal year-end adjustments and the absence of notes.

(b) Schedule 5.4(b) sets forth an accurate and complete list of the names and addresses of all banks and financial institutions in which any Acquired Company has an account, deposit, safe-deposit box, or lock box or other arrangement for the collection of accounts receivable, with the names of all Persons authorized to draw or borrow thereon or to obtain access thereto.

(c) Except as set forth in Schedule 5.4(c), as of the date hereof, to the Knowledge of Sellers, none of the Acquired Companies is subject to any Liability, that would be required to be included on a balance sheet prepared in accordance with GAAP, other than those Liabilities (i) reflected on, or reserved against in, the balance sheet included in the Interim Financial Statements, (ii) incurred since the Balance Sheet Date in the ordinary course of business of the Acquired Companies, (iii) for Transaction Expenses or (iv) that would not exceed $250,000 in the aggregate.

(d) The trial balances underlying the Financial Statements, minute books, and stock record books, all of which have been made available to Buyer, are accurate and complete in all material respects.

Section 5.5 Operations Since Balance Sheet Date. Except as set forth in Schedule 5.5, from the Balance Sheet Date to the date hereof, there have been no changes in the results of operations or financial condition of the Acquired Companies which have had a Material Adverse Effect. Except as set forth in Schedule 5.5, since the Balance Sheet Date, the Acquired Companies have conducted the Business in all material respects in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, since the Balance Sheet Date through the date hereof, except as set forth in Schedule 5.5, neither

of the Acquired Companies has taken any action which, if taken after the date hereof and prior to the Closing, would require the consent of Buyer pursuant to Section 7.4(b).

Section 5.6 Taxes. Except as set forth in Schedule 5.6:

(a) all Tax Returns required to have been filed by or on behalf of the Acquired Companies before the date hereof have been timely filed (taking into account any extensions properly obtained), and all such Tax Returns were true, correct and complete in all material respects;

(b) all Taxes required to have been paid by the Acquired Companies, whether or not shown to be due on the Tax Returns referred to in Section 5.6(a), have been timely paid;

(c) neither of the Acquired Companies has any liability for the Taxes of another Person, whether pursuant to law (including Treasury Regulation Section 1.1502-6 or a similar provision of state, local of foreign law), as a transferee, successor, by contract or otherwise, except for the U.S. federal income Taxes (and applicable state and local Taxes) of the U.S. affiliated group of which the Company is the common parent;

(d) all Taxes that either Acquired Company is required, by the applicable Requirements of Law, to withhold or collect have been properly withheld or collected, and, to the extent required by the applicable Requirements of Law, have been timely paid over to the proper Governmental Body;

(e) neither of the Acquired Companies has waived in writing any statute of limitations in respect of Taxes of either of the Acquired Companies which waiver is currently in effect;

(f) no audit, investigation or other Proceeding with respect to Taxes of either of the Acquired Companies is currently pending or the subject of written notification received by either of the Acquired Companies;

(g) all material deficiencies asserted or assessments made as a result of any examination of the Tax Returns referred to in Section 5.6(a) by a taxing authority have been paid in full;

(h) neither of the Acquired Companies has been informed in writing by a jurisdiction in which it does not file a Tax Return that the jurisdiction believes that such Acquired Company was required to file any Tax Return that was not filed or is subject to Tax in such jurisdiction;

(i) neither of the Acquired Companies has participated within the past two (2) years in a transaction intended to qualify under Section 355 of the Code (or so much of Section 356 of the Code as relates to Section 355 of the Code);

(j) neither of the Acquired Companies has ever participated in a transaction that is or is substantially similar to a "listed transaction" within the meaning of Treasury Regulation Section 1.6011-4(b); and

(k) neither of the Acquired Companies will be required to include any item of income in, or exclude any item of deduction from, taxable income for any period (or any portion thereof) ending after the Closing Date as a result of any (i) change in method of accounting requested on or prior to the Closing Date, (ii) deferred intercompany gain or any excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding provision of state, local or foreign Tax law), (iii) closing agreement as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign Tax law) executed on or prior to the Closing Date, (iv) installment sale or other open transaction disposition made on or prior to the Closing Date, (v) prepaid amount received on or prior to the Closing Date or (vi) any election made pursuant to Section 108(i) of the Code on or prior to the Closing Date.

Except to the extent other representations and warranties in this Article V expressly relate to Taxes, this Section 5.6 contains the sole and exclusive representations and warranties with respect to matters relating to Taxes, and notwithstanding anything to the contrary in this Agreement, nothing in this Section 5.6 shall cause Sellers to be liable for any Taxes for which Sellers are not expressly liable pursuant to Section 8.1 (relating to Tax matters).

Section 5.7 Governmental Permits. Except as set forth in Schedule 5.7:

(a) each of the Acquired Companies owns, holds or possesses all licenses, franchises, permits, privileges, immunities, registrations, clearances, exemptions, approvals and other authorizations from a Governmental Body that are necessary to entitle it to (i) own or lease, operate and use its assets, and (ii) conduct the Business substantially as conducted as of the date hereof (collectively, the "Governmental Permits"), except for such Governmental Permits which would be readily obtainable by any qualified applicant without undue burden in the event of any lapse, termination, cancellation or forfeiture thereof, or except where the failure to hold such Governmental Permits would not reasonably be expected to adversely affect the Business in any material respect;

(b) there has occurred no material violation of, or default (without or without notice or lapse of time or both) under, or event, to the Knowledge of Sellers, giving to any other Person any right of termination, amendment or cancellation of any such Governmental Permit;

(c) each of the Governmental Permits is valid, subsisting and in full force and effect and the Acquired Companies have complied with all material terms and conditions of all such Governmental Permits; and

(d) no Proceeding is pending or, to the Knowledge of Sellers, threatened, seeking the revocation or limitation of any Governmental Permit.

Section 5.8 Real Property.

(a) Schedule 5.8(a) sets forth (i) a true, complete and accurate list by property or project name, street address, city, state and country of all leasehold interests of the Acquired Companies in all real property (the "Leased Real Property") and (ii) a true, complete and accurate list of all leases, subleases, licenses and other agreements, including all modifications, amendments and supplements thereto, for the use and occupancy by the Acquired Companies of the Leased Real Property (together with all modifications, amendments and supplements thereto, collectively, the "Lease Agreements"). The Company Subsidiary has a valid leasehold interest in the Leased Real Property pursuant to the Lease Agreements, free and clear of all Encumbrances except for Permitted Encumbrances. The Acquired Companies do not own any real property and do not hold any option to acquire any real property. The Acquired Companies do not use or occupy any real property other than the Leased Real Property. There are no leases, subleases, licenses or other agreements granting to any Person other than the Company Subsidiary any right to the possession, use, occupancy or enjoyment of the Leased Real Property or any portion thereof.

(b) Each Lease Agreement is (i) valid and binding on the Company Subsidiary and (ii) in full force and effect, except as would not, individually or in the aggregate, reasonably be expected to adversely affect the Business in any material respect. Neither of the Acquired Companies is in or, to the Knowledge of Sellers, alleged to be in, breach or default under any Lease Agreement and, to the Knowledge of Sellers, no event has occurred or circumstance exists which, with the delivery of notice, the passage of time, or both, would constitute a breach or default of the Company Subsidiary or a counterparty under a Lease Agreement, in each case, other than those breaches or defaults which would not, individually or in the aggregate, reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect. Sellers have made available to Buyer on the Data Site prior to the date hereof a true, correct and complete copy of each Lease Agreement, except as otherwise set forth in the Schedules. To the Knowledge of Sellers, the counterparties to the Lease Agreements are not in breach or default under any Lease Agreement other than those breaches or defaults which would not, individually or in the aggregate, reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect.

(c) To the Knowledge of the Sellers, the use and operation of the Leased Real Property in the conduct of the Acquired Companies' Business does not violate in any material respect any Requirement of Law, covenant, restriction, easement, license, permit or Contract. There are no Proceedings pending nor, to the Knowledge of the Sellers, threatened in writing against or affecting the Leased Real Property.

Section 5.9 Personal Property. Schedule 5.9 contains a list of each lease or other agreement or right under which either of the Acquired Companies is lessee of, or holds or operates, any machinery, equipment, vehicle or other tangible personal property owned by a third Person as of the date of this Agreement, except those which are terminable by such Acquired Company without penalty on sixty (60) days' or less notice or which provide for annual rental payments of less than $25,000.

Section 5.10 Intellectual Property.

(a) Schedule 5.10(a) contains a list of all issued or registered Copyrights, Patent Rights and Trademarks and applications for any of the foregoing, in each case, owned by the Acquired Companies (the "Company Intellectual Property").

(b) Schedule 5.10(b) contains a list of all Software owned or used by the Acquired Companies which is material to the conduct of the Business as conducted as of the date hereof.

(c) Except as disclosed in Schedule 5.10(c), the Company Subsidiary owns the entire right, title and interest in and to the Company Intellectual Property listed in Schedule 5.10(a), free and clear of all Encumbrances, except for Permitted Encumbrances. To the Knowledge of Sellers, each of the Acquired Companies either: (i) owns the entire right, title and interest in and to the Software listed in Schedule 5.10(b), free and clear of all Encumbrances, except for Permitted Encumbrances; or (ii) has a valid Contractual right or license to use the same in the conduct of the Business.

(d) Except as disclosed in Schedule 5.10(d), to the Knowledge of Sellers: (i) all registrations for Company Intellectual Property identified in Schedule 5.10(a) are valid, enforceable, and unexpired and all applications to register Company Intellectual Property so identified are pending and in good standing, all without challenge of any kind and (ii) no other Person is infringing on any of the Company Intellectual Property.

(e) Except as disclosed in Schedule 5.10(e), (i) to the Knowledge of Sellers, no infringement by either of the Acquired Companies of any Intellectual Property of any other Person has occurred or resulted in any way from the conduct of the Business between January 1, 2012 and the date hereof; (ii) no written notice of a claim of any infringement of any Intellectual Property of any other Person has been received by either of the Acquired Companies in respect of the conduct of the Business between January 1, 2012 and the date hereof; (iii) with respect to any of claims set forth in clause (ii) above, neither of the Acquired Companies has entered into a settlement agreement between January 1, 2012 and the date hereof; and (iv) to the Knowledge of Sellers, none of the products currently sold by either of the Acquired Companies infringes any patent owned by any other Person.

(f) Except as disclosed in Schedule 5.10(f), as of the date hereof no Proceedings are pending, and no written allegation has been made to either of the Acquired Companies, that challenge the validity, enforceability or ownership of any Company Intellectual Property.

(g) Each Acquired Company has taken commercially reasonable steps to protect and preserve Trade Secrets and other confidential information that are material to the conduct of the Business. Each Acquired Company has taken commercially reasonable steps to comply in all material respects with all duties of such Acquired Company (to the extent any such duties exist) to protect the confidentiality of information provided to such Acquired Company by any other Person. Since January 31, 2013, all employees of the Acquired Companies who have participated in the creation of any material Company Intellectual Property have assigned such Intellectual Property to an Acquired Company pursuant to (A) a written obligation

binding on the Person providing for the assignment by such Person to an Acquired Company of such Intellectual Property arising out of such Person's employment by or contract with an Acquired Company or (B) the application of employment law, agency law or other Requirements of Law. To the Knowledge of Sellers, no Person has gained unauthorized access to or made any unauthorized use of any such confidential information maintained by any of the Acquired Companies that is material to the conduct of the Business, including confidential information of any third party provided to an Acquired Company under an obligation to maintain the same in confidence that is material.

Section 5.11 Title to Tangible Property. Except for assets disposed of in the ordinary course of business consistent with past practice, the Acquired Companies have good and valid title to each item of equipment and other tangible personal property reflected on the Interim Financial Statements as owned by the Acquired Companies, free and clear of all Encumbrances, except for Permitted Encumbrances.

Section 5.12 No Violation or Litigation

(a) Except as set forth on Schedule 5.12(a), since January 1, 2012, (i) the Acquired Companies have complied in all material respects, and each is in compliance in all material respects, with all Requirements of Law and Orders that are applicable to each such Acquired Company's properties, assets, operations and the Business as conducted as of the date hereof and (ii) neither Acquired Company has received any written notice from any Governmental Body indicating that it is or may be in material violation of any Requirements of Law.

(b) Neither Acquired Company is subject to a corporate integrity agreement, deferred prosecution agreement, consent decree, settlement agreement or similar agreement with a Governmental Body, including with respect to mandating or prohibiting future or past activities. Each Acquired Company is in compliance, in all material respects, with all current applicable statutes and regulations, including the Federal Food, Drug, and Cosmetic Act (21 U.S.C. §301 *et. seq*) and its implementing regulations, and any applicable requirements established by state or local authorities, relating to the development, testing, manufacturing, marketing, selling, distributing or promoting of medical device products, and with all Orders administered or issued by the FDA or other Medical Product Regulatory Authority, except as set forth on Schedule 5.12(b), which includes all written correspondence with Medical Product Regulatory Authorities relating to any written notice from any Medical Product Regulatory Authority indicating that either of the Acquired Companies is or may be in material violation of such statutes and regulations from January 1, 2010 through the date hereof (including, if applicable, any such correspondence relating to any withdrawal or modification of a product approval). To the Knowledge of Sellers, there has been no false or misleading information or significant omission in any application, submission, or report made by, any Acquired Company, or by any officer, director, employee or agent of any Acquired Company, to any Medical Product Regulatory Authority, including the FDA, relating to the

products of the Business, or the omission of any required report by any Acquired Company.

(c) Except as set forth on Schedule 5.12(c) or where failure to obtain such approvals is not reasonably expected to adversely affect the Business or the Acquired Companies in any material respect, the Acquired Companies, where required, have obtained all necessary regulatory and other approvals from any Medical Product Regulatory Authority prerequisite to the commercial sale, promotion or marketing of the Products, including selling, promoting and marketing the products of the Business in the United States, where required, in material compliance with valid premarket approvals or 510(k) clearances or exemptions from these requirements.

(d) Except as set forth on Schedule 5.12(d), since January 1, 2010 through the date hereof, there have been no recalls, field actions, corrections, or removals ordered in writing, or any seizures initiated (or, to the Knowledge of the Sellers, threatened), by the FDA or any other Medical Product Regulatory Authority with respect to any of the Company products and, except as set forth on Schedule 5.12(d), since January 1, 2010, the Company has neither voluntarily nor at the request of any Medical Product Regulatory Authority initiated or participated in any recalls, field actions, corrections, or removals of any Company product.

(e) Except as set forth on Schedule 5.12(e), since January 1, 2010, none of the Acquired Companies has failed to comply with any material applicable Requirements of Law related to the sales and marketing activities of medical device manufacturers or the disclosure of payments and other transfers of value provided to health care providers.

(f) None of the Acquired Companies, in connection with the operation of the Business, bills or is directly reimbursed by any commercial insurance plan or any Federal Health Care Program.

(g) Since January 1, 2010, all Contracts and other financial arrangements and relationships entered into by the Acquired Companies with customers, vendors, employees, distributors and contractors are in compliance in all material respects with all applicable Requirements of Law, including the federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b), the Stark Law, 42 U.S.C. § 1394nn, the Civil False Claims Act, 31 U.S.C. § 3279 *et seq.*, and state kickback, self-referral and false claims laws.

(h) Except as set forth in Schedule 5.12(h):

(i) as of the date hereof, there are no Proceedings pending or, to the Knowledge of Sellers, threatened against either of the Acquired Companies, that are reasonably expected to adversely affect the Business or the Acquired Companies in any material respect;

(ii) as of the date hereof, there is no Proceeding pending or, to the Knowledge of Sellers, threatened that questions the legality of the transactions contemplated by this Agreement or any of the Seller Ancillary Agreements; and

(iii) neither of the Acquired Companies is subject to any outstanding Order that prohibits or otherwise restricts the ability of either of the Acquired Companies to consummate fully the transactions contemplated by this Agreement or any of the Seller Ancillary Agreements.

(i) None of the Acquired Companies has, since January 1, 2010, (i) violated any provision of any applicable anti-bribery law, treaty or convention, including the United States Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1, *et seq.*); (ii) received either a formal or informal written inquiry from a regulator relating to alleged bribery or corruption; or (iii) conducted any internal investigation related to a suspicion of bribes or other corrupt conduct by an officer, director, employee, distributor, contractor or other agent of either of the Acquired Companies or otherwise received any notification or complaint of such conduct.

None of the representations and warranties contained in this Section 5.12 shall be deemed to relate to Tax matters (which are governed by Section 5.6), ERISA, employee benefits matters and employee relations and agreements (which are governed by Section 5.15 and Section 5.16) or Environmental Matters (which are governed by Section 5.17).

Section 5.13 Contracts. Except as set forth in Schedule 5.13, as of the date of this Agreement, neither of the Acquired Companies is a party to or bound by:

(a) any Contract for the purchase of services, supplies, raw materials, components or equipment which is reasonably expected to involve the payment of more than $500,000 in the fiscal year ending February 29, 2016;

(b) any Contract for the sale of any services or products which is reasonably expected to involve the payment of more than $500,000 in the fiscal year ending February 29, 2016;

(c) any loan agreements, promissory notes, indentures, letters of comfort, letters of credit, bonds or other instruments involving indebtedness for borrowed money in an amount in excess of $100,000 or any guaranties of any such indebtedness;

(d) any Contract under which either Acquired Company has, directly or indirectly, made any advance, loan, extension of credit or capital contribution to, or investment in, any Person (other than to the other Acquired Company and other than extensions of trade credit in the ordinary course of business), in any such case that, individually or in the aggregate, is in excess of $50,000;

(e) any mortgage, sale-leaseback agreement, deed or trust, security agreement, purchase money agreement, conditional sales contract or capital lease created or assumed by, or permitted to be created by written instrument made or accepted by, the Acquired Companies (other than (i) any purchase money agreement, conditional sales contract or capital lease evidencing liens only on tangible personal property under which there exists an aggregate future Liability not in excess of $50,000 per Contract or lease, (ii) protective filings of financing statements under the Uniform Commercial Code, (iii) agreements evidencing Encumbrances created by a landlord of Leased Real Property and (iv) any Permitted Encumbrances);

(f) any license of, or other Contract granting either of the Acquired Companies the right to use, any Intellectual Property or Software received from or granted to third parties which is material to the conduct of the Business as of the date hereof, including source code escrow agreements for Software, but excluding licenses or rights to use any Intellectual Property granted to customers and distributors of the Acquired Companies in the ordinary course of business;

(g) any employment, bonus, commission, deferred compensation, severance, retention, change of control or separation Contract (other than any Plan or any such Contract required by Requirements of Law or any Contract that can be terminated by an Acquired Company without incurring any Liability) with any current or, to the extent there exist ongoing obligations thereunder, former director, officer or employee of either of the Acquired Companies;

(h) any Contract for capital expenditures involving payments of more than $100,000, individually or in the aggregate, after the date of this Agreement;

(i) any Contract entered into in the past three (3) years involving any resolution or settlement of any actual or threatened Proceeding with a value greater than $100,000;

(j) any labor contract, collective bargaining agreement or other Contract with any labor organization, union or association relating to any employees of any of the Acquired Companies;

(k) any partnership, joint venture, limited liability company or other similar Contract or arrangement involving a sharing of profits and losses with any other Person or involving sharing of equity interests; or

(l) any Contract with another Person which purports to limit or restrict the ability of either of the Acquired Companies to enter into or engage in any market or line of business or that provides for material restrictive covenants or establishes an exclusive sale or purchase obligation with respect to any product or any geographic location (except for such agreements which shall not be binding on either of the Acquired Companies upon Closing or which are customer Contracts that contain "most favored nations" provisions that are not required to be listed in subsection (b) of Schedule 5.13).

Section 5.14 Status of Contracts. Except as set forth in Schedule 5.14 or in any other Schedule hereto, each of the Contracts set forth in Schedule 5.13 (collectively, the "Material Contracts") is a valid and binding obligation of one of the Acquired Companies, as applicable, is in full force and effect and is enforceable against such Acquired Company and, to the Knowledge of Sellers, the other parties thereto, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and to general principles of equity. The Acquired Companies are not in or, to the Knowledge of Sellers, alleged to be in, breach or default under any of the Material Contracts, and, to the Knowledge of Sellers, no event has occurred or circumstance exists which, with the delivery of notice, the passage of time, or both, would constitute a breach or default by either of the Acquired Companies or a counterparty to any Material Contract, in each case, other than those breaches or defaults which, individually or in the aggregate, would not reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect. Sellers have made available to Buyer on the Data Site prior to the date hereof a true, correct and complete copy of each Material Contract, except

as otherwise set forth in the Schedules. To the Knowledge of Sellers, the counterparties to the Material Contracts are not in breach or default under any Material Contract other than those breaches or defaults which would not, individually or in the aggregate, reasonably be expected to adversely affect the Business or the Acquired Companies in any material respect.

Section 5.15 Employee Benefits.

(a) Each Plan is listed in Schedule 5.15(a), and with respect to each such Plan, Sellers have made available to Buyer on the Data Site prior to the date hereof a true and correct copy of either such Plan or a written summary of the material terms thereof.

(b) Except as set forth in Schedule 5.15(b), (i) with respect to each Plan, such Plan has been maintained and operated in material compliance with the terms of such Plan and the applicable Requirements of Law, including the Code and ERISA and (ii) the Acquired Companies have made all contributions and paid all premiums in respect of each Plan in a timely fashion in accordance with the terms of each Plan and Requirements of Law.

(c) There is no Proceeding or disputed claim (other than routine claims for benefits) pending or, to the Knowledge of Sellers, threatened with respect to any Plan, its related assets or trusts, or any fiduciary, administrator, or sponsor of such Plan. No non-exempt "prohibited transaction" under Section 4975 of the Code or Section 406 of ERISA has occurred with respect to any Plan which would result in outstanding material Liability for either of the Acquired Companies.

(d) Except as required by Requirements of Law or during any severance period, none of the Acquired Companies provides health or welfare benefits for any retired or former employee, or their beneficiaries or dependents, nor are they obligated to provide health or welfare benefits to any active employee following such employee's retirement or other termination of service.

(e) Each Plan that is intended to be qualified under Section 401(a) of the Code (a "Qualified Plan") has received a favorable determination letter from the Internal Revenue Service or is a prototype or volume submitter plan that is the subject of an opinion or advisory letter from the Internal Revenue Service, and Sellers have made available to Buyer on the Data Site a copy of each such opinion or letter. To Sellers' Knowledge, no fact or event has occurred since the date of such determination, advisory, or opinion letter to adversely affect the qualified status of any such Qualified Plan. No Plan is a Multiemployer Plan or is otherwise subject to Title IV of ERISA.

(f) The Acquired Companies have no Liability under (i) Title IV of ERISA, (ii) Section 302 of ERISA, or (iii) Sections 412 and 4971 of the Code. No asset of any Acquired Company is subject to any lien under ERISA or Section 430 of the Code. To the Knowledge of Sellers, there are no circumstances that could reasonably be expected to result in a Tax being imposed on any Acquired Company under Code Sections 4980D or 4980H of the Code.

(g) To the Knowledge of the Sellers, all Options were granted using an exercise price of not less than the fair market value of the underlying stock determined in accordance with applicable guidance under Section 409A of the Code.

(h) Except as specifically contemplated by this Agreement or set forth on Schedule 5.15(h), the consummation of the transactions contemplated by this Agreement will not result in an increase in the amount of compensation or benefits or accelerate the vesting, funding or timing of payment of any remuneration, compensation or benefits payable to or in respect of any employee or Plan participant.

(i) None of the Acquired Companies has made nor have they become obligated to make, and none of the Acquired Companies will as a result of the consummation of the transactions contemplated by this Agreement become obligated to make, any payments that could be nondeductible by reason of Section 280G of the Code (without regard to subsection (b)(4) thereof), nor are the Acquired Companies required to "gross up" or otherwise compensate any individual because of the imposition of any Tax on any compensatory payment to such individual.

Section 5.16 Employee Relations and Agreements.

(a) Neither of the Acquired Companies is a party to any labor contract, collective bargaining agreement or other Contract with any labor organization, union or association.

(b) Except as set forth in Schedule 5.16(b): (i) there are no labor strikes, work stoppages or lockouts pending, or, to the Knowledge of Sellers, threatened, against either of the Acquired Companies; (ii) to the Knowledge of Sellers, no union organizational campaign is in progress with respect to the employees of either of the Acquired Companies; (iii) since January 1, 2012, there have been no investigations, disputes or Proceedings pending, or to the Knowledge of Sellers, threatened against either of the Acquired Companies involving any of its (A) employees or former employees, or relating to violation of Requirements of Law with respect to its employees or former employees, (B) independent contractors claiming to be misclassified, (C) employees of a staffing or temporary agency claiming the Acquired Company is a joint employer, or (D) any dispute or controversy with a union or with respect to unionization or collective bargaining involving the employees of the Acquired Companies, in each case, that is reasonably expected to adversely affect the Business or the Acquired Companies in any material respect; and (iv) each Acquired Company is in material compliance with all applicable Requirements of Law respecting employment and employment practices, terms and conditions of

employment, leaves of absence, worker classification, wages, overtime compensation, hours of work, withholding and occupational safety and health.

(c) To the Knowledge of Sellers, each employee of the Acquired Companies (excluding temporary employees) is a United States citizen or has a current and valid work visa or otherwise has the lawful right to work in the United States, and the Acquired Companies have kept proper documentation of applicable work authorization documents for all employees (excluding temporary employees).

(d) To the Knowledge of Sellers, all independent contractors who have worked for the Acquired Companies at any time with respect to which an Acquired Company could have outstanding Liability are and have been properly classified as independent contractors pursuant to all applicable regulations.

Section 5.17 Environmental Matters. Except as set forth in Schedule 5.17:

(c) the Acquired Companies are and, since January 1, 2012, have been in compliance, in all material respects, with all applicable Environmental Laws and the Acquired Companies own, hold or possess all Governmental Permits which are necessary under Environmental Laws to conduct the Business substantially as conducted as of the date hereof, and all such Governmental Permits are in full force and effect;

(d) neither of the Acquired Companies is subject to any order from or consent or settlement agreement with or any investigation by, any Person (including any Governmental Body) respecting (i) any Remedial Action or (ii) any claim of Liability arising from the Release or threatened Release of a Hazardous Material into the environment where, in each case, the obligations of such Acquired Company have not been completed in all material respects;

(e) neither of the Acquired Companies is subject to any actual, pending or, to Knowledge of Sellers, threatened judicial or administrative Proceeding or Order alleging or addressing a violation of or Liability under any Environmental Law;

(f) neither of the Acquired Companies has received any written notice of any actual, pending or threatened claim to the effect that it is or may be liable to any Person, including any Governmental Body, as a result of a violation of or Liability under any Environmental Law;

(g) no landfill, surface impoundment, underground storage tank, groundwater monitoring well, drinking water well utilized by either Acquired Company, or to the Knowledge of Sellers, any other person or production water well is present or, to Knowledge of Sellers, has ever been present at any Leased Real Property or other property or facility currently or previously owned, leased, operated or controlled by either Acquired Company;

(h) neither of the Acquired Companies has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, generated, manufactured, distributed, exposed any person to or released any substance, including any Hazardous Material, or owned or operated any property or facility, in a manner that has given rise to, or could reasonably be expected to give rise to, any material liability under any Environmental Law; and

(i) copies of all material or significant environmental reports, audits, surveys, assessments and investigations in respect of the Leased Real Property and/or the activities of any Acquired Company in the possession or control of Sellers and/or any Acquired Company have been disclosed in the Data Site.

The representations and warranties set forth in this Section 5.17 are Sellers' sole and exclusive representations regarding Environmental Matters.

Section 5.18 Sufficiency of Assets. Except as set forth on Schedule 5.18 or as reflected in the Audited Financial Statements, the assets and properties of the Acquired Companies constitute all of the assets and properties necessary to operate the Business in all material respects as conducted as of the date hereof. Nothing in this Section 5.18 constitutes a representation or warranty with respect to title or the condition of any assets or properties (whether real or personal, tangible or intangible, owned, leased or held under license), any and all representations or warranties with respect to which are set forth in other sections of this Article V.

Section 5.19 Customers and Vendors. Schedule 5.19(a) sets forth a true, correct and complete list of the names of the ten (10) largest customers for the fiscal year ended February 28, 2015 by revenue and the ten (10) largest vendors for the fiscal year ended February 28, 2015 by expenditure, in each case of the Acquired Companies, and the dollar amount of purchases or sales which each such customer or vendor represented during the fiscal year ended February 28, 2015. Except as set forth on Schedule 5.19(b), no such customer or vendor set forth on Schedule 5.19(a) has submitted written notice of the intent to cease or substantially reduce the use or supply of products, goods or services of or to the Business or return any products sold to such customer by the Business.

Section 5.20 Insurance.

(a) Schedule 5.20 contains a true, correct and complete summary of all insurance policies or other sources of insurance coverage held by or for the benefit of either Acquired Company or otherwise providing coverage in respect of Liabilities of any Acquired Company, other than Liabilities for benefits under any Plan. True, correct and complete copies of all insurance policies listed on Schedule 5.20 have been made available to Buyer on the Data Site prior to the date hereof. With respect to each such insurance policy, (i) except as set forth on Schedule 5.20, such insurance policy has not been modified, commuted or settled, in whole or in part; (ii) no Seller or Acquired Company has assigned any of its respective rights under such insurance policy to any other Person; and (iii) except as set forth on Schedule 5.20, the limit of liability under such policy has not been impaired with respect to any Environmental Matter or for any other reason.

(b) All insurance policies listed on Schedule 5.20 are valid, binding and in full force and effect. None of the Acquired Companies has received any written notice of cancellation or non-renewal of any such policies or binders nor, to the Knowledge of the Sellers, is the termination of any such policies or binders threatened. There is no material Proceeding pending under any of such policies or binders as to which coverage has been questioned, denied or disputed by the underwriters of such policies or binders, and, to the Knowledge of the Sellers, all claims and losses of the Acquired Companies have been properly reported to the underwriters of such policies or binders.

Section 5.21 Indebtedness. Schedule 5.21 sets forth a true, correct and complete list of all Indebtedness as of the date hereof.

