Exhibit No.	(JR-9)	)

### Exhibit DR #23-3

## MARKETING AGREEMENT

This Agreement, effective January 1, 2010 ("Effective Date"), is between Stericycle of Washington, Inc. ("Stericycle"), a Washington corporation with its Washington State office at 20320 – 80<sup>th</sup> Avenue South, Kent, WA 98032 and Washington Hospital Services, Inc. ("WHS"), a Washington corporation, with its office at 300 Elliott Avenue West, Suite 300, Seattle, WA 98119.

### **BACKGROUND**

- A. Stericycle has developed a cost-effective, proprietary process for the treatment of infectious medical waste, which permits a portion of the medical waste to be recycled after treatment.
- B. WHS is engaged in marketing innovative and cost-saving programs to hospitals, physicians and clinics and other health service providers.
- C. WHS, as a subsidiary service company of the Washington State Hospital Association, provides marketing and assistance to selected corporations desiring to offer services or products to Washington hospitals and to other users of such services.
- D. Stericycle and WHS have agreed to work together to make potential customers aware of the services offered by Stericycle and to promote the use of those services ("Joint Marketing Efforts").

Accordingly, in consideration of the material promises contained in this Agreement, Stericycle and WHS agree as follows:

### 1. DEFINITIONS

- 1.1 "Customer" shall mean any generator of infectious medical waste, such as, but not limited to, a hospital, physician or clinic in the State of Washington.
- 1.2 "Infectious Medical Waste" shall mean any waste which is capable of producing or transmitting an infectious disease and which is generated in the diagnosis, treatment or immunization of human beings or animals, in research pertaining thereto or in the production or testing of animals. Infectious Medical Waste is commonly referred to as "red bag waste." Infectious Medical Waste shall not include chemotherapeutic or radioactive waste.
- 1.3 "Services" shall include, among other things, transporting properly packaged Infectious Medical Waste from the Customer's site, treatment of Infectious Medical Waste to eliminate infectious substances, disposal and conversion of some portion of the resulting product into recyclable materials. Other Services may include infectious waste stream audits, educational programs on infectious waste management, safety, recycling and the effective use of reusable containers for Infectious Medical

Waste. These Services and the cost of these Services may vary from Customer to Customer.

## 2. TERM

The term of this Marketing Assistance Agreement ("the Agreement") shall be three (3) years beginning on January 1, 2010 and ending on December 31, 2012. Thereafter, the parties may renew this Agreement for additional three-year terms by mutual agreement at least ninety (90) days prior to the end of the preceding term. The Annual Marketing Fee shall be negotiated annually and the duties of the parties may be revised annually by mutual agreement at least ninety days prior to the end of the calendar year.

### 3. GRANT OF MARKETING RIGHTS TO WHS

Stericycle hereby grants WHS the non-exclusive right to assist in the marketing of the Services offered by Stericycle within the State of Washington, including any