Section 5.22 Product Liability. Except as set forth in Schedule 5.22, to the Knowledge of the Sellers, there are no defects in design, construction or manufacture of any products designed or manufactured by the Acquired Companies which would materially adversely affect performance or create an unusual risk of injury to persons or property. Except as set forth in Schedule 5.22, since January 1, 2012, none of the products has been the subject of any replacement, field fix or retrofit, modification or recall campaign by the Acquired Companies and, to the Knowledge of Sellers, no facts or conditions related to any product exist which could reasonably be expected to result in such a campaign or material Liability for returns or other product liability claims.

Section 5.23 Related Party Contracts. Except as set forth on Schedule 5.23, no Seller, Affiliate of any Seller, officer, director or Affiliate of any of the Acquired Companies or any immediate family member of any of the foregoing Persons is a party to or the beneficiary of any Contract with any of the Acquired Companies (other than an employment or similar Contract) or has any interest in any property used by any of the Acquired Companies.

Section 5.24 No Brokers. Except for the services of Robert W. Baird & Co. Incorporated, neither of the Acquired Companies nor any Person acting on its behalf has incurred any Liability to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement or the Seller Ancillary Agreements.

Section 5.25 No Other Representations. Except for the representations and warranties contained in this Article V, such Seller makes no representation or warranty, express or implied, regarding the Acquired Companies or the Business.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES CONCERNING BUYER AND MEDLINE

As an inducement to Sellers to enter into this Agreement and to consummate the transactions contemplated hereby, (x) Buyer hereby represents and warrants to Sellers that, as of the date of this Agreement and as of the Closing Date, the statements set forth in Section 6.1 through Section 6.8 are correct and complete, and (y) Medline hereby represents and warrants to Sellers that, as of the date of this Agreement and as of the Closing Date, the statements set forth in Section 6.9 through Section 6.13 are correct and complete:

Section 6.1 Buyer Organization; Power and Authority and Qualification.

(a) Buyer is a corporation duly incorporated and validly existing under the laws of the State of Delaware.

(b) Buyer has the requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and each of the Buyer Ancillary Agreements. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized and approved by Buyer's board of directors and do not require any further authorization, consent or other Proceeding of Buyer or its stockholders. This Agreement has been duly and validly authorized, executed and delivered by Buyer and represents (assuming the valid authorization, execution and delivery of this Agreement by the other parties hereto) the legal, valid and binding agreement of Buyer enforceable against Buyer in accordance with its terms, and each of the Buyer Ancillary Agreements has been duly authorized by Buyer and upon execution and delivery by Buyer will represent (assuming the valid authorization, execution and delivery by the other party or parties thereto) a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, in each case subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and to general equity principles.

(c) Buyer is duly qualified or licensed to transact business and is in good standing in the State of Delaware. Buyer has the requisite corporate power and authority to own or lease and operate its assets as and where currently owned, operated and leased and to carry on its businesses in the manner that they were conducted immediately prior to the date of this Agreement.

Section 6.2 Conflicts. Neither the execution and delivery by Buyer of this Agreement or any of the Buyer Ancillary Agreements or the consummation by Buyer of any of the transactions contemplated hereby or thereby, nor compliance by Buyer with, or fulfillment of, the terms, conditions and provisions hereof or thereof will:

(a) assuming the receipt of all necessary consents and approvals and the filing of all necessary documents as described in Section 6.3(b), result in a violation or breach of the terms, conditions or provisions of, conflict with or constitute a default

under any provision of, an event of default or an event that, after notice or lapse of time or both, would result in the creation of rights of acceleration, termination or cancellation or a loss of rights under (i) the Organizational Documents of Buyer, (ii) any material Contract to which Buyer is a party or any of its properties is subject or by which Buyer is bound, (iii) any Order to which Buyer is a party or by which it is bound or (iv) any material Requirements of Law affecting Buyer, other than, in the case of clauses (ii), (iii) and (iv) above, any such violations, breaches, defaults, rights or loss of rights that, individually or in the aggregate, would not materially impair the ability of Buyer to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby; or

(b) require the approval, consent, authorization or act of, the notice to or the making by Buyer of any declaration, filing or registration with, any Governmental Body, except for (i) such filings as may be required in connection with the Taxes described in Section 8.1, and (ii) such approvals, consents, authorizations, declarations, filings or registrations the failure of which to be obtained or made would not materially impair the ability of Buyer to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby.

Section 6.3 No Violation or Litigation. Except as set forth in Schedule 6.3:

(a) there are no Proceedings pending or, to the knowledge of Buyer, threatened against Buyer or its Subsidiaries which are reasonably expected to materially impair the ability of Buyer to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby;

(b) there are no Proceedings pending or, to the knowledge of Buyer, threatened that question the legality of the transactions contemplated by this Agreement or any of Buyer Ancillary Agreements; and

(c) Buyer is not subject to any outstanding Order that prohibits or otherwise restricts the ability of any of Buyer to consummate fully the transactions contemplated by this Agreement or any of the Buyer Ancillary Agreements.

Section 6.4 Financial Capability. Buyer has and will have available to it upon the Closing sufficient funds to enable Buyer to pay the Purchase Price, to permit Buyer to perform in a timely manner all of its obligations under this Agreement and the Buyer Ancillary Agreements, and to consummate the transactions contemplated hereby and thereby, in accordance with the respective terms and subject to the conditions herein and therein.

Section 6.5 Solvency. Assuming (a) the accuracy of the representations and warranties of each Seller set forth herein, (b) compliance in all material respects by each Seller with its covenants and obligations set forth herein and (c) satisfaction of the conditions to Buyer's obligations to consummate the transactions contemplated by this Agreement, or waiver of such conditions by Buyer, then immediately after giving effect to the transactions contemplated by this Agreement and the Buyer Ancillary Agreements, (i) Buyer and its Subsidiaries will be able to pay their debts as they become due and will own property which has a fair saleable value greater than the amounts required to pay their debts (including a reasonable estimate of the amount of all contingent liabilities) and (ii) Buyer and its Subsidiaries will have adequate capital to carry on their businesses. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated

by this Agreement with the intent to hinder, delay or defraud either present or future creditors of the Acquired Companies or Buyer.

Section 6.6 Investment Intent. Buyer is acquiring the Shares as an investment for its own account and not with a view to the distribution thereof. Buyer shall not sell, transfer, assign, pledge or hypothecate any of the Shares in the absence of registration under, or pursuant to an applicable exemption from, federal and applicable state securities laws.

Section 6.7 No Brokers. Neither Buyer nor any Person acting on its behalf has incurred any Liability to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement or Buyer Ancillary Agreements.

Section 6.8 No Other Representations. Except for the representations and warranties contained in this Article VI, neither Buyer nor any other Person acting on behalf of Buyer makes any representation or warranty, express or implied, regarding Buyer.

Section 6.9 Medline Organization; Power and Authority and Qualification.

(a) Medline is a corporation duly incorporated and validly existing under the laws of the State of Illinois.

(b) Medline has the requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and each of the Medline Ancillary Agreements. The execution, delivery and performance of this Agreement and the Medline Ancillary Agreements by Medline and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized and approved by Medline's board of directors and do not require any further authorization, consent or other Proceeding of Medline or its stockholders. This Agreement has been duly and validly authorized, executed and delivered by Medline and represents (assuming the valid authorization, execution and delivery of this Agreement by the other parties hereto) the legal, valid and binding agreement of Medline enforceable against Medline in accordance with its terms, and each of the Medline Ancillary Agreements has been duly authorized by Medline and upon execution and delivery by Medline will represent (assuming the valid authorization, execution and delivery by the other party or parties thereto) a legal, valid and binding obligation of Medline enforceable against Medline in accordance with its terms, in each case subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and to general equity principles.

(c) Medline is duly qualified or licensed to transact business and is in good standing in the State of Illinois. Medline has the requisite corporate power and authority to own or lease and operate its assets as and where crrently owned, operated

and leased and to carry on its businesses in the manner that they were conducted immediately prior to the date of this Agreement.

Section 6.10 Conflicts. Neither the execution and delivery by Medline of this Agreement or any of the Medline Ancillary Agreements or the consummation by Medline of any of the transactions contemplated hereby or thereby, nor compliance by Medline with, or fulfillment of, the terms, conditions and provisions hereof or thereof will:

(a) assuming the receipt of all necessary consents and approvals and the filing of all necessary documents as described in Section 6.10(b), result in a violation or breach of the terms, conditions or provisions of, conflict with or constitute a default under any provision of, an event of default or an event that, after notice or lapse of time or both, would result in the creation of rights of acceleration, termination or cancellation or a loss of rights under (i) the Organizational Documents of Medline, (ii) any material Contract to which Medline is a party or any of its properties is subject or by which Medline is bound, (iii) any Order to which Medline is a party or by which it is bound or (iv) any material Requirements of Law affecting Medline, other than, in the case of clauses (ii), (iii) and (iv) above, any such violations, breaches, defaults, rights or loss of rights that, individually or in the aggregate, would not materially impair the ability of Medline to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby; or

(b) require the approval, consent, authorization or act of, the notice to or the making by Medline of any declaration, filing or registration with, any Governmental Body, except for such approvals, consents, authorizations, declarations, filings or registrations the failure of which to be obtained or made would not materially impair the ability of Medline to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby.

Section 6.11 No Violation or Litigation. Except as set forth in Schedule 6.11:

(a) there are no Proceedings pending or, to the knowledge of Medline, threatened against Medline or its Subsidiaries which are reasonably expected to materially impair the ability of Medline to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby;

(b) there are no Proceedings pending or, to the knowledge of Medline, threatened that question the legality of the transactions contemplated by this Agreement or any of Medline Ancillary Agreements; and

(c) Medline is not subject to any outstanding Order that prohibits or otherwise restricts the ability of any of Medline to consummate fully the transactions contemplated by this Agreement or any of the Medline Ancillary Agreements.

Section 6.12 **No Brokers**. Neither Medline nor any Person acting on its behalf has incurred any Liability to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement or Medline Ancillary Agreements.

Section 6.13 **No Other Representations**. Except for the representations and warranties contained in this Article VI, neither Medline nor any other Person acting on behalf of Medline makes any representation or warranty, express or implied, regarding Medline.

ARTICLE VII

ACTIONS PRIOR TO THE CLOSING DATE

The respective parties hereto covenant and agree to take the following actions between the date hereof and the Closing Date:

Section 7.1 **Access to Information**. Subject to Buyer's obligations under the Confidentiality Agreement and Medline's obligations under the Confidentiality Agreement, dated August 25, 2014 between the Company and Medline, Sellers shall cause the Acquired Companies to afford to the officers, employees and authorized representatives of Buyer and Medline, respectively (including independent public accountants and attorneys), reasonable access during normal business hours, upon reasonable advance notice, to the offices, properties, business and financial records (including computer files, retrieval programs and similar documentation reasonably necessary for Buyer and Medline to operate the Business after the Closing Date), employees, customers, suppliers, independent service providers and lessors of the Acquired Companies and shall furnish to Buyer and Medline or such authorized representatives such additional information concerning the Business as shall be reasonably requested; provided, however, that: (a) Sellers shall not be required to violate any obligation of confidentiality, Order or Requirements of Law to which any Seller or either Acquired Company is subject or to waive any privilege which any of them may possess in discharging its obligations pursuant to this Section 7.1 (provided, however, that in such event, any Sellers shall, and shall cause any applicable Acquired Company to, reasonably cooperate with Buyer and Medline to seek an appropriate remedy to permit the access contemplated hereby), (b) Buyer and Medline shall provide the Stockholder Representative with prior written notice of Buyer's and Medline's communication plan with respect to the employees of the Acquired Companies, and any customer, supplier, independent service provider or lessor of either Acquired Company, or any other third party (other than any Governmental Body), and shall coordinate the execution of such communication plan with the Acquired Companies' management, and (c) Sellers and the Acquired Companies shall not be required to furnish or otherwise make available to Buyer or Medline customer-specific data or competitively sensitive information that would violate applicable competition laws. Buyer and Medline each hereby acknowledge and agree that any investigation pursuant to this Section 7.1 shall be conducted in such a manner as not to interfere unreasonably with the operations of the Acquired Companies or any Seller, and Buyer and Medline shall not be permitted to undertake any environmental sampling or invasive testing without the Stockholder Representative's prior written consent, which shall be in the Stockholder Representative's sole discretion. Notwithstanding the foregoing, the obligations of Sellers pursuant to this Section 7.1 shall be subject to the right of Sellers to determine, in their sole discretion, the appropriate timing

of the disclosure of information they deem proprietary commercial information or privileged information.

Section 7.2 Notifications. Each of Buyer and Medline, on the one hand, and Sellers, on the other hand, shall promptly notify the other Parties of any Proceeding (a) that shall be instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality of any transaction contemplated by this Agreement, or (b) that may be threatened, brought, asserted or commenced against either of the Acquired Companies, a Seller, Medline or Buyer, as the case may be, that would have been listed in Schedule 4.5, Schedule 6.3 or Schedule 6.11, as the case may be, if such Proceeding had arisen prior to the date hereof. Except, in the case of Sellers, for Proceedings brought by any Seller or any Optionholder who is not an Optionholder Party (or any of their respective Affiliates) related to the transactions contemplated by this Agreement, if a party fails to notify the other party under this Section 7.2, (i) such non-breaching party shall only be entitled to seek indemnification for breach of this Section 7.2 if and to the extent such non-breaching party is otherwise entitled to indemnification pursuant to Section 11.1(a)(i), 11.1(b)(i), 11.2(a)(i) or 11.2(b)(i) as the case may be, for breach of a representation and warranty and the limits (if any) set forth in Section 11.1, as the case may be, shall apply to any such indemnification and (ii) a failure to comply with this Section 7.2 shall not cause the failure of any condition set forth in Article IX to be satisfied unless the underlying change, event or development would independently or in conjunction with any other change, event or development result in the failure of a condition set forth in Article IX to be satisfied.

Section 7.3 Consents of Third Parties; Governmental Approvals. During the period prior to the Closing Date, each party hereto shall act diligently and reasonably and shall, at the request of any other party hereto, use its reasonable best efforts to cooperate with such other party in attempting to secure any consents, waivers and approvals of any third party (including any Governmental Body) required to be obtained to consummate the transactions contemplated by this Agreement; provided, however, that, notwithstanding anything to the contrary in this Agreement, such action shall not include any requirement of any Seller or Buyer or any of their respective Affiliates (including the Acquired Companies) to pay money to any third party, commence or participate in any litigation, offer or grant any accommodation or undertake any obligation or liability (in each case financial or otherwise) to any third party (including any Governmental Body); provided, further, communications by Buyer and its Affiliates and their respective officers, employees, agents or representatives with any customer, supplier, independent service provider or lessor of either Acquired Company, or any other third party (other than any Governmental Body), shall be subject to Section 7.1(b).

Section 7.4 Operations Prior to the Closing Date.

(a) Each Seller shall use its commercially reasonable efforts to, and to cause the Acquired Companies to, operate and carry on the Business in the ordinary course consistent with past practice. Consistent with the foregoing, each Seller shall use its commercially reasonable efforts to, and shall cause the Acquired Companies to use their commercially reasonable efforts to, preserve the goodwill of the suppliers, contractors, licensors, employees, customers, distributors of the Acquired Companies and others having business relations with the Acquired Companies.

(b) Without limiting the generality of Section 7.4(a), except as set forth in Schedule 7.4, as expressly contemplated by this Agreement or with the express written approval of Buyer (which Buyer agrees shall not be unreasonably withheld, conditioned or delayed), Sellers shall cause the Acquired Companies, other than in the ordinary course of business, not to:

(i) make any material change in the lines of business of the Business, except such changes as may be required to comply with any applicable Requirements of Law;

(ii) purchase or otherwise acquire any assets, acquire or license any rights to new products, or make any capital expenditures, in each case that are material to the Business (other than (A) capital expenditures required by any Governmental Body, (B) such capital expenditures not covered by the preceding clause (A) that do not exceed $100,000, and (C) purchases of inventory in the ordinary course of business);

(iii) sell, assign, lease or otherwise transfer, abandon or dispose of any assets, securities, properties or interests of either of the Acquired Companies that are material, either individually or in the aggregate, to the Business (other than the disposition of inventory or obsolete and fully depreciated assets not used in the Business during the twelve (12) months preceding the date hereof);

(iv) fail to keep current or renew any material Governmental Permits in a manner consistent with past practice;

(v) make any change in the key personnel of the Business (at or above the vice president level), including the hiring of personnel at or above the vice president level or the termination of any personnel at or above the vice president level out of the Business (other than for cause), or materially increase the number of individuals employed by the Business;

(vi) enter into, terminate, modify, amend or exercise any option to extend a Material Contract or Lease Agreement;

(vii) create, incur, assume or otherwise become liable, or agree to create, incur, assume or otherwise become liable, with respect to any Indebtedness, or grant any Encumbrance with respect to the assets of either of the Acquired Companies, in each case other than Permitted Encumbrances;

(viii) make any loan to any third party;

(ix) transfer any assets to any Seller or any of its Affiliates (other than the Acquired Companies), excluding the payment of compensation to Sellers that are employed by the Company in the ordinary course of business;

(x) materially increase the compensation, base salary, wages, bonus opportunity or other benefits available to any current or former employee of the Acquired Companies (with an annual salary above $100,000), other than as required by the terms of any Plan or Contract or pursuant to Requirements of Law;

(xi) voluntarily recognize or promise neutrality to a labor organization;

(xii) establish, adopt, amend or terminate any Plan, except as required or advisable to comply with Requirements of Law;

(xiii) acquire by merging or consolidating with, or by purchasing a substantial portion of the capital stock or assets of, directly or indirectly, any business or any corporation, partnership, association or other business organization or division thereof;

(xiv) grant or accept any request from any of the ten (10) largest customers for fiscal year ended February 28, 2015 for revenue for trade, cash and quantity discounts, prompt pay discounts, price reduction programs or retroactive price adjustments;

(xv) initiate, compose or settle any litigation or Proceeding affecting the Business or any Acquired Company, in each case, involving an amount individually in excess of $25,000;

(xvi) make any change in the accounting methods or policies of the Acquired Companies, unless such change is required by GAAP;

(xvii) make or change any Tax election, adopt or change any Tax accounting method, enter into any closing agreement or Tax ruling, settle or compromise any Tax claim or assessment, consent to the extension or waiver of the limitation period applicable to any Tax claim or assessment, surrender any right to claim a refund of Taxes, or file any amended Tax Return or make any Tax voluntary disclosure, in each case, unless specifically listed on Schedule 7.4(b)(xvii);

(xviii) issue, deliver or sell any securities of either of the Acquired Companies, other than the issuance of any securities to any of the other Acquired Companies;

(xix) amend the Organizational Documents of the Acquired Companies; or

(xx) agree to do any of the foregoing.

Section 7.5 Exclusive Dealing. Sellers shall immediately discontinue and terminate any negotiations or discussions with any Person (other than Buyer) relating to a business combination or transaction involving the Business, including the sale of any of the Shares or any capital stock of any Acquired Companies, the sale of any of the assets of such Persons (other than sales of assets in the ordinary course of business), any joint venture or partnership, merger or consolidation, or any similar transaction or business combination involving the Business (each, an "Alternate Transaction"). During the period starting on the date hereof and ending on the earlier of the Closing Date or the termination of this Agreement pursuant to Article X, Sellers shall not, directly or indirectly, (a) solicit, encourage or respond substantively to any inquiries, discussions or proposals regarding any Alternate Transaction, (b) continue, propose or enter into negotiations with respect to any Alternate Transaction or provide any information to any third party (other than Buyer) relating to any Alternate Transaction, (c) provide or permit the provision of any information regarding, or afford any

access to, the properties, Contracts, or books and records of Sellers or their Affiliates to any third party (other than Buyer) for the purpose of determining whether to make or pursue any inquiries or proposals with respect to any Alternate Transaction, or (d) enter into any agreement or understanding contemplating any Alternate Transaction or otherwise facilitate any effort or attempt to make or implement any Alternate Transaction.

Section 7.6 Certain License Matters. Sellers agree to take the actions set forth on Schedule 7.6.

Section 7.7 Termination of 401(k) Plan. The Company shall terminate, or shall cause the Company Subsidiary to terminate, each Qualified Plan effective no later than the day immediately prior to the Closing Date in accordance with the terms of such Qualified Plan and Requirements of Law. Buyer shall take all action necessary to cause a qualified retirement plan maintained by the Buyer or one of its Affiliates or assignees to accept rollover contributions from such Qualified Plan, with respect to employees of the Company or Company Subsidiary who remain employed by the Company or Company Subsidiary following Closing. Medline shall take all reasonable action necessary to cause a qualified retirement plan (whether existing or new) maintained by Medline or one of its Affiliates or assignees to accept rollover contributions from such Qualified Plan, and, with respect to each such employee who has a loan under such Qualified Plan, Medline shall either (i) take reasonable action to allow such rollover contributions to include promissory notes representing loans under such Qualified Plan, or (ii) make a cash payment to each such employee in an amount equal to 40% of the outstanding loan balance as of the Closing.

ARTICLE VIII
ADDITIONAL AGREEMENTS

Section 8.1 Tax Matters.

(a) Liability for Taxes.

(i) Sellers shall be liable for and pay, and pursuant to Article XI (and subject to the limitations thereof), each Seller (severally and *pro rata* in accordance with their Percentage Interests) agrees to indemnify and hold harmless each Buyer Group Member from and against, any Losses and Expenses incurred by such Buyer Group Member in connection with or arising from Taxes imposed on either of the Acquired Companies for any Pre-Closing Tax Period; provided, however, that Sellers shall not be liable for or pay, and shall not indemnify or hold harmless any Buyer Group Member from and against, (A) any Taxes shown as a liability or reserve on the Closing Date Balance Sheet and included in Closing Date Working Capital, (B) any Taxes imposed on either of the Acquired Companies or for which either of the Acquired Companies may otherwise be liable as a result of transactions engaged in by the Buyer or any Affiliate of the Buyer (including, after the Closing Date, the Acquired Companies) occurring on the Closing Date outside the ordinary course of business that are properly allocable to the portion of the Closing Date after

the Closing, (C) any Taxes that result from any actual or deemed election under Section 338 of the Code or any similar provisions of U.S. state, local or non-U.S. law as a result of the purchase of the Shares or the deemed purchase of shares of the Company Subsidiary or that result from Buyer, any Affiliate of Buyer, or either of the Acquired Companies engaging in any activity or transaction that would cause the transactions contemplated by this Agreement to be treated as a purchase or sale of assets of the Company or the Company Subsidiary for Tax purposes, (D) notwithstanding anything to the contrary herein, any Taxes resulting from a sale of (i) either of the Acquired Companies by Buyer or (ii) assets of the Acquired Companies, including pursuant to the Post-Closing Sale, and (E) subject to the provisions immediately below, Identified Taxes (Taxes described in this proviso, hereinafter "Excluded Taxes"). With respect to Identified Taxes only, Sellers shall be liable for and shall indemnify and hold harmless each Buyer Group Member under this Section 8.1(a)(i) to the extent that the amount of such Identified Taxes (for the avoidance of doubt, excluding any related Losses and Expenses) exceeds One Million Dollars ($1,000,000.00) (the "Identified Tax Deductible"). Sellers shall be liable for and shall indemnify and hold harmless each Buyer Group Member under this Section 8.1(a)(i) for any and all Identified Taxes exceeding the Identified Tax Deductible, but not related Losses and Expenses (and, for the avoidance of doubt, such Identified Taxes shall not constitute Excluded Taxes). Other than any such Tax refund (i) shown as an asset on the Closing Date Balance Sheet and included in Closing Date Working Capital (ii) attributable to Excluded Taxes, or (iii) attributable to Identified Taxes that are not indemnified by the Sellers up to the Identified Tax Deductible, Sellers shall be entitled to any refund of (or credit for) Taxes allocable to any Pre-Closing Tax Period, in either case net of any reasonable out-of-pocket costs incurred by Buyer in collecting such Tax refunds. Upon the reasonable request of the Stockholder Representative, Buyer shall file (or cause to be filed) all Tax Returns (including amended Tax Returns) or other documents claiming any refunds to which Sellers are entitled pursuant to the preceding sentence.

(ii) Buyer shall be liable for and pay, and pursuant to Article XI (and subject to the limitations thereof) shall indemnify and hold harmless each Seller Group Member from and against, Losses and Expenses incurred by such Seller Group Member in connection with or arising from (A) any and all Taxes imposed on either of the Acquired Companies, or for which either of the Acquired Companies may otherwise be liable, for any taxable year or period that begins after the Closing Date and, with respect to any Straddle Period, the portion of such Straddle Period beginning after the Closing Date and (B) Excluded Taxes; provided, however, that Buyer shall not be liable for or pay, and shall not indemnify or hold harmless any Seller Group Member from and against any Taxes incurred by such Seller Group Member in connection with or arising from any Taxes for which Seller is liable under this Agreement (including, without limitation, under Section 8.1(a)(i)). Except as otherwise provided herein, Buyer shall be entitled to any refund of (or credit for) (x) Taxes described in clause (A) and (y) Excluded Taxes.

(iii) For purposes of Sections 8.1(a)(i) and (a)(ii), whenever it is necessary to determine the liability for Taxes of the Acquired Companies for a Straddle Period, the determination of such Taxes for the portion of the Straddle Period ending on and including, and the portion of the Straddle Period beginning after, the Closing Date shall be determined by assuming that the Straddle Period consisted of two taxable years or periods, one which ended at the close of the Closing Date and the other which began at the beginning of the day following the Closing Date, and items of income, gain, deduction, loss or credit of the Acquired Companies or with respect to the Shares for the Straddle Period shall be allocated between such two taxable years or periods on a "closing of the books basis" by assuming that the books of the Acquired Companies were closed at the close of the Closing Date; provided, however, that (w) transactions engaged in by the Buyer or any Affiliate of the Buyer, occurring on the Closing Date outside the ordinary course of business that are properly allocable to the portion of the Closing Date after the Closing shall be allocated to the taxable year or period that is deemed to begin at the beginning of the day following the Closing Date, (x) exemptions, allowances or deductions that are calculated on an annual basis, such as the property taxes and deduction for depreciation, shall be apportioned between such two taxable years or periods on a daily basis, (y) the Post-Closing Sale shall be apportioned to the portion of any Straddle Period beginning the day after the Closing Date, and (z) in the case of real property, personal property and similar periodic Taxes, such Taxes shall be allocated between such two taxable years or periods on a per diem basis.

(iv) Notwithstanding anything herein to the contrary, Buyer and Sellers shall each be liable for and pay, and shall indemnify the other against, fifty percent (50%) any real property transfer or gains Tax, sales Tax, use Tax, stamp Tax, stock transfer Tax, or other similar Tax imposed on the transactions contemplated by this Agreement. The Acquired Companies will file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and, if required by applicable law, Sellers and Buyer will, and will cause their respective Affiliates to, join in the execution of any such Tax Returns and other documentation. Notwithstanding the foregoing, Sellers shall have no liability for any such Taxes arising solely out of or solely in connection with the Post-Closing Sale.

(v) (A) Buyer shall cause the Acquired Companies to claim any and all Transaction Tax Deductions in a taxable period (or portion of a Straddle Period) ending on or prior to the Closing Date, to the extent such positions are "more likely than not" to be sustained on the merits, and calculated under the principles of Schedule 8.1(a)(v).

(B) To the extent any Transaction Tax Deduction results in an actual reduction of, refund of or credit for the federal, state or local income, franchise or similar Taxes of the Acquired Companies, Buyer, any Affiliate of or successor to any of the foregoing, or any member of a consolidated, combined, unitary or similar group of which any of the foregoing is a member (collectively, the "Buyer Tax Group") for any taxable year or period beginning after the Closing Date or for the portion of any Straddle Period that begins after the Closing Date (each such reduction, a "Tax Reduction"), then Buyer shall pay to Sellers an amount equal to such Tax Reduction;

provided, that Seller shall not be entitled to the amount of any such Tax Reduction that occurs in a taxable year or period beginning after the Closing Date following the first five (5) Tax years of Buyer ending after the Closing Date. Buyer shall be required to claim, and to cause the other members of the Buyer Tax Group to claim, a deduction or similar Tax item (and to claim no income, gain or similar Tax item) with respect to a Transaction Tax Deduction in accordance with the provisions of Section 8.1(a)(v)(A) and in accordance with Schedule 8.1(a)(v). Payment of any Tax Reduction shall be made within twenty (20) days following the later of (i) the due date for filing the Tax Return (after taking into account extensions) for the taxable year or period in which the Tax Reduction in question occurs or is claimed or (ii) the date that Buyer actually receives or recognizes the relevant Tax Reduction.

(C) No later than ninety (90) days after the close of each Tax year (or, if later, no later than thirty (30) days prior to due date (with extensions) for filing of each relevant Tax Return), Buyer shall deliver to the Stockholder Representative a written schedule, containing such detail as the Stockholder Representative may reasonably request, specifying (i) the Transaction Tax Deductions that any member of the Buyer Tax Group took into account in its Tax Returns for such Tax year (regardless of whether such amounts resulted in a Tax Reduction) and (ii) Buyer's calculation of the Tax Reduction, if any, resulting therefrom. The Stockholder Representative and its representatives shall be permitted to discuss with Buyer such written schedule upon reasonable notice at all reasonable times during normal business hours so as to allow the Stockholder Representative and its accountants to review Buyer's compliance with this Section 8.1(a)(v). Any dispute regarding whether the requirements of this Section 8.1(a)(v) have been met, and/or regarding the calculation of the Tax Reduction, that cannot be promptly resolved by the Stockholder Representative and Buyer shall be referred to the Arbitrator for final resolution in accordance with procedures analogous to those set forth in Sections 2.3(b) and 2.3(c).

(D) Notwithstanding anything to the contrary in this Section 8.1(a)(v), to the extent a Transaction Tax Deduction creates or increases a net operating loss of any member of the Buyer Tax Group, then the portion of such net operating loss resulting from such Transaction Tax Deduction shall be considered a "Transaction Tax Deduction" for purposes of this Agreement, and shall be considered utilized in any Tax year to which such loss is carried forward, after taking into account applicable items of income, gain, deduction or loss (or any other Tax attributes (other than Transaction Tax Deductions)) of the Buyer Tax Group for such Tax year, but prior to taking into account the portion of such net operating loss that was not created or increased by a Transaction Tax Deduction.

(b) Tax Returns.

(i) Buyer shall engage the accounting firm identified on Schedule 8.1(b) to prepare and shall cause to be timely filed when due (taking into account all extensions properly obtained) all Tax Returns that are required to be filed by or with respect to the Acquired Companies after the Closing Date, and Buyer shall remit, or cause to be remitted, any Taxes due in respect of such Tax Returns. Sellers shall reimburse Buyer for reasonable out-of-pocket costs incurred by any Buyer Group Member in the preparation of the Tax Returns set forth in Schedule 8.1(b)(i) that are filed with respect to taxable years or periods ending on or before the Closing Date

upon written request of Buyer, which request shall provide a reasonable summary of the out-of-pockets costs for which Buyer seeks reimbursement. Sellers shall not be required to reimburse Buyer for Tax Returns filed for the taxable years or periods ending on or before the Closing Date for costs in excess of $100,000 (One Hundred Thousand Dollars), unless otherwise agreed in writing by Seller, such consent not to be unreasonably withheld, conditioned or delayed.

1. With respect to Tax Returns to be filed by Buyer pursuant to this Section 8.1(b)(i) that relate to Straddle Periods or taxable years or periods beginning after the Closing Date, such Tax Returns shall treat the Post-Closing Sale as occurring in a taxable year or period (or portion of a Straddle Period) beginning on the day after the Closing Date.

2. With respect to Tax Returns to be filed by Buyer pursuant to this Section 8.1(b)(i) that relate to any taxable year or period beginning on or before the Closing Date (including any Straddle Period), such Tax Returns shall be prepared in a manner consistent with past practice, unless otherwise required by Requirements of Law, and any such income or other material Tax Returns shall be submitted to the Stockholder Representative not later than thirty (30) days prior to the due date for filing such Tax Returns (or, if such due date is within forty-five (45) days following the Closing Date, as promptly as practicable following the Closing Date) for review by the Stockholder Representative. Buyer will incorporate any reasonable comments received in writing from the Stockholder Representative at least ten days prior to the due date for filing such Tax Returns.

(ii) No Buyer Group Member or any Affiliate of a Buyer Group Member shall (or shall cause or permit the Acquired Companies to) (i) amend, re-file or otherwise modify (or grant an extension of any statute of limitation with respect to) any Tax Return or (ii) file any Tax Return in a jurisdiction in which the Acquired Companies have not previously filed such type of Tax Return, in either case relating in whole or in part to the Acquired Companies with respect to any taxable year or period ending on or before the Closing Date (or with respect to any Straddle Period) and for which the Sellers may be liable under this Section 8.1 without the prior written consent of the Stockholder Representative, not to be unreasonably withheld, conditioned or delayed. Notwithstanding the preceding sentence or anything in this Agreement to the contrary, the parties acknowledge and agree that Buyer and its Affiliates may enter into voluntary disclosure (or similar) agreements or amended Tax Returns, if determined in Buyer's reasonable judgment to be in accordance with applicable law, with respect to (i) Identified Taxes (the "Identified Tax VDAs") and (ii) any other Taxes to the extent required by a Governmental Body in connection with such Identified Tax VDAs (collectively with the Identified Tax VDAs, the "VDAs"), and take related actions in connection with the VDAs. Buyer, its Affiliates and the Stockholder Representative shall cooperate in good faith in connection with the preparation of and entering into any VDA, and Buyer and its Affiliates shall keep the Stockholder Representative reasonably informed with respect thereto. Buyer shall use commercially reasonable efforts to minimize the amount of Taxes owing under such VDAs, and shall not take any position or enter into any agreement in connection with any VDA that unreasonably allocates Taxes to Pre-Closing Tax Periods. For the

avoidance of doubt, Sellers shall not be liable for any costs and Expenses incurred by Buyer and its Affiliates in connection with entering into the VDAs. Buyer shall use commercially reasonable efforts to make an initial application or filing to the relevant Governmental Authority in respect of all VDAs within twelve (12) months of the Closing Date, and shall make an initial application or filing to the relevant Governmental Authority in respect of all VDAs within eighteen (18) months of the Closing Date.

(c) Contest Provisions.

(i) Each Buyer Group Member shall promptly notify the Stockholder Representative in writing upon receipt by such Buyer Group Member, any of its Affiliates or either of the Acquired Companies of notice of any pending or threatened federal, state, local or foreign Tax audits, examinations or assessments which might affect the Tax liabilities for which Sellers may be liable pursuant to this Section 8.1; provided, however, that the failure to give notice as provided in this Section 8.1(c)(i) shall not affect Buyer's right to indemnification under this Agreement except to the extent Sellers shall have been prejudiced by such failure.

(ii) The Stockholder Representative shall have the sole right to represent the Acquired Companies' interests in any Tax audit or Proceeding relating to taxable periods ending on or before the Closing Date for which the Sellers may be reasonably expected to be liable pursuant to Section 8.1(a) (which shall not include, for the avoidance of doubt, any such Tax audit or Proceeding related to Identified Taxes for which Sellers are not reasonably expected to have any liability as a result of the Identified Tax Deductible) and to employ counsel of its choice at its expense; provided, however, that (i) the Buyer Group Member that is the subject of the Tax audit or Proceeding shall be entitled, at its expense, to be present at any such Tax audit or Proceeding, and (ii) the Stockholder Representative shall not settle any such Tax audit or Proceeding in a manner that could increase a Buyer Group Member's liability for Taxes in a taxable period (or portion thereof) beginning after the Closing Date without the prior written consent of the relevant Buyer Group Member, not to be unreasonably withheld, conditioned or delayed. In the case of a Straddle Period, the Stockholder Representative shall be entitled to participate at its expense in any Tax audit or Proceeding relating (in whole or in part) to Taxes attributable to the portion of such Straddle Period ending on and including the Closing Date and for which Sellers may be liable pursuant to Section 8.1(a). None of any Buyer Group Member, any of its Affiliates or either of the Acquired Companies may settle any Tax claim for any Taxes for which Sellers may be liable pursuant to Section 8.1(a), without the prior written consent of the Stockholder Representative, not to be unreasonably withheld, conditioned or delayed.

(d) Assistance and Cooperation. After the Closing Date, Sellers and each Buyer Group Member shall (and shall cause their respective Affiliates to):

(i) assist the other party in preparing any Tax Returns which such other party is responsible for preparing and filing in accordance with Section 8.1(b);

(ii) cooperate fully in preparing for any audits of, or disputes with taxing authorities regarding, any Tax Returns of the Acquired Companies;

(iii) make available to the other and to any taxing authority as reasonably requested all information, records, and documents relating to Taxes of the Acquired Companies;

(iv) provide timely notice to the other in writing of any pending or threatened Tax audits or assessments of the Acquired Companies for taxable periods for which the other may have a liability under this Section 8.1;

(v) furnish the other with copies of all correspondence received from any taxing authority in connection with any Tax audit or information request with respect to any such taxable period;

(vi) timely sign and deliver such certificates or forms as may be necessary or appropriate to establish an exemption from (or otherwise reduce), or file Tax Returns or other reports with respect to, Taxes described in Section 8.1(a)(iv) (relating to sales, transfer and similar Taxes); and

(vii) timely provide to the other powers of attorney or similar authorizations necessary to carry out the purposes of this Section 8.1.

Section 8.2 Director and Officer Liability and Indemnification.

(a) Buyer shall, and shall cause the Acquired Companies to, for a period of six (6) years after the Closing Date, take any necessary actions to provide that all rights to indemnification and all limitations on liability existing in favor of any current or former officers, directors, managers or employees of either of the Acquired Companies (or their respective predecessors), as provided in (i) the Organizational Documents of either of the Acquired Companies in effect on the date hereof or (ii) any Contract providing for indemnification by either of the Acquired Companies of any such Person in effect on the date hereof to which a Seller or either of the Acquired Companies is a party, shall survive the Closing and continue in full force and effect and be honored by the Acquired Companies after the Closing.

(b) On or prior to the Closing Date, Sellers shall have arranged for an irrevocable tail insurance policy that provides coverage for six (6) years following the Closing Date on terms identical to existing coverage maintained by the Acquired Companies under their "Executive Risk" policy (but only with respect to D&O, EPL and Fiduciary Liability portions of such Executive Risk policy), which tail insurance policy shall be paid for by Sellers. Buyer and its Affiliates shall maintain and not amend or cancel such tail insurance policy during such six (6)-year period.

(c) Buyer hereby agrees and acknowledges that this Section 8.2 shall be binding on Buyer's successors and assigns.

Section 8.3 ISRA. Sellers and Buyer acknowledge and agree that the transactions contemplated by this Agreement will require certain filings and actions under the provisions and requirements of ISRA. All costs and expenses associated with the compliance with ISRA incurred prior to the Closing shall be the sole responsibility of Sellers. Sellers shall use their commercially reasonable efforts to complete compliance with ISRA prior to Closing. If such compliance with ISRA cannot be reasonably completed prior to Closing, Buyer shall file the required notice designating Buyer as the responsible party; provided, that Buyer shall be indemnified for all costs incurred post-Closing to achieve compliance with ISRA which shall be paid out from the Indemnity Escrow Fund on a dollar one basis other than costs to the extent attributable to or increased as a result of environmental impacts or Releases arising out of the post-Closing operations of Buyer or its Affiliates (including the Acquired Companies). Sellers shall have the right to review and provide reasonable comments with respect to any post-Closing reports, property forms or other filings and the parties shall reasonably cooperate regarding the completion of all forms and the undertaking of all actions required under ISRA to effect the allocation of responsibilities under this Section 8.3. In no event shall Sellers have responsibility for compliance with ISRA, or any associated Expenses, to the extent that such responsibility for compliance with ISRA, or any associated Expenses, arises solely in respect of or is solely attributable to the Post-Closing Sale. For the avoidance of doubt, to the extent any ISRA compliance requirements related to Remedial Actions arise in respect of or are attributable to the transactions contemplated by this Agreement, and are also identified as part of any ISRA process occasioned by the Post-Closing Sale, the related costs and expenses relating to such Remedial Action shall be reimbursable to Buyer or Medline, as applicable, from the Indemnity Escrow Fund as provided by this Section 8.3.

Section 8.4 Non-Solicitation.

(a) During the eighteen (18) month period from and after the Closing Date, Sellers will not solicit, encourage, seek to influence or hire any of the key employees set forth on Schedule 8.4 (a "Covered Employee") to quit or terminate their employment with the Company Subsidiary. The foregoing restrictions will not preclude any of the Sellers' use of general advertisements or paper or electronic job postings or other general or public solicitation not targeted at the Covered Employees or the hiring of any such Covered Employees who respond to any such general or public solicitation. The foregoing restrictions also will not preclude employment discussions with, or the hiring by any Sellers of, any Covered Employee who initiates employment discussions with such Seller without any direct or indirect solicitation from such Seller in violation of this Section 8.4 and whose employment relationship with any of Sellers was terminated at least six (6) months prior to the time of such employment discussions.

(b) Each Seller acknowledges that a breach of the covenants contained in this Section 8.4, may cause irreparable damage to Buyer, the Business and the Acquired Companies, the amount of which may be difficult to ascertain, and that the remedies under Requirements of Law for any such breach may be inadequate and that money damages may not provide an adequate remedy. Accordingly, each Seller agrees, that, in addition to any other remedy which may be available under Requirements of Law or in equity, Buyer and Acquired Companies shall be entitled to seek specific performance and injunctive relief to cease or prevent any breach of this Section 8.4.

Section 8.5 Seller Confidentiality.

(a) Each Seller acknowledges that, in the course of its ownership of the Acquired Companies, Sellers have become aware of Confidential Information of the Acquired Companies, and that its use of such Confidential Information, or communication of such Confidential Information to third parties, would be detrimental to Buyer. Each of the Sellers covenants that, during the Restricted Period, such Seller shall keep in confidence and not disclose or use such Confidential Information without Buyer's prior written consent; provided, that this Section 8.5 shall not prohibit any use or disclosure of any such information: (i) to the extent reasonably required in connection with enforcing any rights or remedies under this Agreement or any Ancillary Agreement or (ii) to the extent reasonably required in connection with the preparation, filing or reporting of Tax Returns, financial statements and other public disclosures which Seller believes in good faith is required by applicable Law. If, during the Restricted Period, any of the Sellers or any of such Seller's Affiliates are requested or required (as by subpoena, civil investigative demand or similar process) to disclose any such Confidential Information: (1) such Seller will promptly notify Buyer in order to permit Buyer to seek a protective order or take other appropriate action, (2) such Seller will reasonably participate in Buyer's efforts (at Buyer's sole cost and expense) to obtain a protective order or other reasonable assurance that confidential treatment will be accorded such Confidential Information and (3) if, in the absence of a protective order, such Seller or its Affiliate reasonably believes (after consultation with Seller's counsel) they are legally required to disclose such Confidential Information, then such Seller or such Affiliate may disclose to the party compelling disclosure or as it orders only that part of such Confidential Information as is required by Law to be disclosed and will use commercially reasonable efforts to obtain confidential treatment therefor.

(b) Each Seller acknowledges that a breach of the covenants contained in this Section 8.5, may cause irreparable damage to Buyer, the Business and the Acquired Companies, the amount of which may be difficult to ascertain, and that the remedies under Requirements of Law for any such breach may be inadequate and that money damages may not provide an adequate remedy. Accordingly, each Seller agrees, that, in addition to any other remedy which may be available under Requirements of Law or in equity, Buyer and Acquired Companies shall be entitled to seek specific performance and injunctive relief to cease or prevent any breach of this Section 8.5.

Section 8.6 Non-Competition.

(a) In partial consideration of the agreements and obligations set forth in this Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, during the Restricted Period, each of the Restricted Parties shall not directly or indirectly own, manage, operate, control, lend money or render financial assistance to, or be employed by, or participate in or be connected with, as a partner, stockholder, consultant or otherwise, any Competing Business; provided, however, that the foregoing shall not restrict any Restricted Party from owning up to five percent (5%) of the outstanding voting securities of any company which is listed on any recognized public stock exchange.

(b) In partial consideration of the agreements and obligations set forth in this Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, during the Restricted Period, each of the Restricted Parties shall not take any action with the intent to cause, induce, or encourage, in any way or for any reason, any customer of the Acquired Companies to terminate or reduce in any material respect such customer relationship with any of the Acquired Companies.

(c) Each Restricted Party acknowledges that a breach of the covenants contained in this Section 8.6, may cause irreparable damage to Buyer, the Business and the Acquired Companies, the amount of which may be difficult to ascertain, and that the remedies under Requirements of Law for any such breach may be inadequate and that money damages may not provide an adequate remedy. Accordingly, each Restricted Party agrees, that, in addition to any other remedy which may be available under Requirements of Law or in equity, Buyer and Acquired Companies shall be entitled to seek specific performance and injunctive relief to cease or prevent any breach. The Restricted Parties, Buyer and the Acquired Companies acknowledge that the time, scope and other provisions of Section 8.6 have been specifically negotiated by sophisticated commercial parties and agree that all such provisions are reasonable under the circumstances of the transactions contemplated by this Agreement. In the event that any provision in this Section 8.6 shall be determined by any court of competent jurisdiction to be unenforceable, such provisions shall be interpreted to extend only over the maximum period of time for which they may be enforceable and/or over the maximum geographical area as to which they may be enforceable and/or to the maximum extent in all other respects as to which they may be enforceable, all as determined by such court in such action so as to be enforceable to the extent consistent with then applicable Requirements of Law.

Section 8.7 Certain Regulatory Matters. Sellers agree to take the actions set forth on Schedule 8.7.

(a)

ARTICLE IX

CONDITIONS PRECEDENT

Section 9.1 Conditions Precedent to Obligations of Each Party. The obligation of Buyer and Sellers to consummate the transactions contemplated hereby is subject to the satisfaction (or waiver by Buyer and Sellers, to the extent permissible under applicable Requirements of Law) on or before the Closing Date of the following conditions:

(a) No Restraint or Proceeding. No court or other Governmental Body having jurisdiction over Buyer, a Seller or either of the Acquired Companies shall have issued any Order which is then in effect and has the effect of restraining or prohibiting the transactions contemplated hereby, and no Proceeding shall have been instituted or threatened to restrain or prohibit or otherwise challenge the legality or validity of the purchase and sale of the Shares contemplated hereby.

Section 9.2 Conditions Precedent to Sellers' Obligations. The obligation of Sellers to consummate the transactions contemplated hereby is subject to the satisfaction (or waiver by Sellers, to the extent permissible under applicable Requirements of Law) on or before the Closing Date of the following conditions:

(a) Representations and Warranties.

(i) The representations and warranties of Buyer contained in Article VI (without regard to any materiality or qualifications contained therein) other than Section 6.1(a) (Organization of Buyer), Section 6.1(b) (Authority of Buyer) and Section 6.7 (No Brokers) shall be true and correct on the Closing Date as though made on the Closing Date (except for those representations and warranties made as of a particular date, which shall be true and correct as of such date), except for (A) changes expressly required by this Agreement or resulting from any transaction expressly consented to in writing by the Stockholder Representative or any transaction contemplated by this Agreement and (B) failures of the representations and warranties contained in Article VI (other than Section 6.1(a) (Organization of Buyer), Section 6.1(b) (Authority of Buyer) and Section 6.7 (No Brokers)) to be true and correct which would not reasonably be expected to have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby.

(ii) The representations and warranties of Buyer contained Section 6.1(a) (Organization of Buyer), Section 6.1(b) (Authority of Buyer) and Section 6.7 (No Brokers) shall be true and correct in all material respects on the Closing Date as though made on the Closing Date (except for those representations and warranties made as of a particular date, which shall be true and correct in all material respects as of such date), except for changes expressly required by this Agreement or resulting from any transaction expressly consented to in writing by the Stockholder Representative or any transaction contemplated by this Agreement.

(iii) The representations and warranties of Medline contained in Article VI (without regard to any materiality or qualifications contained therein) other than Section 6.9(a) (Organization of Medline), Section 6.9(b) (Authority of Medline) and Section 6.12 (No Brokers) shall be true and correct on the Closing Date as though made on the Closing Date (except for those representations and warranties made as of a particular date, which shall be true and correct as of such date), except for (A) changes expressly required by this Agreement or resulting from any transaction expressly consented to in writing by the Stockholder Representative or any transaction contemplated by this Agreement and (B) failures of the representations and warranties contained in Article VI (other than Section 6.9(a) (Organization of Medline), Section 6.9(b) (Authority of Medline) and Section 6.12 (No Brokers)) to be true and correct which would not reasonably be expected to have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby.

(iv) The representations and warranties of Medline contained Section 6.9(a) (Organization of Medline), Section 6.9(b) (Authority of Medline) and Section 6.12 (No Brokers) shall be true and correct in all material respects on the Closing Date as though made on the Closing Date (except for those representations and warranties made as of a particular date, which shall be true and correct in all material respects as of such date), except for changes expressly required by this Agreement or resulting from any transaction expressly consented to in writing by the Stockholder Representative or any transaction contemplated by this Agreement.

(b) Performance. (i) The covenants and obligations that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed or complied with in all material respects and (ii) the covenants and obligations that Medline is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed or complied with in all material respects.

(c) Buyer Closing Certificate. There shall have been delivered to the Stockholder Representative a certificate dated the Closing Date, signed on behalf of Buyer by a duly authorized officer of Buyer, confirming the satisfaction of the conditions set forth in Section 9.2(a)(i), Section 9.2(a)(ii) and Section 9.2(b)(i).

(d) Medline Closing Certificate. There shall have been delivered to the Stockholder Representative a certificate dated the Closing Date, signed on behalf of Medline by a duly authorized officer of Medline, confirming the satisfaction of the condition set forth in Section 9.2(a)(iii), Section 9.2(a)(iv) and Section 9.2(b)(ii).

(e) Buyer's Closing Deliverables. Buyer shall have delivered to Sellers each of the items set forth in Section 3.3.

(f) Medline's Closing Deliverables. Medline shall have delivered to Sellers each of the items set forth in Section 3.5.

Section 9.2 Conditions Precedent to Buyer's Obligations. The obligation of Buyer to consummate the transactions contemplated hereby is subject to the satisfaction (or waiver by Buyer, to the extent permissible under applicable Requirements of Law) on or before the Closing Date of the following conditions:

(a) Representations and Warranties.

(i) The representations and warranties of Sellers contained in Article IV and Article V (without regard to any materiality or Material Adverse Effect qualifications contained therein) other than Section 4.1(b) (Authority of Sellers), Section 4.2 (Title to Shares), Section 4.3 (No Options), Section 4.6 (No Brokers), Section 5.1(a) (Organization of Company), Section 5.1(b) (Capital Structure of the Company), Section 5.1(d) (Investments), Section 5.2(a) (Company Subsidiary Organization), Section 5.2(b) (Capital Structure of Company Subsidiary), Section 5.2(d) (Investments), and Section 5.24 (No Brokers) shall be true and correct on the Closing Date as though made on the Closing Date (except for those representations and warranties made as of a particular date, which shall be true and correct as of such date), except for (A) changes therein expressly required by this Agreement or resulting from any transaction expressly consented to in writing by Buyer or any transaction contemplated by this Agreement and (B) failures of the representations and warranties contained in Articles IV and V of this Agreement (other than Section 4.1(b) (Authority of Sellers), Section 4.2 (Title to Shares), Section 4.3 (No Options), Section 4.6 (No Brokers), Section 5.1(a) (Organization of Company), Section 5.1(b) (Capital Structure of the Company), Section 5.1(d) (Investments), Section 5.2(a) (Company Subsidiary Organization), Section 5.2(b) (Capital Structure of Company Subsidiary), Section 5.2(d) (Investments),and Section 5.24 (No Brokers)) to be true and correct which, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(ii) The representations and warranties of Sellers contained in Section 4.1(b) (Authority of Sellers), Section 4.2 (Title to Shares), Section 4.3 (No Options), Section 4.6 (No Brokers), Section 5.1(a) (Organization of Company), Section 5.1(b) (Capital Structure of the Company), Section 5.1(d) (Investments), Section 5.2(a) (Company Subsidiary Organization), Section 5.2(b) (Capital Structure of Company Subsidiary), Section 5.2(d) (Investments), and Section 5.24 (No Brokers) shall be true and correct in all material respects as of the Closing Date as though made on the Closing Date (except for those representations and warranties made as of a particular date, which shall be true and correct in all material respects as of such date), except for changes therein expressly required by this Agreement or resulting from any transaction expressly consented to in writing by Buyer or any transaction contemplated by this Agreement.

(b) Performance. The covenants and obligations that each Seller is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed or complied with in all material respects.

(c) Closing Certificate. There shall have been delivered to Buyer a certificate dated the Closing Date, signed on behalf of Sellers by the Stockholder Representative, confirming the satisfaction of the conditions set forth in Section 9.3(a), Section 9.3(b) and Section 9.3(d).

(d) No Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Material Adverse Effect.

(e) Sellers' Closing Deliverables. Sellers shall have delivered to Buyer each of the items set forth in Section 3.4.

ARTICLE X

TERMINATION

Section 10.1 Termination. Notwithstanding anything to the contrary herein, this Agreement may be terminated and the transactions contemplated hereby abandoned at any time prior to the Closing solely as follows:

(a) by mutual written consent of the Stockholder Representative and Buyer;

(b) on or after the End Date, by the Stockholder Representative, on the one hand, or Buyer, on the other hand, by written notice to the other party, if the Closing has not occurred on or before the date such notice is given; provided, however, that the right to terminate this Agreement under this Section 10.1(b) shall not be available to any party whose failure to fulfill any obligation under this Agreement has been the primary cause of, or resulted in, the failure of the Closing to occur on or before such date;

(c) by the Stockholder Representative by written notice to Buyer if Buyer has breached, or caused the breach of, its representations, warranties, covenants, agreements or other obligations hereunder in a manner that would reasonably be expected to cause the conditions set forth in Section 9.2(a) or Section 9.2(b) not to be satisfied and such breach has not been cured within thirty (30) days following written notification thereof to Buyer by the Stockholder Representative;

(d) by Buyer by written notice to the Stockholder Representative if any Seller has breached, or caused the breach of, its respective representations, warranties, covenants, agreements or other obligations hereunder in a manner that would reasonably be expected to cause the conditions set forth in Section 9.3(a) or Section 9.3(b) not to be satisfied and such breach has not been cured within thirty (30) days following written notification thereof to the Stockholder Representative by Buyer;

(e) by Buyer by written notice to the Stockholder Representative if there has been a Material Adverse Effect; or

(f) by either the Stockholder Representative, on the one hand, or Buyer, on the other hand, by giving written notice to the other if any Governmental Body with competent jurisdiction shall have issued an Order or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of any of the transactions contemplated by this Agreement, and such Order or other action shall not be subject to appeal or shall have become final and non-appealable; provided, however, that the right to terminate this Agreement under this Section 10.1(e) shall

not be available to any party whose action or failure to act (including the breach of this Agreement) has resulted in such Order or other action.

Section 10.2 Notice of Termination. Any party desiring to terminate this Agreement pursuant to Section 10.1 shall give written notice of such termination to the other party to this Agreement, or in the case of Sellers, to the Stockholder Representative.

Section 10.3 Effect of Termination. In the event this Agreement is terminated pursuant to Section 10.1, all further obligations of the parties hereunder shall terminate and this Agreement shall become null and void and of no further force and effect, except for the obligations set forth in this Section 10.3, Section 13.1, Section 13.2, Section 13.3, Section 13.4, Section 13.9, Section 13.16 and Article XII, and except that such termination shall not relieve any party of any liability or any damages for any willful and intentional breach of this Agreement or Fraud prior to such termination.

ARTICLE XI

INDEMNIFICATION

Section 11.1 Indemnification by Sellers.

(a) Subject to the limitations set forth in this Article XI, from and after the Closing, each Seller (severally and not jointly) agrees to indemnify and hold harmless each Buyer Group Member from and against any and all Losses and Expenses incurred by such Buyer Group Member in connection with or arising from (i) any breach of any warranty or the inaccuracy of any representation of such Seller contained in Article IV or (ii) any breach by such Seller of, or the failure by such Seller to perform, any of such Seller's respective covenants or obligations contained in this Agreement in their capacity as a Seller (other than the covenants set forth in Section 8.1).

(b) Subject to the limitations set forth in this Article XI, from and after the Closing, Sellers (severally and *pro rata* in accordance with their respective Percentage Interests) agree to indemnify and hold harmless each Buyer Group Member from and against any and all Losses and Expenses incurred by such Buyer Group Member in connection with or arising from (i) any breach of any warranty or the inaccuracy of any representation of Sellers contained in Article V or any certificate delivered by or on behalf of Sellers pursuant to this Agreement, (ii) any breach by Sellers of, or the failure by Sellers to perform, any of the covenants or obligations contained in this Agreement required to be complied with and/or performed by Sellers with respect to the conduct of the Acquired Companies or any breach of, or failure to perform any of, the covenants set forth in Section 8.1, and (iii) except to the extent the amount of Losses is included as a current liability or reserve in the Closing Date Working Capital determined pursuant to Sections 2.3 and 2.4, any Transaction Expenses or Indebtedness of the Acquired Companies not otherwise paid pursuant to Section 3.2(b) or otherwise taken into account pursuant to the adjustments made pursuant to Section 2.4(c) or Section 2.4(d);

provided, however, that Sellers (including any individual Seller) shall be required to indemnify and hold harmless Buyer Group Members under Section 11.1(a)(i) and Section 11.1(b)(i) with respect to Losses and Expenses incurred by such Buyer Group Members only to the extent that:

(x) the amount of such Losses and Expenses suffered by Buyer Group Members related to each individual claim or series of related claims exceeds Fifty Thousand Dollars ($50,000.00) (it being understood that such amount shall be a deductible for which Sellers shall bear no indemnification responsibility);

(y) the aggregate amount of such Losses and Expenses exceeds Three Hundred Twenty Thousand Dollars ($320,000.00) (it being understood that such amount shall be a deductible for which Sellers shall bear no indemnification responsibility); and

(z) the aggregate amount required to be paid by Sellers pursuant to Section 11.1(a)(i) and Section 11.1(b)(i), shall not exceed Four Million Four Hundred Eighty Thousand Dollars ($4,480,000.00) (the "Cap");

provided further, that, the foregoing clauses (x), (y) and (z) shall not apply with respect to Losses and Expenses incurred by Buyer Group Members in respect of (A) any breach or inaccuracy of the Seller Fundamental Representations and the Company Fundamental Representations or (B) Fraud by any Seller; provided, that the provisions of Section 11.1(g) shall continue to apply.

(c) (i) The indemnification provided for in Section 11.1(a)(i) and Section 11.1(b)(i) shall terminate on the twelve (12) month anniversary of the Closing Date; provided, that the indemnification provided for in Section 11.1(a)(i) as it relates to the breach or inaccuracy of the Seller Fundamental Representations and Section 11.1(b)(i) as it relates to the breach or inaccuracy of the Company Fundamental Representations shall terminate upon the three (3) year anniversary of the Closing Date; (ii) the indemnification provided for in Section 11.1(a)(ii) and Section 11.1(b)(ii) shall terminate upon the three (3) year anniversary of the Closing Date; provided, that the indemnification provided for in Sections 11.1(a)(ii) and 11.1(b)(ii) as it relates to the breach or failure to perform any covenant which by its terms is to be performed prior to the Closing shall terminate on the twelve (12) month anniversary of the Closing Date; and (iii) the indemnification provided for in Section 11.1(b)(iii) shall terminate upon the three (3) year anniversary of the Closing Date; provided, that the indemnification by Sellers under Sections 11.1(a) or 11.1(b) shall continue as to any Losses or Expenses with respect to which any Buyer Group Member has validly delivered a Claim Notice to the Stockholder Representative in accordance with the requirements of Section 11.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 11.1(c), as to which the obligation of Sellers shall continue solely with respect to the specific matters in such Claim Notice until the liability of Sellers shall have been determined pursuant to this Article XI, and Sellers shall have reimbursed all Buyer Group Members for the full amount of such Losses and Expenses that are payable with respect to such Claim Notice, in accordance with and subject to the limitations set forth in this Article XI.

(d) Buyer shall be entitled to satisfy and pay from the Indemnity Escrow Fund pursuant to the terms of the Escrow Agreement the aggregate amount of any claims against a Seller for Losses and Expenses for which Buyer Group Members are determined to be entitled to indemnification pursuant to Section 11.1(a) to the extent of such Seller's Percentage Interest of the Indemnity Escrow Fund; provided, however, that for the avoidance of doubt, to the extent any claim against a Seller for Losses and Expenses for which Buyer Group Members are determined to be entitled to indemnification pursuant to Section 11.1(a), together with any other such claims against such Seller, exceed such Seller's Percentage Interest of the Indemnity Escrow Fund, Buyer shall be required to satisfy the excess amount of such claims through a direct claim against such Seller and shall not be entitled to satisfy such excess amount from the Indemnity Escrow Fund.

(e) The Parties agree to comply with the special indemnification matters set forth on Schedule 8.7.

(f) All claims for Losses and Expenses for which Buyer Group Members are determined to be entitled to indemnification pursuant to Section 11.1(b)(i) shall be satisfied and exclusively paid from the Indemnity Escrow Fund pursuant to the terms of the Escrow Agreement, except for such claims made (i) in respect of any breach or inaccuracy of any of the Company Fundamental Representations, which shall be paid first from the Indemnity Escrow Fund pursuant to the terms of the Escrow Agreement and then severally and *pro rata* by the Sellers in accordance with their respective Percentage Interests or (ii) in respect of Fraud by any Seller. All claims for Losses and Expenses for which Buyer Group Members are determined to be entitled to indemnification pursuant to Section 11.1(b)(ii) shall be satisfied and paid first from the Indemnity Escrow Fund pursuant to the terms of the Escrow Agreement and then severally and *pro rata* by the Sellers in accordance with their respective Percentage Interests, except for such claims made in respect of Fraud by any Seller.

(g) Notwithstanding anything contained in this Agreement to the contrary, (except for claims made in respect of Fraud by any Seller), from and after the Closing Date, the maximum aggregate liability of (i) Sellers pursuant to this Article XI shall not exceed the aggregate net Purchase Price actually received by all Sellers, and (ii) any Seller pursuant to this Article XI shall not exceed the net Purchase Price actually received by such Seller.

Section 11.2 Indemnification by Buyer and Medline.

(a) Subject to the limitations set forth in this Article XI, from and after the Closing, Buyer agrees to indemnify and hold harmless each Seller Group Member from and against any and all Losses and Expenses incurred by such Seller Group Member in connection with or arising from: (i) any breach of any warranty or the inaccuracy of any representation of Buyer contained in Article VI or any certificate delivered by or on behalf of Buyer pursuant to this Agreement; and (ii) any breach by Buyer of, or failure by Buyer to perform, any of its covenants or obligations contained in this Agreement.

(b) Subject to the limitations set forth in this Article XI, from and after the Closing, Medline agrees to indemnify and hold harmless each Seller Group Member from and against any and all Losses and Expenses incurred by such Seller Group Member in connection with or arising from: (i) any breach of any warranty or

the inaccuracy of any representation of Medline contained in Article VI or any certificate delivered by or on behalf of Medline pursuant to this Agreement; and (ii) any breach by Medline of, or failure by Medline to perform, any of its covenants or obligations contained in this Agreement.

(c) (i) The indemnification provided for in Section 11.2(a)(i) and Section 11.2(b)(i) shall terminate on the twelve (12) month anniversary of the Closing Date; provided, that the indemnification provided for in Section 11.2(a)(i) as it relates to those representations and warranties contained in Section 6.1(a) (Organization), Section 6.1(b) (Power and Authority) and Section 6.7 (No Brokers) and Section 11.2(b)(i) as it relates to those representations and warranties contained in Section 6.9(a) (Organization), Section 6.9(b) (Power and Authority) and Section 6.12 (No Brokers), shall terminate upon the three (3) year anniversary of the Closing Date and (ii) the indemnification provided for in Sections 11.2(a)(ii) and Section 11.2(b)(ii) shall terminate upon the three (3) year anniversary of the Closing Date; provided, that the indemnification provided for in Section 11.2(a)(ii) and Section 11.2(b)(ii) as it relates to the breach or failure to perform any covenant which by its terms is to be performed prior to the Closing shall terminate on the twelve (12) month anniversary of the Closing Date; provided, further that the indemnification by Buyer and Medline, as applicable, shall continue as to any Losses or Expenses with respect to which any Seller Group Member has validly given a Claim Notice to Buyer and Medline, as applicable, in accordance with the requirements of Section 11.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 11.2(c), as to which the obligation of Buyer and Medline, as applicable, shall continue solely with respect to the specific matters in such Claim Notice until the liability of Buyer and Medline, as applicable, shall have been determined pursuant to this Article XI, and Buyer and Medline, as applicable, shall have reimbursed all Seller Group Members for the full amount of such Losses and Expenses that are payable with respect to such Claim Notice, in accordance with and subject to the limitations set forth in this Article XI.

Section 11.3 Direct Claims.

(a) Other than with respect to a Third Person Claim, and subject to Section 11.6, any party (or parties) hereto seeking indemnification hereunder (the "Indemnified Party") shall deliver to the party obligated to provide indemnification to such Indemnified Party (the "Indemnitor") a notice (a "Claim Notice"), which shall be delivered promptly after the Indemnified Party acquires actual knowledge of the basis for a claim for indemnification hereunder and which shall describe in reasonable detail the facts giving rise to such claim, and shall include in such Claim Notice (if then known) the amount, or the method of computation of the amount, of such claim and a reference to the provision of this Agreement or any other agreement, document or instrument executed hereunder or in connection herewith upon which such claim is based; provided, however, that the failure or delay of the Indemnified Party to provide a Claim Notice promptly to the Indemnitor shall not relieve the Indemnitor of its obligations hereunder except to the extent the Indemnitor shall have been prejudiced by such failure.

(b) After the timely delivery of any Claim Notice pursuant to Section 11.3(a), and subject to Section 11.6, the amount of indemnification to which an

Indemnified Party shall be entitled under this Article XI shall be determined (i) by the written agreement between the Indemnified Party and the Indemnitor, (ii) by a final judgment or decree of any court of competent jurisdiction or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree. The judgment or decree of a court shall be deemed final when the time for appeal, if any, shall have expired and no appeal shall have been taken or when all appeals taken shall have been finally determined. The Indemnified Party shall have the burden of proof in establishing the amount of Losses and Expenses suffered by it.

Section 11.4 Third Person Claims.

(a) Subject to Section 11.6, any Indemnified Party seeking indemnification provided for under this Agreement in respect of, arising out of or involving a claim or demand made by any third Person against the Indemnified Party (a "Third Person Claim") shall notify the Indemnitor in writing, and in reasonable detail, of the Third Person Claim within fifteen (15) Business Days (or reasonably more promptly dependent upon the circumstances) after receipt by such Indemnified Party of written notice of such Third Person Claim. Thereafter, the Indemnified Party shall deliver to the Indemnitor, within ten (10) Business Days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnitor relating to such Third Person Claim. Any notice of a claim by reason of any of the representations, warranties or covenants contained in this Agreement shall refer to the provision of this Agreement upon which such claim is based and describe in reasonable detail (to the extent known) the facts giving rise to an alleged basis for the claim and (to the extent known) the amount of the liability asserted against the Indemnitor by reason of such Third Person Claim; provided, however, that the failure or delay of the Indemnified Party to give notice to the Indemnitor as provided in this Section 11.4 shall not relieve the Indemnitor of its obligations hereunder except to the extent the Indemnitor shall have been prejudiced by such failure.

(b) In the event of the initiation of a Third Person Claim, within thirty (30) days after the Indemnified Party's delivery of written notice under this Section 11.4, the Indemnitor may be represented by counsel of its choice and assume control of the defense of such Third Person Claim by giving to the Indemnified Party written notice of the intention to assume such defense; provided, however, that the Indemnified Party may participate in any such Proceeding with counsel of its choice and at its expense; provided further, that the Indemnitor shall not be entitled to assume or continue control of the defense of any Third Person Claim if (i) the Third Person Claim relates to or arises in connection with any criminal Proceeding or (ii) the Third Person Claim primarily seeks an injunction or equitable relief against any Indemnified Party. The parties agree to cooperate fully and in good faith with each other in connection with the defense, negotiation or settlement of any Third Person Claim. To the extent the Indemnitor does not, or is not able to, assume the defense of such Third Person Claim, the Indemnified Party may retain counsel at the expense of the Indemnitor, which counsel shall be reasonably acceptable to the Indemnitor, and control the defense of such Proceeding; provided, however, that the Indemnitor shall be obligated pursuant to this Section 11.4 to pay for only one firm of counsel for all Indemnified Parties. Neither the Indemnitor nor the Indemnified Party may settle any

such Proceeding which settlement obligates the other party to pay money, to perform obligations or to admit liability, or which fails to fully and unconditionally release the other party from liability, without the consent of the other party, such consent not to be unreasonably withheld, conditioned or delayed.

(c) To the extent of any inconsistency between this Section 11.4 and Section 8.1(c) (relating to Tax contests), the provisions of Section 8.1(c) shall control with respect to Tax contests.

Section 11.5 Determination of Indemnification Amounts.

(a) Without limiting the effect of any other limitation contained in this Article XI, Losses and Expenses recoverable under this Article XI, shall be reduced by (i) an amount equal to the amount of any Tax Benefit actually realized by the Indemnified Party or any of its Affiliates in connection with such Losses and Expenses or any of the circumstances giving rise thereto and (ii) an amount equal to the amount of any insurance proceeds, indemnification payments, contribution payments or reimbursements actually received (net of costs of enforcement, deductibles and retro-premium adjustments) by the Indemnified Party or any of its Affiliates in connection with such Losses or Expenses or any of the circumstances giving rise thereto (it being understood that the Indemnified Party and any of its Affiliates shall use commercially reasonable efforts to obtain such Tax Benefits or insurance proceeds). The calculation of Losses and Expenses shall not include losses arising because of a change after the Closing in applicable Requirements of Law or accounting principles. For purposes hereof, "Tax Benefit" shall mean any refund or credit of Taxes to be paid or reduction in the amount of Taxes which otherwise would be owed by the Indemnified Party or its Affiliates, as applicable, in the year of the accrual, incurrence or payment of any such Losses and Expenses or the subsequent taxable period, determined based on the relevant Tax Returns with and without the effect of the payment of the Loss or Expense.

(b) Any indemnification payment under this Agreement shall be treated as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Requirements of Law.

(c) In any case where an Indemnified Party recovers from third Persons any amount in respect of a matter with respect to which an Indemnitor has indemnified it pursuant to this Article XI, such Indemnified Party shall promptly pay over to the Indemnitor the amount so recovered (after deducting therefrom the full amount of the reasonable expenses incurred by it in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnitor to or on behalf of the Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnitor in pursuing or defending any claim arising out of such matter.

(d) Sellers shall not be required to indemnify and hold harmless any Buyer Group Member pursuant to Section 11.1 to the extent the amount of Losses is included as a current liability or reserve in the Closing Date Working Capital determined pursuant to Sections 2.3 and 2.4 or otherwise taken into account pursuant to the adjustments made pursuant to Sections 2.4(c) and 2.4(d).

(e) For purposes of calculating the amount of Losses and Expenses resulting from any breach of, or inaccuracy in, any representation or warranty contained in this Agreement (as well as any certificate delivered pursuant to this Agreement), the amount of such Losses and Expenses shall be determined without giving effect to any limitations or qualifications regarding materiality, the use of the word "material", "material respects", or "Material Adverse Effect" or any similar term, qualification or limitation based on materiality contained herein; provided, that such terms shall not be disregarded for purposes of the representation and warranty in Section 5.5 (first sentence only) or in the names of defined terms or their respective definitions.

Section 11.6 Claims by Buyer and Medline.

(a) Buyer shall be entitled to bring claims for indemnification under this Article XI to the extent that, based on the facts available to the parties at the time of the relevant claim, such claim exclusively relates to the ICU Acquired Business, and Medline shall be entitled to bring claims for indemnification under this Article XI to the extent that, based on the facts available to the parties at the time of the relevant claim, such claim exclusively relates to the Medline Acquired Business. To the extent a claim for indemnification under this Article XI relates to the ICU Acquired Business and the Medline Acquired Business, based on the facts available to the parties at the time of the relevant claim (a "Joint Claim"), Buyer and Medline shall be required to jointly bring such claim pursuant to a Claim Notice under Section 11.3 (Direct Claims) or a notice of Third Person Claim under Section 11.4 (Third Person Claims), as applicable, signed by both Buyer and Medline. For the avoidance of doubt, in the case of a Joint Claim, the term "Indemnified Party", as used throughout this Article XI, shall be deemed to refer to Buyer and Medline, jointly. Buyer and Medline shall be precluded from making an independent claim for indemnification under this Article XI to the extent a claim arising from the same issue or set of facts was previously made by the other party, and the Losses and Expenses related to such claim were recovered in full by the other party.

(b) In the event there is more than one pending claim to which Buyer and Medline are each entitled to indemnification under this Article XI, the Stockholder Representative shall deliver written notice of such fact to Buyer and Medline. The pending claims will be tolled for up to a five (5) Business Day period following such notice, during which time Buyer and Medline shall be permitted to deliver the Stockholder Representative with joint written instructions, signed by both Buyer and Medline ("Joint Instructions"), detailing the manner in which Buyer and Medline would like the Stockholder Representative to prioritize and administer such claims. The Stockholder Representative shall take commercially reasonable efforts to prioritize and administer such claims in accordance with such Joint Instructions, subject only to compliance by the Stockholder Representative with the indemnification procedures to which it is subject in this Article XI (unless any such procedures are specifically waived by both Buyer and Medline in the Joint Instructions).

(c) Sellers shall only be obligated under this Article XI to pay for one firm of counsel for all Indemnified Parties pursuant to any individual claim (whether or not it is a separate claim relating exclusively to the ICU Acquired Business or the

Medline Acquired Business or a Joint Claim) pursuant to Section 11.3 (Direct Claims) or Section 11.4 (Third Person Claims), as applicable.

(d) In the event of a Third Person Claim that is a Joint Claim, and in the event that the Sellers do not, or are not able to, assume the defense of such Third Person Claim pursuant to Section 11.4, Buyer and Medline shall provide written notice within five (5) Business Days of the first date upon which the Indemnified Party is permitted to assume defense of such Third Person Claim in accordance with Section 11.4, signed by both Buyer and Medline, to the Stockholder Representative, which written notice shall identify which party will be assuming the defense of such Third Person Claim. If Buyer or Medline assume the defense of a Third Person Claim pursuant to which both Buyer and Medline could reasonably be expected to receive indemnification under this Article XI, consent to settlement of such Third Person Claim shall require the consent of each of Buyer, Medline and the Stockholder Representative (such consent not to be unreasonably withheld, conditioned or delayed). If the Stockholder Representative and the party controlling the defense of such Third Person Claim consent to the settlement, but the other party refuses to consent to such settlement, so long as only money damages are involved, there is no admission of liability or wrongdoing with respect to the other party, and such settlement fully and unconditionally releases the other party from liability, the liability of the Sellers in respect of such Third Person Claim shall not exceed the amount for which the Third Person Claim could have been settled plus the amount of expenses incurred by the Indemnified Party prior to the time of and in connection with the proposed settlement to which it is entitled to indemnification.

(e) To the extent of any inconsistency between this Section 11.6 and Section 11.3 (Direct Claims) or Section 11.4 (Third Person Claims), the provisions of this Section 11.6 shall control.

Section 11.7 Exclusive Remedy. Notwithstanding anything to the contrary contained in this Agreement, each Seller, on the one hand, and Buyer, on the other hand, acknowledges and agrees that, from and after the Closing, except in the case of Fraud and except for the equitable remedies expressly contemplated in Section 8.4, Section 8.5, Section 8.6 and Section 13.14, its sole and exclusive remedy against the other party and its respective Affiliates, including for the Losses and Expenses of any Buyer Group Member or Seller Group Member, as applicable, relating (directly or indirectly) to the subject matter of this Agreement or the transactions contemplated hereby, regardless of whether such claims arise in contract, tort, breach of warranty or any other legal or equitable theory, shall be pursuant to the indemnification provisions set forth in this Article XI.

ARTICLE XII

STOCKHOLDER REPRESENTATIVE

Section 12.1 Appointment of Stockholder Representative.

(a) Each Seller hereby irrevocably constitutes and appoints RT Partners as the representative of Sellers (the "Stockholder Representative") to act as such Seller's true and lawful attorney-in-fact and agent and authorizes the Stockholder Representative acting for such Seller and in such Seller's name, place and stead, in any and all capacities to do and perform every act and thing required or permitted to be done in connection with the transactions contemplated by this Agreement, as fully to all intents and purposes as such Seller might or could do in person, including as follows:

(i) to take any and all action on behalf of Sellers from time to time as the Stockholder Representative may deem necessary or desirable to fulfill the interests and purposes of this Section 12.1 and to engage agents and representatives (including accountants and legal counsel) to assist in connection therewith;

(ii) to take any and all action on behalf of Sellers from time to time as the Stockholder Representative may deem necessary or desirable to make or enter into any waiver, amendment, agreement, certificate or other document contemplated hereunder;

(iii) to terminate this Agreement on behalf of Sellers;

(iv) to deliver on behalf of Sellers all notices required to be delivered by Sellers;

(v) to receive on behalf of Sellers all notices required to be delivered to Sellers;

(vi) to seek on behalf of Sellers indemnification from Buyer under Article XI, including the right to prosecute, defend, settle, compromise or take any other action with respect to any claim related thereto;

(vii) to use the Expense Reserve to satisfy costs, expenses and/or liabilities of the Stockholder Representative or the Sellers in connection with matters related to this Agreement and/or the Seller Ancillary Agreements; and

(viii) to execute the Escrow Agreement and any other Seller Ancillary Agreement on behalf of Sellers and make all decisions necessary to be made by the Stockholder Representative pursuant to the provisions thereof and of this Agreement (including the right to (A) defend, settle, compromise or take any other action on behalf of Sellers with respect to any matter for which any Buyer Group Member seeks indemnification under Article XI, (B) authorize the release or delivery to Buyer of all or any portion of the Indemnity Escrow Fund, and (C) litigate, arbitrate, settle or compromise any post-Closing issues and disputes).

(b) Each Seller grants unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing necessary or desirable to be done in connection with the matters described above, as fully to effect all intents and purposes as such Seller might or could do in person, hereby ratifying and confirming all that the Stockholder Representative may lawfully do or cause to be done by virtue hereof. Each Seller further acknowledges and agrees that, upon execution of this Agreement, with respect to any delivery by the Stockholder Representative of any waiver, amendment, agreement, certificate or other documents executed by the Stockholder Representative pursuant to this Agreement, such Seller shall be bound by such documents as fully as if such Seller had executed and delivered such documents itself.

Section 12.2 Actions by Sellers. Each Seller agrees that, notwithstanding Section 12.1, at the request of the Stockholder Representative, such Seller shall take all actions necessary or appropriate to consummate the transactions contemplated hereby (including delivery of such Seller's Shares and acceptance of the Purchase Price therefor) individually on such Seller's own behalf, and delivery of any other documents required of Sellers pursuant to the terms hereof.

Section 12.3 Liability of Stockholder Representative. The Stockholder Representative shall not have by reason of this Agreement a fiduciary relationship in respect of any Seller. The Stockholder Representative shall not be liable to any Seller for any action taken or omitted by it hereunder or under any other document contemplated hereby, or in connection therewith, except that the Stockholder Representative shall not be relieved of any liability imposed by Requirements of Law for gross negligence or willful misconduct. The Stockholder Representative shall not be liable to any Seller for any apportionment or distribution of payments made by it in good faith, and if any such apportionment or distribution is subsequently determined to have been made in error, the sole recourse of any Seller to which payment was due, but not made, shall be to recover from the other Sellers any payment in excess of the amount to which they are determined to have been entitled. The Stockholder Representative shall not be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this Agreement. Each Seller acknowledges and agrees that the Stockholder Representative shall not be obligated to take any actions and shall be entitled to take such actions as the Stockholder Representative deems appropriate in its sole discretion. Each Seller further agrees to indemnify and hold the Stockholder Representative harmless from and against any loss, liability or expense arising in connection with any act or omission as the Stockholder Representative, except for any liability imposed by Requirements of Law for gross negligence or willful misconduct.

Section 12.4 Reliance by Buyer. Each Seller agrees that Buyer shall be entitled to unconditionally assume that any action taken or omitted, or any document executed by, RT Partners purporting to act as the Stockholder Representative under or pursuant to this Agreement or any Seller Ancillary Agreement or in connection with any of the transactions contemplated by this Agreement or any Seller Ancillary Agreement has been unconditionally authorized by Sellers to be taken, omitted to be taken, or executed on their behalf so that they will be legally bound thereby, and each Seller agrees not to institute any claim, lawsuit, arbitration or other Proceeding against Buyer alleging that RT Partners did not have the authority to act as the Stockholder Representative on behalf of Sellers in connection with any such action, omission or execution. No modification or revocation of the power of attorney granted by Sellers herein to RT Partners to serve as the Stockholder Representative

shall be effective as against Buyer until Buyer has received a document signed by each Seller effecting said modification or revocation.

Section 12.5 Expense Reserve. Each Seller hereby acknowledges and agrees that Two Million Dollars ($2,000,000) (the "Expense Reserve") shall be withheld and paid directly to an account maintained by the Stockholder Representative (or a financial institution selected by the Stockholder Representative) as a fund for the fees and expenses (including any legal fees and expenses) of, and other amounts payable by, the Stockholder Representative in connection with this Agreement, including, for the avoidance of doubt, any payment in respect of any indemnification claims to which a Buyer Group Member is entitled in accordance with this Agreement in excess of or after the release of the Indemnity Escrow Fund. Any balance of the Expense Reserve not utilized for such purposes shall be paid, when deemed appropriate by the Stockholder Representative in its sole discretion, to Sellers in accordance with their Percentage Interests by the Stockholder Representative. In the event that the Expense Reserve shall be insufficient to satisfy the fees and expenses of, and other amounts payable by, the Stockholder Representative, and in the event there are any remaining funds in the Indemnity Escrow Fund to be distributed to Sellers immediately prior to the final distribution from the Indemnity Escrow Fund to Sellers pursuant to the terms of the Escrow Agreement, the Stockholder Representative shall be entitled to recover any such expenses from the Indemnity Escrow Fund to the extent of such funds prior to such distribution of funds to Sellers. The Stockholder Representative shall also be entitled to recover any remaining expenses or other amounts directly from Sellers, and, for the avoidance of doubt, the Stockholder Representative shall not have any obligation to personally advance funds in connection with the performance of any of its duties under this Agreement.

ARTICLE XIII

GENERAL PROVISIONS

Section 13.1 Confidential Nature of Information. The parties hereto acknowledge and agree that the Confidentiality Agreement remains in full force and effect in accordance with its terms following the date hereof until the Closing, at which time the Confidentiality Agreement shall automatically terminate.

Section 13.2 No Public Announcement. Neither Buyer nor Sellers shall make or cause to be made any press release or other public announcement concerning the transactions contemplated by this Agreement prior to or in connection with the Closing, except (a) as agreed between Buyer and the Stockholder Representative (it being agreed that Medline shall have a reasonable review right if Medline is mentioned in the press release or public announcement), (b) to the extent that a party shall be so obligated by applicable Requirements of Law or stock exchange rules, in which case the other party shall be advised and the parties shall use their reasonable efforts to cause a mutually agreeable release or announcement to be issued. Following the Closing, any press release or other public announcement concerning the transactions contemplated by this Agreement issued following the Closing will be issued at such time and in such manner as Buyer determines after consultation with the Stockholder Representative.

Section 13.3 **Notices**. All notices or other communications required or permitted hereunder shall be in writing and shall be deemed given or made when delivered personally, sent by registered or certified mail (postage prepaid, return receipt requested), sent by facsimile (with immediate confirmation) or e-mail (with confirmation of receipt by the recipient) or sent by an internationally recognized overnight courier service, addressed as follows:

if to Buyer, to:

ICU Medical, Inc.
951 Calle Amanecer
San Clemente, California 92673
Attention: Vice President, General Counsel
Facsimile: (949) 366-3535
E-mail: vsanzone@icumed.com

with a copy (which shall not constitute notice) to:

Baker & McKenzie LLP
300 E. Randolph Street, Suite 5000
Chicago, Illinois 60603
Attention: David Malliband and Darcy Down
Facsimile: (312) 698-2264
E-mail: David.Malliband@bakermckenzie.com and Darcy.Down@bakermckenzie.com

if to the Stockholder Representative (on behalf of itself or any Seller), to:

RoundTable Healthcare Partners, L.P.
272 East Deerpath Road, Suite #350
Lake Forest, Illinois 60045
Attention: Craig Collister
Facsimile: (847) 482-9215
E-mail: CCollister@roundtablehp.com

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
One South Dearborn Street
Chicago, Illinois 60603
Attention: Chris E. Abbinante
Seth H. Katz
Facsimile: (312) 853-7036
E-mail: cabbinante@sidley.com and skatz@sidley.com

if to Medline, to:

Medline Industries, Inc.
One Medline Place
Mundeleiný ILý 60060
Attention: Alex Liberman
E-mail: aliberman@medline.com

with a copy (which shall not constitute notice) to:

Much Shelist, P.C.
191 N. Wacker Dr., Suite #1800
Chicago, Illinois 60606
Attention: Steve Schwartz
Facsimile: (312) 521-2396
E-mail: sschwartz@muchshelist.com

or to such other Person or address or facsimile number as such party may indicate by written notice delivered to the other parties hereto.

Section 13.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party to this Agreement may transfer this Agreement or assign its rights or delegate its obligations under this Agreement, in whole or in part, without the express prior written consent of the other parties to this Agreement, except that Buyer may assign its rights or delegate its obligations to any Affiliate of Buyer so long as Buyer remains fully responsible for the performance of the delegated obligation.

Section 13.5 Access to Records after Closing. Subject to Section 13.1, for a period of six (6) years after the Closing Date, the Stockholder Representative and its representatives shall have reasonable access to all of the books and records of the Acquired Companies and (to the extent relating to the ML Acquired Business) Medline, to the extent that such access may reasonably be required by the Stockholder Representative (on its own behalf or on behalf of any other Seller) in connection with any legitimate matter (to the extent not involving a dispute or Proceeding among the parties (or any of them)) relating to or affected by the operations of the Acquired Companies or the ML Acquired Business on or prior to the Closing Date; provided, however, that Buyer shall not be required to violate any obligation of confidentiality to which Buyer, either Acquired Company or Medline is subject or to waive any privilege which any of them may possess in discharging its obligations pursuant to this Section 13.5; provided further, that in any such case, Buyer shall, and shall cause any applicable Acquired Company to, and Medline shall, reasonably cooperate with the Stockholder Representative to seek an appropriate remedy to permit the access contemplated hereby. Such access shall be afforded by Buyer or Medline, as applicable, upon receipt of reasonable advance notice and during normal business hours; provided, however, that the Stockholder Representative acknowledges and agrees that such access shall not interfere unreasonably with the operations of the Acquired Companies, Buyer or Medline, as applicable. The Stockholder Representative shall be solely responsible for any costs or expenses incurred by it pursuant to this Section 13.5. If Buyer, the Acquired Companies or Medline, as applicable, shall desire to dispose of any of such books and records prior to the expiration of such six (6)-year period, Buyer or Medline, as applicable, shall, prior to such

disposition, give the Stockholder Representative a reasonable opportunity, at the Stockholder Representative's expense, to segregate and remove such books and records as the Stockholder Representative may select.

Section 13.6 Entire Agreement; Amendments. This Agreement, the Exhibits and Schedules referred to herein, the documents delivered pursuant hereto and the Confidentiality Agreement contain the entire understanding of the parties hereto with regard to the subject matter contained herein or therein, and supersede all other prior representations, warranties, agreements, understandings or letters of intent between or among any of the parties hereto. This Agreement shall not be amended, modified or supplemented except by a written instrument signed by Buyer and the Stockholder Representative (on behalf of Sellers).

Section 13.7 Interpretation. Disclosure of any fact or item in any Schedule hereto referenced by a particular section in this Agreement shall be deemed to have been disclosed with respect to every other section in this Agreement so long as the applicability of such matter to such section is reasonably apparent on the face of such disclosure. Neither the specification of any dollar amount in any representation or warranty contained in this Agreement nor the inclusion of any specific item in any Schedule hereto is intended to imply that such amount, or higher or lower amounts, or the item so included or other items, are or are not material, and no party shall use the fact of the setting forth of any such amount or the inclusion of any such item in any dispute or controversy between the parties as to whether any obligation, item or matter not described herein or included in any Schedule is or is not material for purposes of this Agreement. Unless this Agreement specifically provides otherwise, neither the specification of any item or matter in any representation or warranty contained in this Agreement nor the inclusion of any specific item in any Schedule hereto is intended to imply that such item or matter, or other items or matters, are or are not in the ordinary course of business, and no party shall use the fact of the setting forth or the inclusion of any such item or matter in any dispute or controversy between the parties as to whether any obligation, item or matter not described herein or included in any Schedule is or is not in the ordinary course of business for purposes of this Agreement. The fact that a document or other information has been made available to Buyer on the Data Site shall not constitute disclosure of any item or matter that is required to be included in any Schedule hereto.

Section 13.8 Waivers. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. Any such waiver shall be validly and sufficiently authorized for the purposes of this Agreement if, as to any party, it is authorized in writing by an authorized representative of such party. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall constitute a continuing waiver or shall be held to constitute a waiver of any other or subsequent breach.

Section 13.9 Expenses. Except as expressly set forth herein, each party hereto will pay all costs and expenses incident to its negotiation and preparation of this Agreement and to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and independent public accountants.

Section 13.10 Partial Invalidity. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such provision shall be ineffective to the extent, but only to the extent, of such invalidity, illegality or unenforceability without invalidating the remainder of such invalid, illegal or unenforceable provision or provisions or any other provisions hereof, unless such a construction would be unreasonable.

Section 13.11 Execution in Counterparts. This Agreement may be executed in counterparts (including via fax or .pdf), each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each of the parties hereto and delivered to the Stockholder Representative and Buyer.

Section 13.12 Further Assurances. Each of the parties hereto agrees to use its reasonable best efforts to take or cause to be taken all action, to do or cause to be done, and to assist and cooperate with the other party in doing, all things necessary or advisable under applicable laws and regulations or otherwise to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including the execution and delivery of such instruments, and the taking of such other actions as the other party hereto may reasonably require in order to carry out the intent of this Agreement.

Section 13.13 Disclaimer of Warranties. Sellers make no representations or warranties with respect to any projections, forecasts or forward-looking information provided to Buyer. **EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT, EACH SELLER IS SELLING THE SHARES (AND THE BUSINESS AND ASSETS OF THE ACQUIRED COMPANIES REPRESENTED THEREBY) ON AN "AS IS, WHERE IS" BASIS AND EACH SELLER DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS AND GUARANTIES, WHETHER EXPRESS OR IMPLIED, AND NO SELLER MAKES ANY (A) REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR (B) ANY IMPLIED WARRANTIES WHATSOEVER.** Buyer acknowledges that no Seller nor any of their respective representatives or Affiliates or any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any memoranda, charts or summaries heretofore made available by Sellers or any of their respective representatives or Affiliates to Buyer or any other information which is not included in this Agreement or the Schedules, and no Seller nor any of its respective representatives or Affiliates or any other Person will have or be subject to any liability to Buyer, any Affiliate of Buyer or any other Person resulting from the distribution of any such information to, or use of any such information by, Buyer or any Affiliate of Buyer or any of its agents, consultants, accountants, counsel or other representatives.

Section 13.14 Enforcement.

(a) Each of the parties hereto agrees that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by Buyer or Sellers were not performed in accordance with their specific terms or were otherwise breached. Accordingly, prior to any termination of this Agreement pursuant to Section 10.1, Buyer and each Seller, as applicable, shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement by the other parties, as applicable, and to enforce specifically the terms and provisions of this Agreement in any state or federal court in the State of New York, this being in addition to any other remedy to which such party is entitled at law or in equity. Buyer and each Seller hereby further waive (i) any defense in any action for specific performance that a remedy at law would be adequate and (ii) any Requirements of Law to post security as a prerequisite to obtaining equitable relief.

(b) Each of the parties hereto agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that the other parties have an adequate remedy at law or an award of specific performance is not an appropriate remedy for any reason at law or in equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such Order or injunction. Each of the parties hereto further agrees that the seeking of the remedies pursuant to Section 13.13(a) shall not constitute a waiver by any party seeking such remedies of its right to seek any other form of relief that may be available to it under this Agreement or otherwise.

Section 13.15 Non-Recourse. Notwithstanding anything to the contrary herein or in any other documents delivered pursuant hereto, (i) this Agreement may be enforced only against, and any Proceeding based upon, arising out of or related to a breach of this Agreement by Sellers may be made only against, Sellers, (ii) none of any Seller's Affiliates or such Seller's (in the case of any such Seller which is not a natural person) or its Affiliates' respective current, former or future directors, officers, employees, agents, partners, managers, members, stockholders, assignees or representatives (collectively, the "Seller Related Parties") shall have any liability for any liabilities of the parties hereto for any such Proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any oral representations made or alleged to be made in connection herewith, and (iii) Buyer shall have no rights of recovery in respect of this Agreement against any Seller Related Party, whether by or through attempted piercing of the corporate veil, by or through any Proceeding (whether in tort, contract or otherwise) by or on behalf of a Seller against any Seller Related Party, by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Requirements of Law, or otherwise.

Section 13.16 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed in all respects, including as to validity, interpretation and effect, in accordance with the internal Requirements of Law (without regard to principles of conflicts of law) of the State of New York. By the execution and delivery of this Agreement, Buyer and Sellers irrevocably submit to the personal jurisdiction of any state or federal court in the State

of New York sitting in the County of New York or the United States District Court for the Southern District of New York, and the appellate courts having jurisdiction of appeals in such courts, in any suit or Proceeding arising out of or relating to this Agreement. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.17 Certain Matters regarding Representation of the Company and Certain Sellers.

(a) Sidley Austin LLP ("Sidley") has acted as counsel for the Acquired Companies, RT Partners and RT Investors (the "Clients") in connection with this Agreement, the Buyer Ancillary Agreements and the Seller Ancillary Agreements and the transactions contemplated hereby and thereby and in connection with matters relating to other strategic alternatives considered by the Sellers relating to the Business and/or the Acquired Companies (collectively, the "Transaction Engagement") and in that connection not as counsel for any other Person, including Buyer or its Affiliates. Only the Clients shall be considered clients of Sidley in the Transaction Engagement. The parties hereto acknowledge the community of interest between the Clients and certain Sellers which are not Clients in light of the fact that Sellers hold all of the equity of the Company. Accordingly, notwithstanding that the Clients are or were clients in the Transaction Engagement, upon and after the Closing, all communications between Sellers, the Stockholder Representative or the Acquired Companies and Sidley in the course of the Transaction Engagement shall be deemed to be attorney-client confidences that belong solely to Sellers and the Stockholder Representative and not the Acquired Companies. Buyer shall not have access to any such communications, or to the files of Sidley relating to the Transaction Engagement, whether or not the Closing shall have occurred. Without limiting the generality of the foregoing, notwithstanding that the Acquired Companies are or were clients in the Transaction Engagement, upon and after the Closing, (i) Sellers and the Stockholder Representative shall be the sole holders of the attorney-client privilege with respect to the communications between Sellers, the Stockholder Representative or the Acquired Companies and Sidley in the course of the Transaction Engagement, and none of the Company, Buyer or any of their respective Affiliates shall be a holder thereof, (ii) to the extent that files of Sidley created in the course of the Transaction Engagement constitute property of the Clients, including the Acquired Companies, only Sellers or the Stockholder Representative shall hold such property rights, and (iii) Sidley shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to the Acquired Companies, Buyer or any of their respective Affiliates by reason of any attorney-client relationship between Sidley and the Acquired Companies or otherwise. Notwithstanding the above, and for the avoidance of any doubt, the parties agree that the Acquired Companies and any of their Affiliates shall be the sole holders of the attorney-client privilege with respect to all communications among and between them and Sidley that relate to the general business operations of the Acquired Companies or any of their Affiliates that did not arise in the context of the Transaction Engagement.

(b) If Sellers or the Stockholder Representative so desire, and without the need for any consent or waiver by the Acquired Companies or Buyer, Sidley shall be permitted to represent Sellers or the Stockholder Representative after the Closing in connection with any matter, including anything related to the transactions contemplated by this Agreement, the Buyer Ancillary Agreements and the Seller Ancillary Agreements or any disagreement or dispute relating thereto. Without limiting the generality of the foregoing sentence, after the Closing, Sidley shall be permitted to represent Sellers or the Stockholder Representative, any of their Affiliates or representatives, or any one or more of them, in connection with any negotiation, transaction or dispute (whereas "dispute" includes litigation, arbitration or other adversarial proceedings) with Buyer, the Acquired Companies or any of their Affiliates or representatives under or relating to this Agreement, the Buyer Ancillary Agreements and the Seller Ancillary Agreements, any transaction contemplated by this Agreement, the Buyer Ancillary Agreements or the Seller Ancillary Agreements, and any related matter, such as claims for indemnification and disputes involving non-solicitation or other agreements entered into in connection with this Agreement, the Buyer Ancillary Agreements or the Seller Ancillary Agreements.

(c) Upon and after the Closing, the Acquired Companies shall cease to have any attorney-client relationship with Sidley, unless Sidley is specifically engaged in writing by the Acquired Companies to represent the Acquired Companies after the Closing and either such engagement involves no conflict of interest with respect to Sellers or the Stockholder Representative or Sellers or the Stockholder Representative, as applicable, consent in writing at the time to such engagement. Any such representation of the Acquired Companies by Sidley after the Closing shall not affect the provisions of this Section 13.17(c). For example, and not by way of limitation, even if Sidley is representing the Acquired Companies after the Closing, Sidley shall be permitted simultaneously to represent Sellers or the Stockholder Representative in any matter, including any disagreement or dispute relating thereto.

(d) Sellers (on behalf of themselves and the Acquired Companies), the Stockholder Representative and Buyer consent to the foregoing arrangements and waive any actual or potential conflict of interest that may be involved in connection with any representation by Sidley permitted hereunder.

Section 13.18 Waiver of First Refusal Rights. Each of the Company, RT Partners, RT Investors and Coyote Technology LLC hereby waives any right of first refusal it may have to purchase any Shares from Sellers pursuant to the Stockholders' Agreement and consents to the sale of the Shares by Sellers to Buyer.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ROUNDTABLE HEALTHCARE PARTNERS, L.P.

By: New RoundTable Healthcare
Management, L.P., its general partner

By: RoundTable Healthcare Executives, L.L.C.,
its general partner

By: /s/ R. Craig Collister
Name: R. Craig Collister
Title: Senior Officer

ROUNDTABLE HEALTHCARE INVESTORS, L.P.

By: New RoundTable Healthcare
Management, L.P., its general partner

By: RoundTable Healthcare Executives, L.L.C.,
its general partner

By: /s/ R. Craig Collister
Name: R. Craig Collister
Title: Senior Officer

COYOTE TECHNOLOGy LLC

By: /s/ David Lumia
Name: David Lumia
Title: Managing Member

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

National City Equity Partners, LLC

By: /s/ David A. Sands
Name: David A. Sands
Title: Director

/s/ Steven Thornton
Steven Thornton

/s/ William L. Rice
William L. Rice

/s/ Craig Steele
Craig Steele

/s/ Gary Smith
Gary Smith

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ICU Medical, Inc.

By: /s/ Scott Lamb

Name: Scott Lamb

Title: Secretary, Treasurer

& Chief Financial Officer

The undersigned has caused this Agreement to be executed solely for purposes of Section 3.5, Article VI, Section 7.1, Section 7.2, Section 7.7, Article IX, Article XI and Article XIII hereof.

MEDLINE INDUSTRIES, INC.

By: /s/ Charlie Mills
Name: Charlie Mills
Title:CEO

ASSET PURCHASE AGREEMENT

by and between

ICU Medical, Inc.

Excelsior Medical, LLC

and

solely for purposes of Article 4 and Section 11.10, Medline Industries, Inc.

_____

October 5, 2015

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made as of October 5, 2015, by and between ICU Medical, Inc., a Delaware corporation (the "Seller"), Excelsior Medical, LLC, an Illinois limited liability company (the "Purchaser") and, solely for purposes of Article 4 and Section 11.10, Medline Industries, Inc., an Illinois corporation ("Guarantor").

RECITALS

WHEREAS, on or around the date of this Agreement, the Seller intends to enter into a Stock Purchase Agreement (the "Stock Purchase Agreement") with RoundTable Healthcare Partners, L.P., RoundTable Healthcare Investors, L.P. and such other stockholders of EXC Holding Corp. identified therein (the "Stock Sellers") pursuant to which the Seller will acquire 100% of the outstanding equity interests of EXC Holding Corp. (the "Company");

WHEREAS, the Company and its wholly-owned subsidiary, Excelsior Medical Corporation (the "Company Subsidiary" and together with the Company, the "Acquired Companies"), are engaged in the business of manufacturing and selling "SwabCap" needleless connector disinfection caps and SwabPak, PharmAssist Pump, ESP syringe driver along with the associated disposables (the "ICU Acquired Business") and the stand-alone flush syringe business and the "SwabFlush" business of combining flush syringe and needleless connection disinfection caps (the "ML Acquired Business");

WHEREAS, upon closing of the transactions contemplated by the Stock Purchase Agreement (the "Stock Closing"), the Seller, through the Acquired Companies (collectively with the Seller, the "Seller Group"), desires to sell, assign, transfer, convey and deliver to the Purchaser, and the Purchaser desires to purchase and assume from the Seller Group, the Purchased Assets, and the Purchaser has agreed to assume the Assumed Liabilities, upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, intending to be legally bound and in consideration of the mutual provisions set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1
DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. For the purposes of this Agreement and the Ancillary Agreements:

"Accounting Principles" means: (a) the accounting principles, policies, procedures and methodologies set forth on Exhibit A hereto, other than in connection with the allocation of the Working Capital determined under the Stock Purchase Agreement between Seller and Purchaser hereunder (which allocation will be consistent with and determined using the same methodology as used in the Working Capital illustration set forth on Exhibit G); (b) to the extent not inconsistent with clause (a), the accounting principles, policies, procedures, methodologies, categorizations, asset recognition bases, definitions, practices and techniques (including in respect of the exercise of management judgment) adopted in the preparation of the latest Audited Financial Statements; and (c) to the extent not otherwise addressed in clause (a) or (b), GAAP.

"Active ML Employees" means ML Employees who are Transferred Employees.

"Affiliate" means, with respect to any specified Person, any other Person which directly or indirectly controls, is controlled by or is under common control with such specified Person. For

purposes of this definition, "control," when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through ownership of voting securities or equity or ownership interests or by contract, credit arrangement or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Ancillary Agreements" means, collectively, the Bill of Sale, the Assignment and Assumption Agreement, the Transition Services Agreement, the Supply Agreement, the Contract Manufacturing Agreement, and the IP License Agreement.

"Antitrust Laws" means any antitrust, competition or trade regulatory Laws.

"Arbitrator" means a nationally recognized certified public accounting firm as shall be mutually agreed upon by the Purchaser and the Seller, which firm shall not be rendering (and during the two (2) year period preceding the date of this Agreement shall not have rendered) services to the Purchaser or the Seller, the Acquired Companies, the Stock Sellers or any of their respective Affiliates.

"Assignment and Assumption Agreement" means the assignment and assumption agreement in the form of Exhibit B.

"Audited Financial Statements" means the audited consolidated balance sheets of the Acquired Companies as of February 28, 2013 and 2014 and the audited consolidated statements of operations, stockholders' equity and cash flows of the Acquired Companies, together with the notes thereto, for the years ended February 28, 2013 and 2014.

"Bill of Sale" means the bill of sale in the form of Exhibit C.

"Business Day" means any day other than a Saturday, Sunday or other day on which banking institutions located in New York, New York are authorized or obligated by applicable Law to close.

"Cash and Cash Equivalents" means the aggregate amount of the Acquired Companies' cash and cash equivalents (including marketable securities and short term investments) on hand or in bank accounts, but excluding outstanding checks that have not cleared, in each case, as determined in accordance with the Accounting Principles.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Confidential Information" means any information that is confidential, proprietary or generally not available to the public about the ICU Acquired Business or the ML Acquired Business (as applicable); provided, that Confidential Information shall not include information that (a) is or becomes generally available to the public through no direct or indirect act or omission by the receiving party or any of its Affiliates; (b) is already known by, or is or becomes lawfully available to, the receiving party or its Affiliates from a source, other than the disclosing party or its Affiliates, who is not known by the receiving party to be prohibited from disclosing such portions to the receiving party or its Affiliates by any contractual, legal or fiduciary obligation; or (c) was independently developed by the receiving party or its Affiliates without any use of or reliance on any Confidential Information.

"Confidentiality Period" means the three (3) year period beginning on the Closing Date.

"Contract" means all contracts, guaranties, leases, licenses, sublicenses, instruments, commitments, notes, bonds, mortgages, indentures, sales or purchase orders, invoices and other agreements, whether written or oral.

"Contract Manufacturing Agreement" means the contract manufacturing agreement to be entered into between the Seller and the Purchaser at the Closing, in the form of Exhibit H.

"Copyrights" means United States registered copyrights, and pending applications to register the same.

"Covidien Agreement" means the Supply and Distribution Agreement dated as of July 1, 2014 by and between Covidien LP on behalf of its Medical Supplies Segment and the Company Subsidiary (as the same may be amended from time to time), together with all schedules and exhibits thereto.

"Debt" means the amount necessary to discharge the aggregate amount of outstanding Indebtedness of the Acquired Companies on the Closing Date.

"Employees" means all employees of the Acquired Companies as of the Closing Date (as defined in the Stock Purchase Agreement).

"Encumbrance" means any lien, adverse claim, charge, security interest, encumbrance, mortgage, pledge, easement, option or other right to acquire an interest, or other restrictions of a similar kind.

"Environmental Law" means all federal, state and local statutes, regulations, ordinances and other provisions having the force or effect of law, in each case, concerning worker health and safety and pollution or protection of the environment (including those relating to the presence, use, production, generation, handling, transport, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, Release, threatened Release, control or cleanup of any Hazardous Material), each as amended and in effect as of the date hereof.

"ERISA" means the U.S. Employee Retirement Income Security Act of 1974.

"Expenses" means any and all reasonable out-of-pocket expenses actually incurred in connection with defending or asserting any Proceeding incident to any matter indemnified against hereunder (including court filing fees, court costs, arbitration fees or costs, witness fees and reasonable fees and disbursements of legal counsel, expert witnesses, accountants and other professionals).

"FDA" means the U.S. Food and Drug Administration.

"Final Escrow Period" means the period commencing on the day immediately following the first anniversary of the Closing Date (as defined in the Stock Purchase Agreement) and expiring on the date that is eighteen months after the Closing Date (as defined in the Stock Purchase Agreement).

"Former Cap Employee" means any Former Employee who was at the time of the most recent termination of employment with the Acquired Company's performing services for the ICU Acquired Business.

"Former Employee" means any employee of the Acquired Companies whose employment was terminated prior to the Closing.

"Former Flush Employee" means any Former Employee who was at the time of their most recent termination of employment with the Acquired Companies performing services for the ML Acquired Business.

"Former Shared Employee" means any Former Employee who was at the time of their most recent termination of employment with the Acquired Companies performing services for both the

ML Acquired Business and the ICU Acquired Business or if it cannot be reasonably determined for which business the Former Employee was performing services.

"GAAP" means United States generally accepted accounting principles.

"Governmental Approval" means an authorization, consent, approval issued by, or a registration or filing with, or notice to, or waiver from, any Governmental Body.

"Governmental Body" means any (a) foreign, federal, state, local or other government, (b) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department or other entity and any court or other tribunal), or (c) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature, including any arbitral tribunal.

"Hazardous Material" means any contaminant, pollutant, or hazardous or toxic substance or waste, as such terms are defined in Environmental Laws.

"Hyprotek License" means the license granted to the Company Subsidiary pursuant to that certain License Agreement, dated as of June 12, 2012, by and between Hyprotek, Inc. and the Company Subsidiary.

"Indebtedness" means, with respect to any Person, (a) all indebtedness of such Person, whether or not contingent, for borrowed money, (b) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments or debt securities and warrants or other rights, including obligations so evidenced or incurred in connection with the acquisition of property, assets or businesses (including capital lease obligations) and (c) all indebtedness of others referred to in clauses (a) and (b) hereof guaranteed, directly or indirectly, in any manner by such Person, or in effect guaranteed directly or indirectly by such Person through an agreement (i) to pay or purchase such indebtedness or to advance or supply funds for the payment or purchase of such indebtedness, (ii) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such indebtedness or to assure the holder of such indebtedness against loss, (iii) to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered), (iv) to grant an Encumbrance on property owned or acquired by such Person, whether or not the obligation secured thereby has been assumed, or (v) to otherwise assure a creditor against loss, including in each such case principal, accrued interest, default interest, break-up fees, fees or interest for voluntary pre-payment and any other payments, interests or fees under each such indebtedness, in each case, calculated in accordance with the Accounting Principles.

"Indemnity Escrow Fund" means $4,480,000, which amount shall be deposited with and held by the Escrow Agent (as defined in the Stock Purchase Agreement) pursuant to the Escrow Agreement (as defined in the Stock Purchase Agreement) to secure and serve as a fund in respect of the indemnification obligations of the Stock Sellers set forth in the Stock Purchase Agreement.

"Initial Escrow Period" means the first 12 months of the escrow period under the Stock Purchase Agreement.

"Initial Individual Escrow Amount" means $2,240,000.

"Intellectual Property" means Copyrights, Patent Rights, Trademarks and Trade Secrets.

"IP License Agreement" means the license agreement to be entered into between the Seller and Purchaser at the Closing, in the form of Exhibit D.

"IRS" means the United States Internal Revenue Service and, to the extent relevant, the United States Department of Treasury.

"ISRA" means the New Jersey Industrial Site Recovery Act, N.J.A.C. 7:26B.

"Knowledge of the Purchaser" means, as to a particular matter, the knowledge that the individuals listed on Schedule 1.1(a) would have after reasonable inquiry and investigation.

"Knowledge of the Seller" means, as to a particular matter, the knowledge that the individuals listed on Schedule 1.1(b) would have after reasonable inquiry and investigation.

"Law" means any foreign, federal, state and local laws, statutes, treaties, regulations, rules, codes or ordinances enacted, adopted, issued or promulgated by any Governmental Body.

"Liability" means any liability, debt, obligation, loss, damage, claim, cost, expense or other charge, in each case, whether direct or indirect and whether accrued or contingent.

"Losses" means any and all out-of-pocket losses, costs, settlement payments, awards, judgments, fines, penalties, Taxes, damages, expenses, deficiencies or other charges; provided, that Losses shall not include (a) punitive or exemplary damages (in each such case, other than those resulting from a Third Person Claim), (b) incidental, special or consequential damages of any kind or the loss of anticipated or future business or profits, or opportunity cost damages (in each such case, other than any such damages (i) resulting from a Third Person Claim or (ii) that are consequential damages that are reasonably foreseeable) or (c) diminution in value damages and, in particular, no "multiple of profits" or "multiple of cash flow" or similar valuation methodology shall be used in calculating the amount of any Losses (other than those resulting from a Third Person Claim).

"ML Employee" means all Employees, other than Seller Retained Employees, and all Former Flush Employees and Purchaser's share of any Former Shared Employee.

"Order" means any order, judgment, injunction, award, decree, ruling or writ of any Governmental Body.

"Patent Rights" means United States and foreign patents and patent applications.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or Governmental Body.

"Proceeding" means any claim, demand, charge, complaint, action, litigation, suit, arbitration, proceeding, hearing, audit or investigation, whether civil, criminal, judicial or administrative, of any Person or Governmental Body.

"Protected Purchaser Employees" means any officer, director or employee of the Purchaser (or any of its Affiliates).

"Protected Seller Employees" means any officer, director or employee of the Seller (or any of its Affiliates, including the Acquired Companies).

"Release" means the release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal or leaching of a Hazardous Material into the environment.

"Restricted Caps Product" means single sterile caps, including any non-flush syringe delivery system.

"Restricted Flush Product" means stand-alone syringes and products combining flush syringe combined with needleless connector disinfection caps (whether male or female) positioned in or on a plunger of the syringe.

"Schedule" means the Seller Disclosure Schedule or the Purchaser Disclosure Schedule, as the context requires.

"Seller Plan" means any "employee benefit plan" (as defined in Section 3(3) of ERISA) and any other material plan, Contract, arrangement, agreement, program, fund, policy, (whether written or unwritten) providing direct or indirect compensation, including insurance coverage, severance benefits, deferred compensation, bonuses, stock options, stock purchase, phantom stock, stock appreciation or other forms of incentive compensation or post-retirement compensation, vacation, life insurance, death benefit, sick pay, disability, severance, change-in-control, educational assistance, holiday pay, housing assistance, moving expense reimbursement, fringe benefit or similar benefits maintained or contributed to by any member of the Seller Group for the benefit of any Employee or Former Employee.

"Shared Contract" means any Contract, arrangement, commitment or understanding, including with respect to manufacturing, sales, sourcing, distribution, warehousing, or freight, to which an Acquired Company is a party and which relate to both (a) the ML Acquired Business, and (b) the ICU Acquired Business.

"Subsidiary" of any Person means another Person, an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, 50% or more of the equity interests of which) is owned directly or indirectly by such first Person or by another subsidiary of such first Person.

"Supply Agreement" means the supply agreement to be entered into between the Seller and the Purchaser at the Closing, in the form of Exhibit E.

"SwabFlush IP" means any Intellectual Property owned or licensed in by the Seller or its Affiliates (including, after the Closing, the Acquired Companies) that relates to methods or devices that include positioning a cap in or on a plunger of a syringe.

"Target Flush Working Capital" means $7,600,000.

"Tax" means (a) any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add-on minimum, ad valorem, value added, transfer or excise tax, windfall profit, severance, production, stamp or environmental tax or (b) any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, addition to tax or additional amount imposed by any taxing authority of any Governmental Body, (c) any liability for the payment of any amounts of the type described in clause (a) or (b) as a result of being or having been a member of an affiliated, consolidated, combined, unitary or similar group for any period (including any arrangement for group or consortium relief or similar arrangement), and (d) any liability for the payment of any amounts of the type described in clauses (a)-(c) as a result of any express or implied obligation to indemnify any other person or as a result of any obligations under any agreements or arrangements with any other person with respect to such amounts and including any liability for taxes of a predecessor or transferor or otherwise by operation of law.

"Tax Return" means any return, report or similar statement filed or required to be filed with respect to any Tax (including any attached schedules), including any information return, claim for refund, amended return or declaration of estimated Tax.

"Trademarks" means registered United States federal, state and foreign trademarks, service marks and trade names, common law trademarks, and pending applications to register the foregoing.

"Trade Secrets" means confidential ideas, trade secrets, know-how, concepts, methods, processes, formulae, reports, data, customer lists, mailing lists, business plans, or other proprietary information that provides the owner with a competitive advantage.

"Transaction Expenses" means any fees, costs and expenses incurred or subject to reimbursement by either of the Acquired Companies, in each case in connection with the transactions contemplated by the Stock Purchase Agreement or this Agreement and not paid prior to the Closing, including (a) any brokerage fees, commissions, finders' fees, or financial advisory fees, and, in each case, related costs and expenses; (b) any fees, costs and expenses of counsel, accountants or other advisors or service providers; (c) any fees, costs and expenses or payments of either of the Acquired Companies related to any transaction bonus, discretionary bonus, change-of-control payment, retention or other compensatory payments made to any employee of either of the Acquired Companies as a result of the execution of the Stock Purchase Agreement or this Agreement or in connection with the transactions contemplated by the Stock Purchase Agreement or this Agreement (excluding, for the avoidance of doubt, the payment of the purchase price to the Stock Sellers pursuant to the Stock Purchase Agreement); and (d) the amounts for severance payable to the employees of the Company being terminated in connection with the Closing; provided, however, that transaction expenses shall not include any fees, costs, payments, expenses or disbursements incurred by, on behalf of or for the account of the Purchaser and its Affiliates.

"Transition Services Employee" means any Transferred Employee providing services to the Acquired Companies under the Transition Services Agreement or Contract Manufacturing Agreement following the Closing Date as set forth on Exhibit I.

"Transition Services Agreement" means the transition services agreement to be entered into between the Seller and the Purchaser at the Closing, in the form of Exhibit F.

"WARN Act" means the Worker Adjustment and Retraining Notification Act of 1988, the New Jersey Business Closing/Mass Layoff Notification Law and any similar foreign, state or local Law.

"Warning Letter" means, collectively, (a) the FDA Form 483 dated August 21, 2014 for the Neptune, NJ facility, (b) the FDA Warning Letter dated November 7, 2014, (c) the Letter from Robert J. Maffei, Compliance Officer, New Jersey District, FDA, to Steven Thornton, dated January 6, 2015, and (d) all response letters and communications related to (a)-(c).

"Working Capital" means (a) the consolidated current assets of the Acquired Companies that are Purchased Assets (excluding Cash and Cash Equivalents, any Tax receivable and deferred Tax assets) minus (b) the consolidated current liabilities of the Acquired Companies that are Assumed Liabilities (excluding Debt, Transaction Expenses, any Tax payable, deferred Tax liabilities and, for the avoidance of doubt, any past due payables of the Acquired Companies that are settled and paid at or prior to the Closing), in each case calculated in accordance with Exhibit G and the Accounting Principles and reflecting the exclusion of the Excluded Assets and the Excluded Liabilities.

Section 1.2 Additional Defined Terms.

For purposes of this Agreement and the Ancillary Agreements, the following terms have the meanings specified in the indicated Section of this Agreement:

Defined Term	Section
Agreement	Preamble
Allocation Statement	2.8(a)
Acquired Companies	Preamble
Assumed Liabilities	2.3
Base Purchase Price	2.5(a)
Capped Party	8.8(c)
Claim Notice	8.3(a)
Closing	2.9
Closing Date	2.9
Closing Date Flush Balance Sheet	2.6(b)
Closing Date Flush Working Capital	2.6(b)
Closing Payment	2.10
Company	Preamble
Company Subsidiary	Preamble
Confidentiality Agreement	5.3(a)
Dispute Notice	2.6(b)
Estimated Closing Date Flush Working Capital	2.5(b)
Excelsior Name	5.10
Excess Escrow Amount	8.8(c)
Excluded Assets	2.2
Excluded Liabilities	2.4
Final Allocation Statement	2.8(b)
Final Individual Escrow Amount	8.8(d)
Flush Books and Records	2.1(i)
Guarantor	Preamble
ICU Acquired Business	Preamble
Impacted Contracts	2.12
Included Contracts	2.1(c)
Indemnified Party	8.3(a)
Indemnitor	8.3(a)
Leased Real Property	2.1(f)
ML Acquired Business	Preamble
Name Period	5.10
NJ Quality and Manufacturing Matters	2.3(g)
Non-Solicitation Period	5.7(a)
Preliminary Closing Date Flush Balance Sheet	2.6(a)
Preliminary Flush Closing Statement	2.6(a)
Preliminary Flush Working Capital Determination	2.6(a)
Purchase Price	2.5(a)
Purchased Assets	2.1
Purchaser	Preamble
Purchaser Disclosure Schedule	Article 4

Defined Term	Section
Purchaser Indemnified Parties	8.1
Purchaser's Written Response	2.8(a)
Qualifying Claims	8.8(b)
Restricted Cap Activities	5.7(a)
Restricted Flush Activities	5.7(b)
Restricted Period	5.7(a)
Seller	Preamble
Seller Disclosure Schedule	Article 3
Seller Group	Preamble
Seller Indemnified Parties	8.2
Seller Related Parties	11.11
Seller Retained Employees	10.1(a)
Shared Liabilities	2.14
Specified Insurance	5.13
Stock Closing	Preamble
Stock Purchase Agreement	Preamble
Stock Sellers	Preamble
Tax Benefit	8.6(b)
Third Person Claim	8.4(a)
Transferred Employees	10.1(b)
Transfer Taxes	9.2
Uncapped Party	8.8(c)
Warning Letter Matters	2.3(f)
Welfare Plans	10.4

Section 1.3 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation," (b) the word "or" is not exclusive and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (i) to Articles, Sections, Exhibits and Schedules mean the Articles and Sections of, and the Exhibits and Schedules attached to, this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement, as applicable; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The Schedules and Exhibits referred to herein and attached hereto shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. Titles to Articles and headings of Sections are inserted for convenience of reference only and shall not be deemed a part of or to affect the meaning or interpretation of this Agreement. All references to days shall be to calendar days unless Business Days are specified. All references to "dollars" or "$" shall mean United States Dollars.

ARTICLE 2
THE TRANSACTION

Section 2.1 Sale and Purchase of Purchased Assets. In accordance with the provisions of this Agreement and except as set forth in Section 2.2, at the Closing, the Seller will, and will cause the other members of the Seller Group to, sell, convey, assign, transfer and deliver to the Purchaser, and the Purchaser will purchase and acquire from the Seller Group, all of the Seller Group's right,

title and interest in and to all of the assets and properties of the Acquired Companies of every kind and description, wherever located, real, personal, tangible, intangible or mixed, to the extent used in connection with the ML Acquired Business as the same shall exist on the Closing Date (collectively, the "Purchased Assets"), including, but not limited to, all of the right, title and interest of the Acquired Companies in and to all of the following assets:

(a) all inventory as of the Closing Date, to the extent used or held for use primarily in the ML Acquired Business, including all finished goods, work in process and raw materials, to the extent included in the Working Capital;

(b) all notes and accounts receivable, including all trade accounts receivable and other rights to payment from customers, to the extent (i) included in the Closing Date Flush Working Capital (as determined in accordance with Section 2.6), or (ii) related to the ML Acquired Business;

(c) all of the rights of the Acquired Companies under all Contracts exclusively relating to the ML Acquired Business, including those Contracts listed on Schedule 2.1(c) (collectively, the "Included Contracts");

(d) subject to Exhibit J, the portion of any Shared Contract, including those Shared Contracts listed on Schedule 2.1(d), relating to the ML Acquired Business;

(e) all machinery, equipment, furniture and other items of tangible personal property used or held for use by the Acquired Companies primarily for the ML Acquired Business, and the related interests of the Acquired Companies therein;

(f) all rights in respect of the real property set forth on Schedule 2.1(f) (collectively, the "Leased Real Property"), to the extent such rights may be transferred under applicable Law;

(g) all goodwill of the Acquired Companies to the extent relating to the ML Acquired Business or the Purchased Assets;

(h) to the extent transferable under applicable Law, all Governmental Approvals held by the Acquired Companies that primarily relate to the operation of the ML Acquired Business or the ICU Acquired Business to the extent necessary to perform under the Contract Manufacturing Agreement;

(i) to the extent transferable under applicable Law, all books, records, files and papers, to the extent related to the ML Acquired Business, including all advertising materials, client and customer lists, supplier and vendor lists, purchase orders, sales and purchase invoices, production reports, personnel and employment records, and financial and accounting records, other than the corporate books and records of the Seller Group (collectively, the "Flush Books and Records");

(j) tax refunds with respect to Taxes for which the Purchaser is responsible pursuant to this Agreement; and

(k) all of the Acquired Companies' claims, rights, credits, causes of action, defenses and rights of set-off against third parties relating to or arising from any of the Purchased Assets or Assumed Liabilities, including unliquidated rights under manufacturers' and vendors' warranties.

Section 2.2 Excluded Assets. Notwithstanding the terms of Section 2.1, no member of the Seller Group will sell, convey, assign, transfer or deliver to the Purchaser, and the Purchaser will

not purchase or acquire, and the Purchased Assets do not include, any assets other than the Purchased Assets, including any of the following assets (the "Excluded Assets"):

(a) all Cash and Cash Equivalents, bank deposits, investment accounts, lockboxes, certificates of deposit, marketable securities, bank accounts, corporate credit cards and other similar cash items of the Seller Group;

(b) all inventory as of the Closing Date, to the extent used or held for use primarily in the ICU Acquired Business, including all finished goods, work in process and raw materials, to the extent not included in the Working Capital;

(c) all notes and accounts receivable, including all trade accounts receivable and other rights to payment from customers, to the extent (i) not included in the Closing Date Flush Working Capital (as determined in accordance with Section 2.6) or (ii) related to the ICU Acquired Business;

(d) all minute books, records, stock ledgers, Tax records, personnel records and all other materials (other than the Flush Books and Records that constitute Purchased Assets under Section 2.1(i));

(e) the shares of the capital stock of any member of the Seller Group and all of the Seller's or any other Seller Group member's ownership interest in any Subsidiary or other Person;

(f) all insurance policies, binders and claims and rights thereunder and proceeds thereof;

(g) all Contracts of the Seller Group, but excluding (i) the Included Contracts and (ii) the portion of any Shared Contract that constitutes a Purchased Asset under Section 2.1(c);

(h) all machinery, equipment, furniture and other items of tangible personal property used or held for use by the Seller Group that does not constitute a Purchased Asset under Section 2.1(e);

(i) all goodwill of the Seller Group that does not constitute a Purchased Asset under Section 2.1(g);

(j) all Governmental Approvals that do not constitute a Purchased Asset under Section 2.1(h);

(k) all rights to refunds, credits or similar benefits relating to Taxes and other governmental charges of whatever nature, except as provided in Section 2.1(j);

(l) subject to the express terms of the IP License Agreement, all Intellectual Property rights of the Seller Group, including all of the Seller Group's rights in the Hyprotek License (whether with respect to the ML Acquired Business or the ICU Acquired Business);

(m) all rights arising under any Excluded Liability;

(n) all assets and other rights relating to the ICU Acquired Business or the ML Acquired Business sold or otherwise transferred or disposed of during the period from the date of this Agreement through and including the Closing Date, in any event in accordance with the provisions of the Stock Purchase Agreement or this Agreement; and

(o) all rights of the Seller Group under this Agreement or any of the Ancillary Agreements to which any member of the Seller Group is a party.

Section 2.3 Assumed Liabilities. In accordance with the provisions of this Agreement, at the Closing, the Purchaser will assume and pay or perform and discharge when due any and all of the Liabilities of the Acquired Companies to the extent relating to the ML Acquired Business or the Purchased Assets, whether arising on, prior to or following the Closing Date, including the following Liabilities (the "Assumed Liabilities"):

(a) all accounts payable of the Acquired Companies, to the extent (i) included in the Closing Date Flush Working Capital (as determined in accordance with Section 2.6) or (ii) related to the ML Acquired Business;

(b) all other Liabilities of the Acquired Companies to the extent relating to the Purchased Assets and Purchaser's share of any Shared Liabilities;

(c) (i) all Liabilities for Taxes other than Identified Taxes (as defined in the Stock Purchase Agreement) attributable to the ML Acquired Business or the Purchased Assets for any Tax period and fifty percent (50%) of all Identified Taxes and related Losses and Expenses (each as defined in the Stock Purchase Agreement) for which Seller or the Acquired Companies are liable under Section 8.1(a) of the Stock Purchase Agreement, and (ii) all Liabilities for Taxes that are the responsibility of the Purchaser pursuant to Section 9.2;

(d) all Liabilities of the Acquired Companies arising on, prior to or following the Closing Date under (i) the Included Contracts or (ii) the portion of any Shared Contract that constitutes a Purchased Asset under Section 2.1(d);

(e) all Liabilities of the Seller Group arising on, prior to or following the Closing Date under the Governmental Approvals included in the Purchased Assets;

(f) all Liabilities (whether related to the ML Acquired Business or the ICU Acquired Business) related to the Warning Letter and the related observations and investigation (including the final closeout and verification of the effectiveness of the remediation actions steps taken in response to the Warning Letter), and any other Proceeding related to the Warning Letter (the "Warning Letter Matters");

(g) all Liabilities to the extent related to the quality system regulation requirements and compliance of the manufacturing related activities at the Leased Real Properties (whether related to the ML Acquired Business or the ICU Acquired Business, except as provided in the Contract Manufacturing Agreement) (the "NJ Quality and Manufacturing Matters");

(h) all Liabilities relating to the employment of all ML Employees (other than Transition Services Employees) arising on, prior to or following the Closing Date, including Liabilities arising under any Seller Plan related to any ML Employee (other than Transition Services Employees) or their respective spouses or dependents and including all Liabilities specifically assumed by the Purchaser pursuant to Article 10;

(i) all Liabilities arising under the WARN Act if triggered solely by the Purchaser's failure to hire or offer substantially comparable terms of employment to any Employees (other than Seller Retained Employees) to those terms existing immediately prior to the Closing Date;

(j) all Liabilities arising out of the Purchaser's activities relating to and asserted by or on behalf of one or more ML Employees, regardless of whether such person becomes a Transferred Employee;

(k) all Liabilities associated with the Leased Real Property arising on, prior to or following the Closing Date, other than to the extent such Liabilities arising on or prior to the Closing Date relate to the ICU Acquired Business;

(l) all Liabilities relating to or arising out of environmental matters or under any Environmental Law, including all Liabilities associated with ISRA or any Proceeding relating to or arising out of compliance with ISRA (including, for the avoidance of doubt, any ISRA obligations relating to both the ML Acquired Business and the ICU Acquired Business), arising on, prior to or following the Closing Date, other than to the extent such Liabilities arise out of any failure by ICU to file the required applications, notices and forms under ISRA (as applicable) on or prior to the Closing Date; and

(m) all other Liabilities arising out of, relating to or incurred primarily in connection with the ML Acquired Business or the Purchased Assets including (i) the operation of the ML Acquired Business on, prior to or following the Closing Date, and (ii) any other condition arising on, prior to or following the Closing Date with respect to the Purchased Assets.

Section 2.4 Excluded Liabilities. Notwithstanding any other provision of this Agreement, the Purchaser is assuming only the Assumed Liabilities and is not assuming any other Liability of the Seller Group, including, without limitation, any of the following Liabilities (the "Excluded Liabilities"):

(a) all accounts payable of the Acquired Companies, to the extent (i) not included in the Closing Date Flush Working Capital (as determined in accordance with Section 2.6) or (ii) related to the ICU Acquired Business;

(b) all Liabilities to the extent arising out of or related to any Excluded Asset;

(c) all Liabilities to the extent related to any FDA or other regulatory agency issues or actions related to any requirements outside of manufacturing related quality system requirements with respect to the ICU Acquired Business (including design controls, 510(k) filings, changes, or clearances, product registrations or product licensing, product labeling, advertising or promotional materials, or adverse event reporting), in each case other than the Warning Letter Matters and NJ Quality and Manufacturing Matters;

(d) all Liabilities for Transaction Expenses incurred by the Seller Group in connection with the Stock Purchase Agreement or this Agreement (other than any fees and expenses of the Arbitrator to be shared with the Purchaser pursuant to the terms of this Agreement); and

(e) any Liability with respect to amounts owed to the Stock Sellers for Tax Reductions pursuant to Section 8.1 of the Stock Purchase Agreement.

Section 2.5 Consideration.

(a) The consideration for the Purchased Assets (the "Purchase Price") consists of (i) the payment at the Closing of $27,000,000 (the "Base Purchase Price"), (ii) plus the amount, if any, by which the Closing Date Flush Working Capital exceeds the Target Flush Working Capital, (iii) minus the amount, if any, by which the Target Flush Working Capital exceeds the Closing Date Flush Working Capital, and (iv) the assumption of the Assumed Liabilities.

(b) Not less than two (2) Business Days prior to the Closing Date, the Seller will deliver to the Purchaser (i) a copy of the certificate delivered to the Seller under Section 2.2(b) of the Stock Purchase Agreement setting forth the Estimated Closing Date Working Capital (as defined in the Stock Purchase Agreement), (ii) a statement setting forth the Seller's good faith determination of the

amount of the Estimated Closing Date Working Capital that is allocable to the ML Acquired Business (the "Estimated Closing Date Flush Working Capital"), which allocation will be consistent with and determined using the same methodology as used in the Working Capital illustration set forth on Exhibit G, and (iii) based on such estimate, the calculation of the Closing Payment pursuant to Section 2.7.

Section 2.6 Post-Closing Adjustment.

(a) As promptly as practicable (but not later than sixty (60) days) following the Closing Date, the Seller shall:

(i) prepare, in accordance with the Accounting Principles, a consolidated balance sheet of the ML Acquired Business of the Acquired Companies as of the Effective Time (the "Preliminary Closing Date Flush Balance Sheet"); and

(ii) deliver to the Purchaser the Preliminary Closing Date Flush Balance Sheet and a certificate setting forth in reasonable detail the Seller's calculation of the Working Capital that is allocable to the ML Acquired Business as of the Effective Time, which allocation will be consistent with and determined using the same methodology as used in the Working Capital illustration set forth on Exhibit G (the "Preliminary Flush Working Capital Determination" and, together with the Preliminary Closing Date Flush Balance Sheet, the "Preliminary Flush Closing Statement").

Until such time as the calculation of the amounts shown on the Closing Date Flush Balance Sheet and the Closing Date Flush Working Capital determinations are final and binding on the parties pursuant to this Section 2.6, the Purchaser and its accountants (at their own expense) shall be permitted to discuss with the Seller and its accountants the Preliminary Flush Closing Statement and shall be provided copies of, and have access upon reasonable notice at all reasonable times during normal business hours to, the work papers and supporting records of the Seller and its accountants that were available for purposes of the preparation and calculation of the Preliminary Flush Closing Statement so as to allow the Purchaser and its accountants to become informed concerning all matters relating to the preparation of the Preliminary Flush Closing Statement and the accounting procedures, methodologies, tests and approaches used in connection therewith; provided, that the Purchaser and its accountants shall have no such right to receive copies of or have access to the Seller's internal correspondence or analysis to the extent they relate to a matter in dispute between the Purchaser and the Seller.

(b) Following receipt of the Preliminary Flush Closing Statement, if the Purchaser reasonably determines that the Preliminary Flush Closing Statement has not been prepared on a basis consistent with the requirements set forth in this Agreement concerning determination of the amounts set forth therein or contains a mathematical or clerical error, the Purchaser shall deliver written notice to the Seller within forty-five (45) days after the date of such receipt thereof, which notice shall set forth a specific description of the basis of each objection of the Purchaser, and to the extent then determinable, (i) a specific adjustment to each item of the Preliminary Flush Closing Statement that the Purchaser believes should be made and (ii) the Purchaser's calculation of the Preliminary Flush Closing Statement (the "Dispute Notice"). In the event that the Purchaser does not deliver a Dispute Notice within such forty-five (45)-day period, the Preliminary Flush Closing Date Balance Sheet and the Preliminary Flush Working Capital Determination set forth therein shall be final and binding as the "Closing Date Flush Balance Sheet" and "Closing Date Flush Working Capital," respectively, for purposes of this Agreement. In the event such Dispute Notice is delivered, the Purchaser and the Seller shall negotiate in good faith to resolve such dispute. If the Seller and the Purchaser, notwithstanding such good faith efforts, fail to resolve such dispute within thirty (30) days after delivery of the Dispute Notice, then each of the Purchaser and the Seller shall engage the Arbitrator to conduct a special review of the Purchaser's objections to the Preliminary Flush Closing Date

Balance Sheet and/or Preliminary Flush Working Capital Determination, as the case may be, as promptly as reasonably practicable (such review to be completed no later than thirty (30) days after the Arbitrator is requested to conduct such special review), which review shall be performed consistent with the Accounting Principles and Exhibit G. Upon completion of such review, the Arbitrator shall deliver written notice to the Purchaser and the Seller setting forth the Arbitrator's resolution of such objections and the resulting adjustments shall be deemed finally determined for purposes of this Section 2.6. The Arbitrator's role in completing such review shall be limited to resolving such objections and determining the correct calculations to be used with respect to only the disputed portions of the Preliminary Flush Closing Statement. In resolving such objections, the Arbitrator shall apply the provisions of this Agreement concerning determination of the amounts set forth in the Preliminary Flush Closing Statement, and the decision of the Arbitrator shall be solely based on (i) whether such item objected to was prepared in accordance with the requirements set forth in this Agreement concerning determination of the amounts set forth therein or (ii) whether the item objected to contains a mathematical or clerical error. The parties agree that the Arbitrator may not assign a value greater than the greatest value for such item claimed by either party or smaller than the smallest value for such item claimed by either party. The Preliminary Flush Closing Date Balance Sheet and the Preliminary Flush Working Capital Determination as agreed by the Seller and the Purchaser or as determined by the Arbitrator, as the case may be, shall be final and binding as the "Closing Date Flush Balance Sheet" and "Closing Date Flush Working Capital," respectively, for purposes of this Agreement.

(c) The parties hereto shall make available to the Arbitrator (if applicable), such books, records and other information (including work papers) that were available for purposes of the preparation and calculation of the Preliminary Flush Closing Statement, that the Arbitrator may reasonably request in order to review the Preliminary Flush Closing Statement; provided, that neither party shall be required to provide copies of such party's internal correspondence or analysis to the extent they relate to a matter in dispute between the Seller and the Purchaser. The fees and expenses of the Arbitrator hereunder shall be paid by the Seller, on the one hand, and the Purchaser, on the other hand, based on the percentage which the portion of the contested amount not awarded to each party bears to the amount actually contested by or on behalf of such party.

Section 2.7 Purchase Price Adjustment Payments. Promptly (but not later than two (2) Business Days) after the final determination of the Closing Date Flush Working Capital pursuant to Section 2.6, the parties shall take the following actions:

(a) if the Closing Date Flush Working Capital (as finally determined pursuant to Section 2.6) exceeds the Estimated Closing Date Flush Working Capital, then the Purchase Price shall be increased on a dollar-for-dollar basis by a dollar amount equal to the amount of such excess, and the Purchaser shall pay to the Seller by wire transfer of immediately available funds a dollar amount equal to the amount of such excess; and

(b) if the Estimated Closing Date Flush Working Capital exceeds the Closing Date Flush Working Capital (as finally determined pursuant to Section 2.6), then the Purchase Price shall be decreased on a dollar-for-dollar basis by a dollar amount equal to the amount of such deficit, and the Seller shall pay to the Purchaser by wire transfer of immediately available funds a dollar amount equal to the amount of such deficit;

provided, however, for the avoidance of doubt, that if the Closing Date Flush Working Capital (as finally determined pursuant to Section 2.6) is equal to the Estimated Closing Date Flush Working Capital, no adjustment to the Purchase Price shall be made by the parties pursuant to this Section 2.7.

Section 2.8 Allocation of Purchase Price.

(a) Within thirty (30) days after the date of this Agreement, the Purchaser will prepare and deliver to the Seller a proposed allocation of the Purchase Price (the "Allocation Statement") among the Purchased Assets in accordance with Section 1060 of the Code and the treasury regulations thereunder. Within twenty (20) days after receipt of the Allocation Statement, the Seller will deliver a written response to the Purchaser setting forth whether the Purchaser agrees with or disputes the Seller's allocation (the "Seller's Written Response") and, if the Seller disputes the Purchaser's allocation, the Seller's Written Response will set forth in reasonable detail the basis for each disputed item. The Purchaser and the Seller will attempt in good faith and in an expedient manner to reach agreement on any disputed items, and if they cannot agree within ten (10) days after delivery of the Seller's Written Response, they shall submit the disputed items to an Arbitrator. The Seller and the Purchaser will cooperate to obtain the decision of the Arbitrator within twenty (20) days after referral of the items in dispute to the Arbitrator or as soon thereafter as reasonably practicable. The decision of the Arbitrator will be final and binding. The fees and expenses of the Arbitrator will be shared equally by the Seller and the Purchaser.

(b) The Seller and the Purchaser agree to amend the Allocation Statement in good faith and as necessary to reflect any adjustments made to the Purchase Price pursuant to Section 2.6 (as amended, the "Final Allocation Statement").

(c) The Purchaser and the Seller will report the allocation of the Purchase Price for U.S. federal, state, local and non-U.S. income Tax purposes in a manner consistent with the Final Allocation Statement. Except as otherwise required by Law, neither the Seller nor the Purchaser will (or will permit its Affiliates to) take any position inconsistent with the Final Allocation Statement in any U.S. federal, state, local, or non-U.S. income Tax Returns or similar filings (including IRS Form 8594 or any similar form required to be filed under Law), any refund claim, litigation, audit or otherwise.

(d) The Purchaser and the Seller will (i) promptly inform one another of any challenge by any Governmental Body to the Final Allocation Statement, (ii) consult with and keep each other informed with respect to the status of, and any discussion, proposal or submission with respect to, such challenge and (iii) cooperate in good faith in responding to such challenge in order to preserve the effectiveness of the Final Allocation Statement.

Section 2.9 Closing. The closing of the transactions contemplated by this Agreement (the "Closing") will take place at the offices of Baker & McKenzie LLP, Chicago, at 10:00 a.m., local time, on (a) the date on which (and immediately following the time at which) the condition set forth in Article 6 is satisfied, or (b) at such other date, time and place (including remotely via the exchange of executed documents and other deliverables) as may be mutually agreed upon by the Seller and the Purchaser. The date on and time at which the Closing is actually held is referred to in this Agreement as the "Closing Date."

Section 2.10 Payments on the Closing Date. Subject to fulfillment or waiver (where permissible) of the conditions set forth in Article 6, at the Closing, the Purchaser shall pay to the Seller the Base Purchase Price plus (ii) the amount by which Estimated Closing Date Flush Working Capital exceeds Target Flush Working Capital or minus (iii) the amount by which Target Flush Working Capital exceeds Estimated Closing Date Flush Working Capital (the "Closing Payment"), by wire transfer of immediately available funds to the bank account or accounts specified by the Seller in writing at least two (2) Business Days prior to the Closing Date.

Section 2.11 Closing Deliveries.

(a) At the Closing, the Seller will deliver or cause to be delivered to the Purchaser:

(i) a certificate, dated as of the Closing Date, duly executed by the Seller confirming the satisfaction of the condition specified in Section 6.1; and

(ii) each of the Ancillary Agreements, duly executed by the applicable member of the Seller Group.

(b) At the Closing, the Purchaser will deliver or cause to be delivered to the Seller:

(i) the Closing Payment as set forth in Section 2.10; and

(ii) each of the Ancillary Agreements, duly executed by the Purchaser or its applicable Affiliate.

Section 2.12 Consents. Notwithstanding any other provision of this Agreement, this Agreement does not effect an assignment of any Included Contract, any lease with respect to the Leased Real Property, or any Shared Contract (including any part thereof) (together, the "Impacted Contracts") if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach or other contravention thereof or would be ineffective with respect to any party thereto. As to any such Impacted Contract, the Seller and the Purchaser will use commercially reasonable efforts to obtain as promptly as practicable after the Closing the consent of the other parties to such Impacted Contract or, if required, novation thereof to the Purchaser or, alternatively, written confirmation from such parties reasonably satisfactory to the Seller and the Purchaser that such consent is not required. In no event, however, will any member of the Seller Group be obligated to pay any money to any Person or to offer or grant other financial or other accommodations to any Person in connection with obtaining any consent, waiver, confirmation, novation or approval with respect to any such Impacted Contract. If any consent, waiver, confirmation, novation or approval is not obtained with respect to any such Impacted Contract, then the Seller and the Purchaser will cooperate in good faith to establish an agency type or other similar arrangement reasonably satisfactory to the Seller and the Purchaser under which the Purchaser would obtain, to the extent practicable, all rights, and assume the corresponding Liabilities thereunder (including by means of subcontracting, sublicensing or subleasing arrangement) or under which the Seller would enforce or cause the other members of the Seller Group, as appropriate, to enforce, for the benefit of the Purchaser, with the Purchaser assuming and agreeing to pay the Seller Group members' Liabilities and expenses, any and all rights of the members of the Seller Group against a third party to any such Impacted Contract. In such event (a) the Seller will promptly pay to the Purchaser when received all moneys relating to the period on, prior to or after the Closing Date received by it under any Impacted Contract not transferred pursuant to this Section 2.12 and (b) the Purchaser will promptly pay, perform or discharge when due any Liabilities arising thereunder after the Closing Date but not transferred to the Purchaser pursuant to this Section 2.12. The failure by the Purchaser or the Seller to obtain any required consent, waiver, confirmation, novation or approval with respect to any Impacted Contract will not relieve any party from its obligation to consummate at the Closing the transactions contemplated by this Agreement.

Section 2.13 Certain Matters Regarding Shared Contracts. The parties agree that certain matters related to the treatment of Shared Contracts shall be dealt with in accordance with the terms set forth on Exhibit J.

Section 2.14 Shared Liabilities. To the extent that a Liability arises after the Closing Date that relates to a period prior to the Closing Date, then unless specifically otherwise provided in this Agreement, and if such Liability is not directly related to the ICU Acquired Business or the ML Acquired Business, then the Purchaser and the Seller shall each be responsible for fifty percent (50%) of such Liability, unless to the extent set forth on Schedule 2.14 (all such Liabilities, the "Shared Liabilities").

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to the Purchaser as follows, except as set forth on the disclosure schedule delivered by the Seller to the Purchaser concurrently with the execution and delivery of this Agreement and dated as of the date of this Agreement (the "Seller Disclosure Schedule"):

Section 3.1 Organization and Good Standing.

The Seller is a corporation duly organized, validly existing and in good standing under the Laws of the state of its incorporation, and has all requisite corporate power and authority to conduct its business as presently conducted.

Section 3.2 Authority and Enforceability.

(a) The Seller has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement by the Seller have been duly authorized by all necessary action on the part of the Seller. The Seller has duly and validly executed and delivered this Agreement. Assuming the due authorization, execution and delivery of this Agreement by the Purchaser, this Agreement constitutes the valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, subject to (i) Laws of general application relating to bankruptcy, insolvency and the relief of debtors and (ii) Laws governing specific performance, injunctive relief and other equitable remedies.

(b) Each member of the Seller Group has all requisite corporate power and authority to execute and deliver each Ancillary Agreement to which such member of the Seller Group is a party and to perform its respective obligations under each such Ancillary Agreement. The execution, delivery and performance of each Ancillary Agreement and the consummation of the transactions contemplated thereby by the members of the Seller Group party thereto have been duly authorized by all necessary action on the part of the members of the Seller Group. On or prior to the Closing, each member of the Seller Group will have duly and validly executed and delivered each Ancillary Agreement to which it is a party. Assuming the due authorization, execution and delivery of the Ancillary Agreements by the Purchaser and the other parties thereto, at the Closing each Ancillary Agreement to which a member of the Seller Group is a party will constitute the valid and binding obligation of the member of the Seller Group that is party thereto, enforceable against such member of the Seller Group in accordance with its terms, subject to (i) Laws of general application relating to bankruptcy, insolvency and the relief of debtors and (ii) Laws governing specific performance, injunctive relief and other equitable remedies.

Section 3.3 No Conflict. Except in any case that would not materially impair the ability of Seller to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby, neither the execution, delivery and performance of this Agreement by the Seller and any Ancillary Agreement by any member of the Seller Group party thereto, nor the consummation by the Seller of the transactions contemplated by this Agreement, will (a) conflict with or violate any Seller Group member's certificate of incorporation or bylaws, (b) violate any Law or Order applicable to the Seller Group (to the extent it relates exclusively to the ML Acquired Business), the ML Acquired Business or the Purchased Assets or (c) require any member of the Seller Group to obtain any Governmental Approval or make any filing with any Governmental Body.

Section 3.4 Legal Proceedings. There is no Proceeding pending or, to the Knowledge of the Seller, threatened against any member of the Seller Group that questions or challenges the validity of this Agreement or that may prevent, delay, make illegal or otherwise interfere with the ability of Seller and, to the Knowledge of the Seller, any other member of the Seller Group, to consummate any of the transactions contemplated by this Agreement.

Section 3.5 Brokers Fees. No member of the Seller Group has incurred any Liability to pay any fees or commissions to any broker, finder or agent in connection with any of the transactions contemplated by this Agreement for which the Purchaser would become liable or obligated.

Section 3.6 Disclaimer of Other Representations and Warranties. The representations and warranties set forth in this Article 3 are the only representations and warranties made by the Seller relating to the transactions contemplated by this Agreement. Except to the extent expressly set forth in this Article 3, the Seller makes no warranty, express or implied, as to any matter whatsoever, including with respect to the ML Acquired Business, the Purchased Assets or the Assumed Liabilities.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Each of the Purchaser and (as applicable) the Guarantor represents and warrants to the Seller as follows, except as set forth on the disclosure schedule delivered by the Purchaser to the Seller concurrently with the execution and delivery of this Agreement and dated as of the date of this Agreement (the "Purchaser Disclosure Schedule"):

Section 4.1 Organization and Good Standing. Each of the Purchaser and the Guarantor is a limited liability company or corporation duly organized, validly existing and in good standing under the Laws of the State of Illinois, and has all requisite corporate power and authority to conduct its business as it is presently conducted.

Section 4.2 Authority and Enforceability. The Purchaser and the Guarantor have all requisite power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it is a party and to perform its obligations under this Agreement and each such Ancillary Agreement. The execution, delivery and performance of this Agreement and each Ancillary Agreement to which the Purchaser or the Guarantor is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Purchaser and the Guarantor. The Purchaser and the Guarantor have duly and validly executed and delivered this Agreement and, on or prior to the Closing, the Purchaser or the Guarantor will have duly and validly executed and delivered each Ancillary Agreement to which it is a party. Assuming the due authorization, execution and delivery of this Agreement and the Ancillary Agreements by the Seller and the other parties thereto, this Agreement constitutes, and at the Closing each Ancillary Agreement to which the Purchaser or the Guarantor is a party will constitute, the valid and binding obligation of the Purchaser and the Guarantor, enforceable against the Purchaser and the Guarantor in accordance with its terms, subject to (a) Laws of general application relating to bankruptcy, insolvency and the relief of debtors and (b) Laws governing specific performance, injunctive relief and other equitable remedies.

Section 4.3 No Conflict. Except in any case that would not materially impair the ability of Seller to perform its obligations hereunder or prevent the consummation of any of the transactions contemplated hereby, neither the Purchaser's nor the Guarantor's execution, delivery and performance of this Agreement and any Ancillary Agreement to which the Purchaser or the Guarantor is a party, nor the consummation by the Purchaser or the Guarantor of the transactions contemplated by this Agreement, will (a) conflict with or violate the Purchaser's or the Guarantor's certificate of incorporation, bylaws or other organizational documents, (b) result in a breach or default under or create in any Person the right terminate, cancel, accelerate or modify, or require any notice, consent or waiver under, any Contract to which the Purchaser or the Guarantor is a party or by which the Purchaser or the Guarantor is bound, in any case with or without due notice or lapse of time or both, (c) result in the imposition of any lien or other encumbrance on any of the assets of the Purchaser or the Guarantor, (d) violate any Law or Order applicable to the Purchaser or the Guarantor, or (e) require the Purchaser or the Guarantor to obtain any Governmental Approval or make any filing with any Governmental Body.

Section 4.4 Legal Proceedings. There is no Proceeding pending or, to Knowledge of the Purchaser, threatened against the Purchaser or the Guarantor that questions or challenges the validity of this Agreement or that may prevent, delay, make illegal or otherwise interfere with the ability of the Purchaser or the Guarantor to consummate any of the transactions contemplated by this Agreement.

Section 4.5 Brokers Fees. None of the Purchaser, the Guarantor, or any Person acting on their behalf has incurred any Liability to pay any fees or commissions to any broker, finder or agent in connection with any of the transactions contemplated by this Agreement.

Section 4.6 Financial Capacity. The Purchaser and the Guarantor have available cash in an amount sufficient to pay the Purchase Price and the Purchaser and the Guarantor will have available as of the Closing Date funds sufficient to pay the Purchase Price. The Purchaser and the Guarantor know of no circumstance or condition that it reasonably expects will prevent the availability at the Closing of the funds necessary to consummate the transactions contemplated by this Agreement on the terms set forth in this Agreement.

Section 4.7 No Other Representations and Warranties. The Purchaser and the Guarantor hereby acknowledge and agree that, except to the extent expressly set forth in Article 3, the Seller makes no representation or warranty, express or implied, at law or in equity, as to any matter whatsoever, including with respect to the ML Acquired Business, the Purchased Assets or the Assumed Liabilities.

ARTICLE 5

COVENANTS

Section 5.1 Consents and Filings; Best Efforts. Subject to Section 2.12 and Exhibit J, during the period prior to the Closing Date, each party hereto shall act diligently and reasonably and shall, at the request of any other party hereto, use its reasonable best efforts to cooperate with such other party in attempting to secure any consents, waivers and approvals of any third party (including any Governmental Body) required to be obtained to consummate the transactions contemplated by this Agreement; provided, however, that, notwithstanding anything to the contrary in this Agreement, such action shall not include any requirement of any Seller or any of its Affiliates (including the Acquired Companies on or prior to the Closing Date) to pay money to any third party, commence or participate in any litigation, offer or grant any accommodation or undertake any obligation or liability (in each case financial or otherwise) to any third party (including any Governmental Body.

Section 5.2 Financing. Notwithstanding anything contained in this Agreement to the contrary, the Purchaser expressly acknowledges and agrees that the Purchaser's obligations under this Agreement are not conditioned in any manner whatsoever upon the Purchaser obtaining any financing or the receipt of proceeds therefrom.

Section 5.3 Confidentiality.

(a) The parties agree to continue to abide by that certain Confidentiality Agreement between the Seller and the Purchaser dated August 14, 2015 (the "Confidentiality Agreement"), which will survive until the Closing, at which time the Confidentiality Agreement will terminate; provided, however, that if this Agreement is, for any reason, terminated prior to the Closing, the Confidentiality Agreement will continue in full force and effect in accordance with its terms.

(b) The Seller acknowledges that it and, from the Closing, the other members of the Seller Group are aware of Confidential Information with respect to the ML Acquired Business (including the Purchased Assets and Assumed Liabilities), and that the use of such Confidential Information, or communication of such Confidential Information to third parties, would be detrimental to the Purchaser. The Purchaser acknowledges that it is aware of Confidential Information with

respect to the ICU Acquired Business (including the Excluded Assets and Excluded Liabilities), and that the use of such Confidential Information, or communication of such Confidential Information to third parties, would be detrimental to the Seller Group.

(c) Each of the Purchaser and the Seller covenants that, during the Confidentiality Period, such party shall keep in confidence and not disclose or use Confidential Information of the other party without the other party's prior written consent; provided, that this Section 5.3 shall not prohibit any use or disclosure of any such information: (i) to the extent reasonably required in connection with enforcing any rights or remedies under this Agreement or any Ancillary Agreement or (ii) to the extent reasonably required in connection with the preparation, filing or reporting of Tax Returns, financial statements and other public disclosures which such party believes in good faith is required by applicable Law. If, during the Confidentiality Period, any of the Purchaser, the Seller or their respective Affiliates are requested or required (as by subpoena, civil investigative demand or similar process) to disclose Confidential Information of the other party: (x) the party receiving such request will promptly notify the other party in order to permit the other party to seek a protective order or take other appropriate action, (y) such party receiving such request will reasonably participate in the other party's efforts (at the other party's sole cost and expense) to obtain a protective order or other reasonable assurance that confidential treatment will be accorded such Confidential Information and (z) if, in the absence of a protective order, such party receiving such request or its Affiliate reasonably believes (after consultation with such party's counsel) they are legally required to disclose such Confidential Information, then such party or such party's Affiliate may disclose to the party compelling disclosure or as it orders only that part of such Confidential Information as is required by Law to be disclosed and will use commercially reasonable efforts to obtain confidential treatment therefor.

Section 5.4 Public Announcements. Neither the Purchaser nor the Seller shall make or cause to be made any press release or other public announcement concerning the transactions contemplated by this Agreement prior to or in connection with the Closing, except (a) as agreed between the Purchaser and the Seller, or (b) to the extent that a party shall be so obligated by applicable Law or stock exchange rules, in which case the other party shall be advised and the parties shall use their reasonable efforts to cause a mutually agreeable release or announcement to be issued. Following the Closing, any press release or other public announcement concerning the transactions contemplated by this Agreement issued following the Closing will be issued at such time and in such manner as the Purchaser determines after consultation with the Seller.

Section 5.5 Further Actions. Subject to the other express provisions of this Agreement, upon the request of either party to this Agreement, the other party will execute and deliver such other documents, instruments and agreements as the requesting party may reasonably require for the purpose of carrying out the intent of this Agreement and the transactions contemplated by this Agreement.

Section 5.6 Bulk Transfer Laws.

The Purchaser hereby waives compliance by the Seller and/or any other member of the Seller Group with any applicable bulk sale or bulk transfer Laws of any jurisdiction in connection with the transactions contemplated by this Agreement.

Section 5.7 Non-Competition; Non-Solicitation.

(a) Purchaser Covenants.

(i) During the period commencing on the Closing Date and ending on the third anniversary of the Closing Date (the "Restricted Period"), other than as permitted by this Agreement or otherwise agreed to in writing by the Seller, the Purchaser will not, and will cause its Affiliates not to, directly or indirectly, (A) manufacture, promote or sell any Restricted Caps Products anywhere in the world, whether under the Purchaser's label or any

other Person's label (the "Restricted Caps Activities"); or (B) own, manage or control another Person who, or participate in a partnership, joint venture or similar arrangement which, undertakes or conducts any Restricted Caps Activities; provided, however, that nothing in this Section 5.7(a)(i) shall prevent the Purchaser or its Affiliates from (x) participating only as a distributor in the sale of any Restricted Caps Product, (y) using of any Restricted Caps Product in the Purchaser's "kits" business or (z) being the holder or beneficial owner by way of bona fide investment purposes only of any securities in any Person carrying on any Restricted Caps Activities which is listed or traded on any recognized stock exchange, regulated market or trading facility; provided, however that the Purchaser and its Affiliates do not hold or are not beneficially interested in more than a total of 5.00% of the equity securities in such listed Person; and provided, further, that the Purchaser and its Affiliates do not have, directly or indirectly, any management functions or any material influence in such listed Person.

(ii) Unless otherwise agreed to in writing by the Seller, during the period commencing on the Closing Date and ending on the 18 month anniversary of the Closing Date (the "Non-Solicitation Period"), the Purchaser will not, and will cause its Affiliates not to, directly or indirectly, (A) hire, or knowingly encourage the hiring of, any Protected Seller Employee; (B) solicit, induce or attempt to persuade any Protected Seller Employees to terminate their employment relationship with any member of the Seller Group or their respective Affiliates; provided, however that, nothing in this Section 5.7(a)(ii) shall prevent the Purchaser or its Affiliates from (x) taking any of the actions described in clauses (A) and (B) with respect to any Protected Seller Employee whose employment relationship with the Seller Group or their respective Affiliates was terminated by the Seller Group or their respective Affiliates at least six (6) months prior to the actions described in clauses (A) and (B) or (y) engaging in general media advertising or solicitation that may be targeted to a particular geographic or technical area but that is not specifically targeted towards any employees of the Seller Group or their respective Affiliates.

(b) Seller Covenants.

(i) During the Restricted Period, other than as permitted by this Agreement or otherwise agreed to in writing by the Purchaser, the Seller will not, and will cause its Affiliates not to, directly or indirectly, (A) manufacture or sell any Restricted Flush Products anywhere in the world (the "Restricted Flush Activities"); (B) own, manage or control another Person who, or participate in a partnership, joint venture or similar arrangement which, undertakes or conducts any Restricted Flush Activities; or (C) without Purchaser's prior written consent supply any OEM caps to flush syringe manufacturers, other than the Seller and its Affiliates (including, from Closing, the Acquired Companies), anywhere in the world; provided, however, that nothing in this Section 5.7(b)(i) shall prevent the Seller or its Affiliates from (x) being the holder or beneficial owner by way of bona fide investment purposes only of any securities in any Person carrying on any Restricted Flush Activities which is listed or traded on any recognized stock exchange, regulated market or trading facility; provided, however that (1) the Seller and its Affiliates do not hold or are not beneficially interested in more than a total of 5.00% of the equity securities in such listed Person; and (2) that the Seller and its Affiliates do not have, directly or indirectly, any management functions or any material influence in such listed Person; and (y) directly or indirectly, conducting Restricted Flush Activities in (1) Japan or (2) any other jurisdiction in which Purchaser grants to Seller a sublicense pursuant to the IP License Agreement.

(ii) Unless otherwise agreed to in writing by the Purchaser, during the Non-Solicitation Period, the Seller will not, and will cause its Affiliates not to, directly or indirectly, (A) hire, or knowingly encourage the hiring of, any Protected Purchaser Employee; (B) solicit, induce or attempt to persuade any Protected Purchaser Employees to terminate their employment relationship with the Purchaser or its Affiliates; provided, however that, nothing in this Section 5.7(b)(ii) shall prevent the Seller or its Affiliates from (x) taking any of the actions described in clauses (A) and (B) with respect to any Protected Purchaser Employee whose employment relationship with the Purchaser or its Affiliates was terminated by the Purchaser or its Affiliates at least six (6) months prior to the actions described in clauses (A) and (B) or (y) engaging in general media advertising or solicitation that may be targeted to a particular geographic or technical area but that is not specifically targeted towards any employees of the Purchaser or its Affiliates.

(c) If either party (or any of their respective Affiliates) violates any of such party's obligations under this Section 5.7, the other party may proceed against it in law or in equity for such damages or other relief as a court may deem appropriate. The Purchaser and the Seller hereby acknowledge that a violation of this Section 5.7 by them (or their Affiliates) may cause the other party irreparable harm which may not be adequately compensated for by money damages. The Purchaser and the Seller therefore agree that in the event of any actual or threatened violation of this Section 5.7, the party that is not violating or threatening to violate this Section 5.7 shall be entitled, in addition to other remedies that it may have, to a temporary restraining order and to preliminary and final injunctive relief against the other party or its Affiliates to prevent any violations of this Section 5.7, without the necessity of posting a bond. The prevailing party in any action commenced under this Section 5.7 shall also be entitled to receive reasonable attorneys' fees and court costs. It is the intent and understanding of each party hereto that if, in any action before any court or agency legally empowered to enforce this Section 5.7, any term, restriction, covenant or promise in this Section 5.7 is found to be unreasonable and for that reason unenforceable, then such term, restriction, covenant or promise shall be deemed modified to the extent necessary to make it enforceable by such court or agency.

Section 5.8 Contact with Employees, Customers and Suppliers.

(a) Subject to applicable Law and Section 7.1 of the Stock Purchase Agreement, during the period from the date of this Agreement until the Closing Date, the Purchaser and the Seller will cooperate in good faith and in the manner agreed by the Purchaser and the Seller in communicating with any Employees, customers, suppliers, licensors, licensees, partners or distributors of the ML Acquired Business concerning the transactions contemplated hereby, including the Purchaser's intentions concerning the operation of the ML Acquired Business following the Closing.

(b) Without limiting the generality of the foregoing, as soon as reasonably practicable following the Closing, Seller will procure that a notice of intention to terminate the Covidien Agreement is provided pursuant to the terms thereof.

Section 5.9 Post-Closing Cooperation.

(a) Subject to Article 9, for the longer of the period required by applicable Law or six (6) years following the Closing Date, each of the Seller and the Purchaser will (a) retain books and records relating to the ICU Acquired Business or the ML Acquired Business, as applicable, in their possession with respect to periods prior to the Closing, and (b) afford the other party and their representatives, during normal business hours of the requested party and at the requesting party's expense, reasonable access to the books and records relating to the ICU Acquired Business or the ML Acquired Business, as applicable, in their possession with respect to periods prior to the Closing and the right to make copies and extracts therefrom or provide such information when impractical to make such copies and extracts, in each case to the extent that such access or information may be

reasonably required by the requesting party (other than to the extent required with respect to any dispute between the Seller and the Purchaser).

(b) Subject to Exhibit J, to the extent that, from time to time after the Closing, the Seller, the Purchaser or their respective Affiliates identify assets that are included in the Purchased Assets but that are in the possession of the Seller or its Affiliates (including the Acquired Companies), the Seller shall use its commercially reasonable efforts to locate such assets and take such actions as are necessary to put the Purchaser or its Affiliates in possession of such assets. To the extent that, from time to time after the Closing, the Purchaser or its Affiliates identify assets that are included in the Excluded Assets but that are in the possession of the Purchaser or its Affiliates, the Purchaser shall use its commercially reasonable efforts to locate such assets and take such actions as are necessary to put the Seller or its Affiliates (including the Acquired Companies) in possession of such assets.

Section 5.10 Use of Name. Upon Closing, the Acquired Companies will assign the name "Excelsior" (the "Excelsior Name") to Purchaser. During the period commencing on the Closing Date and ending on the eighteen (18) month anniversary of the Closing Date (such period, the "Name Period"), the Seller and its Affiliates shall have the royalty-free right to use the name Excelsior Name only (a) as and to the extent such name was used by the Acquired Companies with respect to the ICU Acquired Business prior to Closing, (b) to the extent reasonably necessary to satisfy applicable regulatory requirements, or (c) as otherwise reasonably required (with the prior consent of the Purchaser, not to be unreasonably withheld or delayed). The Seller and its Affiliates shall have the further royalty-free right during the Name Period to sell or otherwise use or dispose of any materials included in the inventory of the Seller Group with respect to the ICU Acquired Business which bear the Excelsior Name to the extent that such materials (a) were included in the Excluded Assets, or (b) relate to the ICU Acquired Business and are returned to the Seller or its Affiliates after the Closing Date. The Seller and its Affiliates shall also have the royalty-free right during the Name Period to use any signs, letterhead, invoices or other supplies which bear the Excelsior Name if such signs or supplies were included in the ICU Acquired Business.

Section 5.11 Certain Matters Regarding Warning Letter Matters. The parties agree that the treatment of the Warning Letter Matters shall be in accordance with the terms set forth on Exhibit K.

Section 5.12 ISRA Filing and Compliance. Seller shall be responsible for the filing of any applications, notices and forms required to be submitted on or prior to the Closing Date by the Seller under ISRA. On and after the Closing Date, the Purchaser shall take all actions necessary, at its sole cost and expense and otherwise consistent with its rights under the Stock Purchase Agreement, to satisfy any other obligations under ISRA relating to or arising in connection with the sale of the ML Acquired Business and the ICU Acquired Business pursuant to the Stock Purchase Agreement or this Agreement or otherwise involving the Leased Real Property, including, without limitation, such actions to obtain required Response Action Outcomes or otherwise comply with requests or orders from the New Jersey Department of Environmental Protection to perform additional remedial actions pursuant to ISRA.

Section 5.13 Specified Insurance. Upon the agreement of Seller and Purchaser, Seller will cause the Acquired Companies to enter into a product liability tail insurance policy and a new insurance policy for discontinued products (together, the "Specified Insurance"), each on terms reasonably acceptable to Seller and Purchaser. If such insurance is purchased, Purchaser shall promptly reimburse Seller (on behalf of the Acquired Companies) for 80% of the cost of such Specified Insurance.

ARTICLE 6

CONDITIONS PRECEDENT TO OBLIGATION TO CLOSE

Section 6.1 Conditions to the Obligation of the Purchaser and the Seller. The obligation of the Purchaser and the Seller to consummate the transactions contemplated by this Agreement is subject to the Closing (as defined in the Stock Purchase Agreement) occurring in accordance with the terms of the Stock Purchase Agreement. Notwithstanding the foregoing, the Seller agrees that it will not agree to consummate the Stock Closing without the prior consent of the Purchaser.

ARTICLE 7

TERMINATION

Section 7.1 Termination Events. This Agreement may, by written notice given before or at the Closing, be terminated:

(a) by mutual written consent of the Purchaser and the Seller;

(b) by either the Purchaser or the Seller if the Stock Purchase Agreement is terminated, prior to Closing, in accordance with its terms, or

(c) by either the Purchaser or the Seller, by giving written notice to the other if any Governmental Body with competent jurisdiction shall have issued an Order or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of any of the transactions contemplated by this Agreement, and such Order or other action shall not be subject to appeal or shall have become final and non-appealable; provided, however, that the right to terminate this Agreement under this Section 7.1(c) shall not be available to any party whose action or failure to act (including the breach of this Agreement) has resulted in such Order or other action.

Section 7.2 Effect of Termination. If this Agreement is terminated pursuant to Section 7.1, this Agreement and all rights and obligations of the parties under this Agreement automatically end without Liability against any party or its Affiliates, except that (a) Section 5.3(a) (*Confidentiality*), Section 5.4 (*Public Announcements*), Article 11 (*General Provisions*)) and this Section 7.2 will remain in full force and survive any termination of this Agreement and (b) a such termination shall not relieve any party of any liability or any damages for any willful and intentional breach of this Agreement or fraud prior to such termination.

ARTICLE 8

INDEMNIFICATION

Section 8.1 Indemnification by the Seller. If the Closing occurs, and subject to the limitations expressly set forth in Sections 8.5 and 8.6, the Seller will indemnify and hold harmless the Purchaser and its Affiliates, directors, officers, employees and agents, and their respective successors and assigns (collectively, the "Purchaser Indemnified Parties") from and against any and all Losses and Expenses incurred by the Purchaser Indemnified Parties in connection with or resulting from (a) any breach of any warranty or the inaccuracy of any representation set forth in Article 3, (b) any breach of any covenant or obligation of the Seller set forth in this Agreement and (c) any Excluded Liability.

Section 8.2 Indemnification by the Purchaser. If the Closing occurs, and subject to the limitations expressly set forth in Sections 8.5 and 8.6, the Purchaser will indemnify and hold harmless the Seller and its Affiliates (including the Acquired Companies), directors, officers, employees and agents, and their respective successors and assigns (collectively, the "Seller Indemnified Parties") from and against any and all Losses and Expenses incurred by the Seller Indemnified Parties in connection with or resulting from (a) any breach of any warranty or the inaccuracy of any

representation set forth in Article 4, (b) any breach of any covenant or obligation of the Purchaser set forth in this Agreement and (c) any Assumed Liability.

Section 8.3 Direct Claims.

(a) Other than with respect to a Third Person Claim, any party hereto seeking indemnification hereunder (the "Indemnified Party") shall deliver to the party obligated to provide indemnification to such Indemnified Party (the "Indemnitor") a notice (a "Claim Notice"), which shall be delivered promptly after the Indemnified Party acquires actual knowledge of the basis for a claim for indemnification hereunder and which shall describe in reasonable detail the facts giving rise to such claim, and shall include in such Claim Notice (if then known) the amount, or the method of computation of the amount, of such claim and a reference to the provision of this Agreement or any other agreement, document or instrument executed hereunder or in connection herewith upon which such claim is based; provided, however, that the failure or delay of the Indemnified Party to provide a Claim Notice promptly to the Indemnitor shall not relieve the Indemnitor of its obligations hereunder except to the extent the Indemnitor shall have been prejudiced by such failure.

(b) After the timely delivery of any Claim Notice pursuant to Section 8.3(a), the amount of indemnification to which an Indemnified Party shall be entitled under this Article 8 shall be determined (i) by the written agreement between the Indemnified Party and the Indemnitor, (ii) by a final judgment or decree of any court of competent jurisdiction or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree. The judgment or decree of a court shall be deemed final when the time for appeal, if any, shall have expired and no appeal shall have been taken or when all appeals taken shall have been finally determined. The Indemnified Party shall have the burden of proof in establishing the amount of Losses and Expenses suffered by it.

Section 8.4 Third Person Claims.

(a) Any party seeking indemnification provided for under this Agreement in respect of, arising out of or involving a claim or demand made by any third Person against the Indemnified Party (a "Third Person Claim") shall notify the Indemnitor in writing, and in reasonable detail, of the Third Person Claim within fifteen (15) Business Days (or reasonably more promptly dependent upon the circumstances) after receipt by such Indemnified Party of written notice of such Third Person Claim. Thereafter, the Indemnified Party shall deliver to the Indemnitor, within ten (10) Business Days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnitor relating to such Third Person Claim. Any notice of a claim by reason of any of the representations, warranties or covenants contained in this Agreement shall refer to the provision of this Agreement upon which such claim is based and describe in reasonable detail (to the extent known) the facts giving rise to an alleged basis for the claim and (to the extent known) the amount of the liability asserted against the Indemnitor by reason of such Third Person Claim; provided, however, that the failure or delay of the Indemnified Party to give notice to the Indemnitor as provided in this Section 8.4(a) shall not relieve the Indemnitor of its obligations hereunder except to the extent the Indemnitor shall have been prejudiced by such failure.

(b) In the event of the initiation of a Third Person Claim, within thirty (30) days after the Indemnified Party's delivery of written notice under this Section 8.4, the Indemnitor may be represented by counsel of its choice and assume control of the defense of such Third Person Claim by giving to the Indemnified Party written notice of the intention to assume such defense; provided, however, that the Indemnified Party may participate in any such Proceeding with counsel of its choice and at its expense; provided further, that the Indemnitor shall not be entitled to assume or continue control of the defense of any Third Person Claim if (i) the Third Person Claim relates to or arises in

connection with any criminal Proceeding or (ii) the Third Person Claim primarily seeks an injunction or equitable relief against any Indemnified Party. The parties agree to cooperate fully and in good faith with each other in connection with the defense, negotiation or settlement of any Third Person Claim. To the extent the Indemnitor does not, or is not able to, assume the defense of such Third Person Claim, the Indemnified Party may retain counsel at the expense of the Indemnitor, which counsel shall be reasonably acceptable to the Indemnitor, and control the defense of such Proceeding; provided, however, that the Indemnitor shall be obligated pursuant to this Section 8.4(b) to pay for only one firm of counsel for all Indemnified Parties. Neither the Indemnitor nor the Indemnified Party may settle any such Proceeding which settlement obligates the other party to pay money, to perform obligations or to admit liability, or which fails to fully and unconditionally release the other party from liability, without the consent of the other party, such consent not to be unreasonably withheld, conditioned or delayed.

Section 8.5 Survival. The indemnification provided for in Section 8.1(a) and Section 8.2(a) shall terminate on the three (3) year anniversary of the Closing Date and no claims thereunder shall be made by any Purchaser Indemnified Party or Seller Indemnified party, as applicable, thereafter; provided, that the indemnification by the Seller under Section 8.1(a) or by the Purchaser under Section 8.2(a) shall continue as to any Losses or Expenses with respect to which any Purchaser Indemnified Party or Seller Indemnified Party, as applicable, has validly delivered a Claim Notice in accordance with the requirements of Section 8.3 or Section 8.4 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 8.5, as to which the obligation of the Seller or the Purchaser, as applicable, shall continue solely with respect to the specific matters in such Claim Notice until the liability of the Seller or the Purchaser, as applicable, shall have been determined pursuant to this Article 8, and all Purchaser Indemnified Parties and Seller Indemnified Parties, as applicable, shall have been reimbursed for the full amount of such Losses and Expenses that are payable with respect to such Claim Notice, in accordance with and subject to the limitations set forth in this Article 8.

Section 8.6 Limitations on Liability; Determination of Indemnification Amounts.

(a) Notwithstanding anything contained in this Agreement to the contrary (except for claims made in respect of fraud by the Seller or the Purchaser, as applicable), from and after the Closing Date, the maximum aggregate liability of (i) the Seller for breaches of representations and warranties pursuant to Section 8.1(a) shall not exceed the aggregate net Purchase Price actually received by the Seller, and (ii) the Purchaser for breaches of representations and warranties pursuant to Section 8.2(b) shall not exceed the amount of the aggregate net Purchase Price actually received by the Seller.

(b) Without limiting the effect of any other limitation contained in this Article 8, Losses and Expenses recoverable under this Article 8 shall be reduced by (i) an amount equal to the amount of any Tax Benefit actually realized by the Indemnified Party or any of its Affiliates in connection with such Losses and Expenses or any of the circumstances giving rise thereto, and (ii) an amount equal to the amount of any insurance proceeds, indemnification payments, contribution payments or reimbursements actually received (net of costs of enforcement, deductibles and retro-premium adjustments) by the Indemnified Party or any of its Affiliates in connection with such Losses or Expenses or any of the circumstances giving rise thereto (it being understood that the Indemnified Party and any of its Affiliates shall use commercially reasonable efforts to obtain such Tax Benefits or insurance proceeds). The calculation of Losses and Expenses shall not include losses arising because of a change after the Closing in applicable requirements of Law or accounting principles. For purposes hereof, "Tax Benefit" shall mean any refund or credit of Taxes to be paid or reduction in the amount of Taxes which otherwise would be owed by the Indemnified Party or its Affiliates, as applicable, in the year of the accrual, incurrence or payment of any such Losses and Expenses or the subsequent taxable period, determined based on the relevant Tax Returns with and without the effect of the payment of the Loss or Expense.

(c) Any indemnification payment under this Agreement shall be treated as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by requirements of Law.

(d) In any case where an Indemnified Party recovers from third Persons any amount in respect of a matter with respect to which an Indemnitor has indemnified it pursuant to this Article 8, such Indemnified Party shall promptly pay over to the Indemnitor the amount so recovered (after deducting therefrom the full amount of the reasonable expenses incurred by it in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnitor to or on behalf of the Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnitor in pursuing or defending any claim arising out of such matter.

(e) The Seller shall not be required to indemnify and hold harmless any Purchaser Indemnified Party pursuant to Section 8.1 to the extent the amount of Losses is included as a current liability or reserve in the Closing Date Flush Working Capital determined pursuant to Sections 2.6 and 2.7.

(f) For purposes of calculating the amount of Losses and Expenses resulting from any breach of, or inaccuracy in, any representation or warranty contained in this Agreement (as well as any certificate delivered pursuant to this Agreement), the amount of such Losses and Expenses shall be determined without giving effect to any limitations or qualifications regarding materiality, the use of the word "material", "material respects", or "material adverse effect" or any similar term, qualification or limitation based on materiality contained herein; provided, that such terms shall not be disregarded in the names of defined terms or their respective definitions.

Section 8.7 Exclusive Remedy. Notwithstanding anything to the contrary contained in this Agreement, each of the Seller and the Purchaser acknowledges and agrees that, from and after the Closing, except in the case of fraud and except for the equitable remedies expressly contemplated in Section 11.10, its sole and exclusive remedy against the other party and its respective Affiliates, including for the Losses and Expenses of any Purchaser Indemnified Party or Seller Indemnified Party, as applicable, relating (directly or indirectly) to the subject matter of this Agreement or the transactions contemplated hereby, regardless of whether such claims arise in contract, tort, breach of warranty or any other legal or equitable theory, shall be pursuant to the indemnification provisions set forth in this Article 8; provided, however, that, the Purchaser and the Seller acknowledge that the Stock Sellers have agreed to certain indemnification obligations with respect to the ML Acquired Business and the ICU Acquired Business as set forth in the Stock Purchase Agreement and nothing contained in this Agreement is intended to limit the rights of the Purchaser or the Seller with respect to asserting a claim for indemnification in accordance with the terms of the Stock Purchase Agreement.

Section 8.8 Management of Indemnity Escrow Fund.

(a) As Indemnified Parties (as defined in the Stock Purchase Agreement) under the terms of the Stock Purchase Agreement, each of the Purchaser and the Seller shall deliver to the other party a copy of any claim for indemnification submitted to the Stock Sellers pursuant to the Stock Purchase Agreement, and shall keep the other party reasonably informed as to the progress and resolution of any such claims. Each of the Purchaser and the Seller further agree to provide joint written instructions (i) to the Stockholder Representative (as defined in the Stock Purchase Agreement) as contemplated by Article XI of the Stock Purchase Agreement and (ii) to the Escrow Agent (as defined in the Stock Purchase Agreement) as contemplated by the Escrow Agreement (as defined in the Stock Purchase Agreement), in each case, with respect to those matters set forth in this Section 8.8.

(b) During the Initial Escrow Period, in accordance with the terms and subject to the conditions set forth in Section 11.6 of the Stock Purchase Agreement, each of the Purchaser and the

Seller may submit claims in good faith for indemnification under the Stock Purchase Agreement to the extent that, based on the facts available to the parties at the time of the relevant claim, (i) such claim relates to the ICU Acquired Business (if the Seller or any of its Affiliates is the claiming party) or the ML Acquired Business (if the Purchaser or any of its Affiliates is the claiming party) (the "Qualifying Claims") and (ii) resolution of such Qualifying Claim is reasonably expected to result in a recovery which, when added to prior recoveries by such party, would not exceed such party's Initial Individual Escrow Amount. If the recovery is expected to cause such Party to recover in excess of the Initial Individual Escrow Amount, the provisions of Section 8.8(c) will apply. If any such Qualifying Claims are finally settled, resolved or fully paid, as between the claiming party and the Stock Sellers pursuant to the terms of the Stock Purchase Agreement, during the Initial Escrow Period, the party so indemnified may recover the full value of any such resolved claims up to the Initial Individual Escrow Amount; it being understood that if the aggregate sum of such amounts recovered by either the Purchaser or the Seller (and their respective Affiliates) is in excess of the Initial Individual Escrow Amount then Section 8.8(c) will apply to such excess. If, during the Initial Escrow Period, based on the facts available to the parties at the time of the relevant claim, there is a claim that relates to both the ICU Acquired Business (including the Excluded Assets and Excluded Liabilities) and the ML Acquired Business (including the Purchased Assets and Assumed Liabilities), the Purchaser and the Seller shall bring such claim jointly in accordance with the terms and subject to the conditions set forth in Section 11.6 of the Stock Purchase Agreement (and any recovery of Losses and Expenses will be allocated against their respective Initial Individual Escrow Amounts).

(c) If either the Purchaser or the Seller has any Qualifying Claims that have not yet been finally settled, resolved or fully paid from the Indemnity Escrow Fund by the end of the month preceding the end of the Initial Escrow Period, and (i) the claiming party has not recovered in full its Initial Individual Escrow Amount, then the claiming party may, upon final settlement of each such claim, recover the amount of each such claim up to the Initial Individual Escrow Amount, or (ii) the claiming party has recovered (or is reasonably expected to recover) in full its Initial Individual Escrow Amount, then the claiming party (the "Capped Party") cannot submit, settle or recover further amounts from the Indemnity Escrow Fund until either (A) the other party (the "Uncapped Party") confirms that (1) it has no Qualifying Claims from the Initial Escrow Period that are then pending, and (2) it has not yet recovered the full amount of the Initial Individual Escrow Amount, in which case the Capped Party may settle or resolve its remaining Qualifying Claims from the Initial Escrow Period against such balance of the Uncapped Party; or (B) if the Uncapped Party confirms that it has Qualifying Claims from the Initial Escrow Period that are then pending then the Capped Party must provide the Uncapped Party with a notice setting out a request to use some part of the Uncapped Party's Initial Individual Escrow Amount (the "Excess Escrow Amount") (with such information relating to the applicable indemnification claim as the Uncapped Party reasonably requests) and the Uncapped Party consents (such consent not to be unreasonably withheld, conditioned or delayed) to such use of its Initial Individual Escrow Amount up to the Excess Escrow Amount, provided, that, if (1) the Uncapped Party subsequently recovers (or is entitled to recover) Losses pursuant to its own Qualifying Claim(s) and (2) the remaining balance of its Individual Escrow Amount (once reduced by the Excess Escrow Amount) is insufficient to fully satisfy such claim(s), the Uncapped Party may demand payment by the Capped Party of such unpaid amount up to the Excess Escrow Amount (to the extent such Excess Escrow Amount is recovered by the Capped Party from the Indemnify Escrow Fund).

(d) Subject to Section 8.8(c), during the Final Escrow Period, each of the Purchaser and the Seller may bring Qualifying Claims in accordance with the terms and subject to the conditions of the Stock Purchase Agreement; provided that the claiming party shall only settle or recover from the Indemnity Escrow Fund up to a total of the amount equal to 50% of the Indemnity Escrow Fund that remains available for distribution upon expiry of the Initial Escrow Period pursuant to the terms of the Stock Purchase Agreement (the "Final Individual Escrow Amount"). The same principles as

described in paragraph (c) above will apply at the end of the month preceding the expiry of the Final Escrow Period with respect to each party's Final Individual Escrow Amount. If, during the Final Escrow Period, based on the facts available to the parties at the time of the relevant claim, there is a claim that relates to both the ICU Acquired Business (including the Excluded Assets and Excluded Liabilities) and the ML Acquired Business (including the Purchased Assets and Assumed Liabilities), the Purchaser and the Seller shall bring such claim jointly in accordance with the terms and subject to the conditions set forth in Section 11.6 of the Stock Purchase Agreement (and any recovery of Losses and Expenses will be allocated against their respective Final Individual Escrow Amounts).

(e) To the extent that the Purchaser or the Seller (or their respective Affiliates): (i) recover under any indemnification claim pursuant to the Stock Purchase Agreement any Losses or Expenses properly attributable to the ICU Acquired Business, including the Excluded Assets and Excluded Liabilities (in the case of the Purchaser) or the ML Acquired Business, including the Purchased Assets and Assumed Liabilities (in the case of the Seller), such indemnified party will pay to the other party the amount of such Losses and Expenses (less any reasonable out-of-pocket expenses incurred, but not indemnified under the Stock Purchase Agreement); or (ii) recover from the Indemnity Escrow Fund in excess of their Individual Escrow Amount (being either such party's Initial Individual Escrow Amount or Final Individual Escrow Amount, at the applicable point in time), and (A) the other party subsequently recovers (or is entitled to recover) Losses pursuant to its own Qualifying Claim(s) and (B) the remaining balance of such party's Individual Escrow Amount is insufficient to fully satisfy such claim(s), such party may demand payment by the other party of such unpaid amount up to the amount recovered by the party from the Indemnity Escrow Fund in excess of its Individual Escrow Amount.

(f) The party that absorbs the deductible ($320,000) under the Stock Purchase Agreement in any successful indemnity claim (in terms of the Losses and Expenses recovered by such party from the Indemnity Escrow Fund pursuant to such claim being reduced by the amount of such deductible) will be reimbursed by the other party, but only up to the lesser of (i) 50% of the deductible ($160,000) and (ii) the total amount of recovery such party has received from the Indemnity Escrow Fund or the Stock Sellers for successful indemnification claims made pursuant to the Stock Purchase Agreement, in each case promptly after such time that the reimbursing party receives the applicable indemnification payment(s) from the Indemnity Escrow Fund or the Stock Sellers.

(g) Each Party shall absorb the per claim deductible ($50,000) with respect to each applicable indemnification claim made by such party under, and in accordance with the terms of, the Stock Purchase Agreement.

(h) In the event that the Purchaser and the Seller must determine which party will control a Third Person Claim (as defined in the Stock Purchase Agreement) pursuant to Section 11.6(e) of the Stock Purchase Agreement, the parties will discuss in good faith and use commercially reasonable efforts to come to an agreement, and shall provide prompt written notice to the Stockholder Representative detailing such agreement in accordance with Section 11.6(e) of the Stock Purchase Agreement. In the event the Purchaser and the Seller determine to jointly control a Third Person Claim, or if either party reasonably determines that it is necessary for such party to participate in such Third Person Claim, then the parties will jointly control such Third Person Claim. Pursuant to the Stock Purchase Agreement, the Stock Sellers will only be obligated to reimburse the parties for fees and expenses of one law firm. The parties agree to submit a reimbursement request for counsel to one of the parties, and will share the cost equally of the other party's counsel.

(i) Pursuant to the Stock Purchase Agreement, the Seller and the Purchaser have an option to satisfy any claims against a Stock Seller under Section 11(a) of the Stock Purchase Agreement either from the Indemnity Escrow Fund or from the Stock Seller individually. If any party has a claim

against a Stock Seller under Section 11(a) of the Stock Purchase Agreement, the Seller and the Purchaser shall jointly determine in good faith if the claiming party should satisfy such claim against the Indemnity Escrow Fund or against the Stock Seller.

ARTICLE 9

TAX MATTERS

Section 9.1 Tax Returns and Controversy.

(a) To the extent that the Seller is obligated to file any Tax Return for any period in which the Purchaser could reasonably be expected to have liability for any portion of the Taxes due with respect to such Tax Return, the Seller shall submit such Tax Return to the Purchaser not later than thirty (30) days prior to the due date (including extensions) for filing such Tax Return (or, if such due date is within forty-five (45) days following the Closing Date, as promptly as practicable following the Closing Date) for review by the Purchaser. The Seller will incorporate any reasonable comments received in writing from the Purchaser at least ten (10) days prior to the due date for filing such Tax Return.

(b) The Seller shall not amend, re-file or otherwise modify any Tax Return with respect to any period for which the Purchaser may reasonably be expected to be liable for any Taxes due thereunder without the prior written consent of the Purchaser, not to be unreasonably withheld, conditioned or delayed; provided, however, that nothing in this Section 9.1(b) shall limit the Seller's right to enter into VDAs (as defined in the Stock Purchase Agreement) in accordance with Section 8.1(b)(iii) of the Stock Purchase Agreement with the prior written consent of the Purchaser, not to be unreasonably withheld, conditioned or delayed. The Seller shall keep the Purchaser reasonably informed with respect to such VDAs.

(c) The Seller shall promptly notify the Purchaser upon receipt by the Seller of any notice of an audit, examination or assessment which might affect the Tax Liabilities for which the Purchaser may be liable; provided, however, that the failure to give notice as provided in this Section 9.1(c) shall not affect the Seller's right to indemnification under this Agreement except to the extent the Purchaser shall have been prejudiced by such failure. The Purchaser shall be entitled, at its own expense, to be present at any such Tax audit or proceeding and the Seller shall not settle or resolve any such audit or proceeding that could increase Purchaser's liability for Taxes without the prior written consent of Purchaser, not to be unreasonably withheld, conditioned or delayed.

(d) The Seller and the Purchaser shall cooperate fully as and to the extent reasonably requested by the other Party in connection with the filing of any Tax Returns pursuant to this Article 9 or Article 8 of the Stock Purchase Agreement and any audit, litigation or other action or Proceeding with respect to Taxes. Such cooperation shall include the retention and (upon reasonable request of another party) the provision of records or information which are reasonably relevant to any such Tax Return, audit, litigation, action or other Proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder.

Section 9.2 Transfer Taxes. All applicable sales, use, transfer, conveyance, documentary, recording, notarial, value added, excise, registration, stamp, gross receipts and similar Taxes and fees ("Transfer Taxes"), arising out of or in connection with or attributable to the transactions effected pursuant to this Agreement and the Ancillary Agreements, regardless of whether such Transfer Taxes, expenses and fees are imposed by Law on the Purchaser, the Purchased Assets or any member of the Seller Group, shall be borne 50% by the Purchaser and 50% by the Seller. Any Tax Returns that must be filed in connection with any Transfer Taxes will be prepared by the party that customarily has primary responsibility for filing such Tax Returns pursuant to the applicable Law under and according to which the respective Tax Returns are due to be filed; provided, however, that the preparing party

will deliver such Tax Returns for the other party's review and approval (not to be unreasonably withheld, conditioned or delayed) at least ten (10) Business Days prior to the applicable due date. The non-preparing party will promptly reimburse the preparing party for its portion of any Transfer Taxes payable by the preparing party upon receipt of written notice that such Transfer Taxes are payable. The parties will cooperate with each other to take reasonable steps to minimize any Transfer Taxes, including in the provision of any information or preparation of any documentation that may be necessary or useful for obtaining any available mitigation, reduction or exemption from any such Transfer Taxes.

ARTICLE 10

EMPLOYEE MATTERS

Section 10.1 Employees.

(a) From and after the Closing Date (as defined in the Stock Purchase Agreement), the Seller will (either directly or through the Acquired Companies) continue to employ each of the Employees identified on Schedule 10.1(a) (the "Seller Retained Employees").

(b) The Purchaser will use reasonable efforts to hire all Employees other than Seller Retained Employees (such Employees hired by the Purchaser, the "Transferred Employees"). Notwithstanding the preceding sentence, the Purchaser shall make offers of employment to all Transition Services Employees. The Seller shall terminate the employment of all Employees other than Seller Retained Employees who are not Transferred Employees effective as of the Closing.

Section 10.2 Seller Plans.

(a) Unless the Purchaser assumes and adopts a Seller Plan, the Seller shall take all necessary actions to cause all Active ML Employees to cease active participation in all Seller Plans effective as of the Closing to the extent permitted under Law and such Seller Plan. Without limiting any of Seller's rights under this Agreement (including under Section 10.2(c) below), Seller, at its cost and expense, will administer the wind up of the 401(k) plan related to Employees and the distribution of funds from such plan.

(b) Without limiting the generality of Section 2.3, the Purchaser shall assume all current, contingent and future Liabilities, whether known or unknown, under all Seller Plans (which for the avoidance of doubt includes all benefit obligations in connection with current or past service including claims incurred but not yet reported) related to ML Employees (other than Transition Services Employees) and their spouses and dependents, including any such Liabilities resulting from the transactions contemplated by this Agreement. To the extent any Liabilities under any Seller Plan required to be assumed by Purchaser cannot be directly transferred to the Purchaser (or an applicable Purchaser benefit plan), the Purchaser shall reimburse the Seller or the Acquired Companies for such Liabilities, including any Taxes paid by the Acquired Companies in connection with such Liabilities. The Purchaser shall reimburse the Acquired Companies for any Taxes paid by the Acquired Companies to the extent not incorporated in the Closing Date Working Capital (as defined in the Stock Purchase Agreement) (which are not otherwise required to be withheld from Option proceeds paid to Option holders) in connection with the termination of the Options (as defined in the Stock Purchase Agreement) held by any ML Employee (other than Transition Services Employees).

(c) The Purchaser shall reimburse the Acquired Companies and the Seller for any Tax (which for the avoidance of doubt shall include any increase in Taxes payable as a result of a loss of deduction and any interest or penalties paid in connection with such Tax for purposes of this Section 10.2(c)) which is paid by the Acquired Companies or the Seller in connection with any Seller Plan which is directly attributable to an ML Employee (other than Transition Services Employees), or their

respective spouses and dependents. To the extent any Tax is paid by the Acquired Companies or the Seller in connection with any Seller Plan and such Tax cannot be reasonably directly attributed to current or former employees of the Acquired Companies, the Purchaser shall reimburse the Acquired Companies or Seller for such Taxes based on the ratio of Active ML Employees to all Employees.

(d) Without limiting the generality of Section 2.3 or Section 10.2, the Purchaser shall provide continuation coverage required under Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Code for any individual who is an "M&A qualified beneficiary" as defined in Q&A-4 of Treas. Reg. §54.4980B-9 in connection with the transactions contemplated by this Agreement, including, but not limited to, the requirement to deliver timely notices pursuant to Section 4980D(g)(6) of the Code. For the avoidance of doubt, this Section 10.2(d) shall not require the Purchaser to provide continuation coverage for any Former Cap Employee.

(e) The Seller shall reimburse the Purchaser for the cost of (i) any severance required to be paid by the Purchaser to any Transition Services Employee whose employment with the Purchaser is terminated following the completion of services provided by such Person under the Transition Services Agreement, based on the severance formula set forth on Schedule 10.2(e)(i); and (ii) any stay bonuses paid by Purchaser to any Transition Services Employee, provided that such stay bonuses will only be paid by Purchaser to any such Transition Services Employee strictly in accordance with written instructions provided by Seller to Purchaser. The Purchaser and the Seller also agree to comply with the provisions set forth in Schedule 10.2(e)(ii) with respect to certain of the employees from Closing.

(f) The Purchaser shall use reasonable efforts to provide, or to cause any relevant third party to provide, such documentation, information and assistance as is specifically requested by the Seller and is reasonably necessary for the Seller to comply with the requirements of the Patient Protection and Affordable Care Act and other Laws applicable to Seller Plans with respect to Employees and Former Employees.

Section 10.3 WARN Act. The Purchaser and the Seller agree to cooperate in good faith to determine whether any notification may be required under the WARN Act as a result of the transactions contemplated by the Agreement and, if such notices are required, to provide such notice in a manner that is reasonably satisfactory to each of the Purchaser and the Seller. To the extent that any Liability arises as a result of the failure to comply with the WARN Act, the parties shall share such Liability equally, except as set forth in Section 2.3(i) of this Agreement.

ARTICLE 11

GENERAL PROVISIONS

Section 11.1 Notices. All notices or other communications required or permitted hereunder shall be in writing and shall be deemed given or made when delivered personally, sent by registered or certified mail (postage prepaid, return receipt requested), sent by facsimile (with immediate confirmation) or e-mail (with confirmation of receipt by the recipient) or sent by an internationally recognized overnight courier service, addressed as follows:

If to the Seller:

ICU Medical, Inc.
951 Calle Amanecer
San Clemente, California 92673
Attention: Vice President, General Counsel
Facsimile: (949) 366-3535
E-mail: vsanzone@icumed.com

with a copy (which will not constitute notice) to:

Baker & McKenzie LLP
300 E. Randolph Street, Suite 5000
Chicago, IL 60601
Facsimile: +1 (312) 861-2899
Attention: David Malliband; Darcy Down
E-mail: David.Malliband@bakermckenzie.com
Darcy.Down@bakermckenzie.com

If to the Purchaser or the Guarantor:

Medline Industries, Inc.
One Medline Place
Mundelein, IL 60060
Attention: Alex Liberman
E-mail: ALiberman@medline.com

with a copy (which will not constitute notice) to:

Much Shelist, P.C.
191 N. Wacker Drive, Suite 1800
Chicago, IL 60606
Attention: Steven Schwartz
Email: sschwartz@muchshelist.com

or to such other Person or address or facsimile number as such party may indicate by written notice delivered to the other parties hereto.

Section 11.2 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party to this Agreement may transfer this Agreement or assign its rights or delegate its obligations under this Agreement without the express prior written consent of the other party to this Agreement, except that the Seller or Purchaser may assign its respective rights or delegate its obligations to any of its Affiliates so long as the Seller or Purchaser remains fully responsible for the performance of the delegated obligation.

Section 11.3 Entire Agreement; Amendment. This Agreement, the Exhibits and Schedules referred to herein, the documents delivered pursuant hereto and the Confidentiality Agreement contain the entire understanding of the parties hereto with regard to the subject matter contained herein or therein, and supersede all other prior representations, warranties, agreements, understandings or letters of intent between or among any of the parties hereto. This Agreement shall not be amended, modified or supplemented except by a written instrument signed by the Purchaser and the Seller.

Section 11.4 Waivers. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. Any such waiver shall be validly and sufficiently authorized for the purposes of this Agreement if, as to any party, it is authorized in writing by an authorized representative of such party. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No

waiver of any breach of this Agreement shall constitute a continuing waiver or shall be held to constitute a waiver of any other or subsequent breach.

Section 11.5 Expenses. Except as expressly set forth herein, each party hereto will pay all costs and expenses incident to its negotiation and preparation of this Agreement and to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and independent public accountants.

Section 11.6 Partial Invalidity. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such provision shall be ineffective to the extent, but only to the extent, of such invalidity, illegality or unenforceability without invalidating the remainder of such invalid, illegal or unenforceable provision or provisions or any other provisions hereof, unless such a construction would be unreasonable.

Section 11.7 Severability. If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions of this Agreement remain in full force and effect, if the essential terms and conditions of this Agreement for each party remain valid, binding and enforceable.

Section 11.8 Exhibits and Schedules. The Exhibits and Schedules to this Agreement are incorporated herein by reference and made a part of this Agreement. The Seller Disclosure Schedule and the Purchaser Disclosure Schedule are arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs of Article 3 and Article 4, respectively. The disclosure in any section or paragraph of the Seller Disclosure Schedule or the Purchaser Disclosure Schedule, and those in any amendment or supplement thereto, will be deemed to relate to each other provision of Article 3 or Article 4, respectively.

Section 11.9 Interpretation. In the negotiation of this Agreement, each party has received advice from its own attorney. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no provision of this Agreement will be interpreted for or against either party because that party or its attorney drafted the provision.

Section 11.10 Guaranty. The Guarantor irrevocably guarantees each and every representation, warranty, covenant and obligation of the Purchaser and the full and timely performance of Purchaser's obligations under the provisions of this Agreement. This is a guarantee of payment and performance, and not of collection, and the Guarantor acknowledges and agrees that this guarantee is full and unconditional, and no release or extinguishments of the Purchaser's Liabilities (other than in accordance with the terms of this Agreement), whether by decree in any bankruptcy proceeding or otherwise, will affect the continuing validity and enforceability of this guarantee. The Guarantor hereby waives, for the benefit of the Seller, (a) any right to require the Seller as a condition of payment or performance of the Guarantor to proceed against the Purchaser or pursue any other remedies whatsoever, and (b) to the fullest extent permitted by Law, any defenses or benefits that may be derived from or afforded by Law that limit the liability of or exonerate guarantors or sureties, except to the extent that any such defense is available to the Purchaser. The Guarantor understands that the Seller is relying on this guarantee as a condition to entering into this Agreement.

Section 11.11 Enforcement.

(a) Each of the parties hereto agrees that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the Purchaser or the Seller were not

performed in accordance with their specific terms or were otherwise breached. Accordingly, prior to any termination of this Agreement pursuant to Section 7.1, the Purchaser and the Seller, as applicable, shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement by the other parties, as applicable, and to enforce specifically the terms and provisions of this Agreement in any state or federal court in the State of New York, this being in addition to any other remedy to which such party is entitled at law or in equity. The Purchaser and the Seller each hereby further waive (i) any defense in any action for specific performance that a remedy at law would be adequate and (ii) any requirement of Law to post security as a prerequisite to obtaining equitable relief.

(b) Each of the parties hereto agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that the other parties have an adequate remedy at law or an award of specific performance is not an appropriate remedy for any reason at law or in equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such Order or injunction. Each of the parties hereto further agrees that the seeking of the remedies pursuant to Section 11.11(a) shall not constitute a waiver by any party seeking such remedies of its right to seek any other form of relief that may be available to it under this Agreement or otherwise.

Section 11.12 Non-Recourse. Notwithstanding anything to the contrary herein or in any other documents delivered pursuant hereto, (a) this Agreement may be enforced only against, and any Proceeding based upon, arising out of or related to a breach of this Agreement by the Seller may be made only against, the Seller, (b) none of the Seller's Affiliates or such Seller or its Affiliates' respective current, former or future directors, officers, employees, agents, partners, managers, members, stockholders, assignees or representatives (collectively, the "Seller Related Parties") shall have any liability for any liabilities of the parties hereto for any such Proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any oral representations made or alleged to be made in connection herewith, and (c) the Purchaser shall have no rights of recovery in respect of this Agreement against any Seller Related Party, whether by or through attempted piercing of the corporate veil, by or through any Proceeding (whether in tort, contract or otherwise) by or on behalf of the Seller against any Seller Related Party, by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable requirements of Law, or otherwise.

Section 11.13 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed in all respects, including as to validity, interpretation and effect, in accordance with the internal requirements of Law (without regard to principles of conflicts of law) of the State of New York. By the execution and delivery of this Agreement, the Purchaser and the Seller irrevocably submit to the personal jurisdiction of any state or federal court in the State of New York sitting in the County of New York or the United States District Court for the Southern District of New York, and the appellate courts having jurisdiction of appeals in such courts, in any suit or Proceeding arising out of or relating to this Agreement. **EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY**.

Section 11.14 Execution in Counterparts. This Agreement may be executed in counterparts (including via fax or .pdf), each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each of the parties hereto and delivered to the Purchaser and the Seller.

[Signature page follows.]

The parties have executed and delivered this Agreement as of the date indicated in the first sentence of this Agreement.

ICU MEDICAL, INC.

By:/s/ Scott Lamb
Name: Scott Lamb
Title: Secretary, Treasurer & Chief Financial Officer

EXCELSIOR MEDICAL, LLC

By: /s/ James Abrams
Name: James Abrams
Title: COO

Solely for purposes of Article 4 and Section 11.10:

MEDLINE INDUSTRIES, INC.

By: /s/ Charlie Mills
Name: Charlie Mills
Title: CEO

ICU Medical Partners with Medline Industries to Acquire Excelsior Medical Corporation

Acquisition Expands Company's Direct and OEM Infusion Therapy Businesses

SAN CLEMENTE, Calif., October 5, 2015 (GLOBE NEWSWIRE) -- ICU Medical, Inc., (Nasdaq:ICUI), a leader in the development, manufacture and sale of innovative medical devices used in infusion therapy, oncology and critical care applications, today announced signing of a definitive agreement to acquire Excelsior Medical Corporation, a manufacturer of healthcare devices used to disinfect and protect access into a patient's bloodstream. Excelsior has developed and commercialized the innovative SwabCap® and SwabFlush® products and is a leader in pre-filled saline and heparin flush syringes. Excelsior is owned by RoundTable Healthcare Partners, an operating-oriented private equity firm focused exclusively on the healthcare industry.

ICU Medical's purchase price for Excelsior is $59.5 million. ICU also signed a definitive agreement to sell the operating assets of SwabFlush and the pre-filled saline and heparin flush syringes to Medline Industries, Inc. for $27 million. The transaction with Medline will close immediately following the acquisition by ICU Medical of Excelsior. Both transactions are expected to close within a week. ICU Medical will serve Medline on an OEM basis as a supplier and innovation partner for Medline's SwabFlush business with a long-term exclusive supply contract.

SwabCap is a disposable cap designed to disinfect needlefree connectors with 70% isopropyl alcohol when attached to an intravenous (IV) catheter. The SwabCap product line complements the ICU Medical Clave® family of needlefree connectors, as both work together to deliver the critical elements of safety, protection and maintenance of IV catheters.

As the only device that combines a pre-filled saline flush syringe and disinfection cap, SwabFlush is designed to help improve compliance with disinfection protocols. SwabCap is built into the syringe plunger, making it immediately and conveniently available to nurses after they flush an IV line.

Both SwabCap and SwabFlush have been the subject of numerous award-winning scientific presentations by independent clinicians at recent annual meetings of the Association for Vascular Access (AVA), Association for Professionals in Infection Control and Epidemiology (APIC), and the Children's Hospital Association.

The addition of SwabCap will enhance ICU Medical's infusion therapy product offering across the company's existing direct and OEM business lines as well as open new customer opportunities globally. ICU Medical will sell the SwabCap product line directly to customers via its existing domestic and international distribution channels.

"ICU Medical has always been deeply focused on safety for both the patient and the clinician in the infusion therapy category. The SwabCap used in conjunction with the Clave, offers a best in class solution for clinicians," said Alison Burcar, Vice President and General Manager of ICU Medical's Infusion Systems Division. "We have been studying the category for a long time and believe this acquisition is the most effective way to enter the market, where we can also leverage current and future innovations."

"Our ability to work creatively with ICU Medical is a great outcome for all parties," said Dante Tisci, Division President of Medline Industries' Dynacor Division. "We believe we can improve overall economic and clinical value of the flush syringe market with our entry, and we are excited about growing a clinically differentiated product like SwabFlush. We are pleased to have a long-term supply agreement with ICU Medical for the SwabCap® component of this product".

The transaction will be funded with cash on hand and is expected to be neutral to earnings in 2015. For 2016, the transaction is expected to add incremental revenue of $18 to $20 million and contribute minimal earnings per share (EPS) accretion. After one year the transaction is expected to provide a greater than 10% return on invested capital (ROIC).

About ICU Medical, Inc.: ICU Medical, Inc. (Nasdaq: ICUI) develops, manufactures and sells innovative medical technologies used in infusion therapy, oncology, and critical care applications. ICU Medical's products improve patient outcomes by helping prevent bloodstream infections and protect healthcare workers from exposure to infectious diseases or hazardous drugs. The Company's complete product line includes custom IV systems, closed delivery systems for hazardous drugs, needlefree IV connectors, closed blood sampling systems, and hemodynamic monitoring systems. ICU Medical is headquartered in San Clemente, California. For more information, visit the Company's website at www.icumed.com.

About Excelsior Medical: Excelsior Medical Corporation is a privately held medical device company with a primary focus on innovative catheter maintenance products that improve disinfection and may reduce medication errors and healthcare costs. The company manufactures and sells SwabCap and SwabFlush for the disinfection and protection of IV needleless connectors. Formed in 1989, Excelsior also manufactures and sells prefilled saline flush syringes, prefilled heparin flush and lock syringes, and syringe pump systems. For more information go to www.excelsiormedical.com

About Medline: Medline Industries, Inc. is a global manufacturer and distributor serving the healthcare industry with medical supplies and clinical solutions that help customers achieve both clinical and financial success. Headquartered in Mundelein, Ill., the company offers 350,000+ medical devices and support services through more than 1,200 direct sales representatives who are dedicated points of contact for customers across the continuum of care. For more information on Medline, go to www.medline.com

Forward Looking Statements: This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements contain words such as "will," "expect," "believe," "could," "would," "estimate," "continue," "build," "expand" or the negative thereof or comparable terminology, and may include (without limitation) information regarding the Company's expectations, goals or intentions regarding the future. In addition, the statements under the heading “Updated Fiscal Year 2015 Guidance” as well as the related reconciliation data included in this press release are all forward-looking statements. These forward-looking statements are based on Management's current expectations, estimates, forecasts and projections about the Company and assumptions Management believes are reasonable, all of which are subject to risks and uncertainties that could cause actual results and events to differ materially from those stated in the forward-looking statements. These risks and uncertainties include, but are not limited to, decreased demand for the Company's products, decreased free cash flow, the inability to recapture conversion delays or part/resource shortages on anticipated timing, or at all, changes in product mix, increased competition from competitors, lack of continued growth or improving efficiencies and unexpected changes in the Company's arrangements with its largest customers. Future results are subject to risks and uncertainties, including the risk factors, and other risks and uncertainties, described in the Company's filings with the Securities and Exchange Commission, which include those in the Annual Report on Form 10-K for the year ended December 31, 2014. Forward-looking statements contained in this press release are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

CONTACT:
ICU Medical, Inc.
Scott Lamb, Chief Financial Officer
(949) 366-2183

ICR, Inc.
John Mills, Partner
(646) 277-1254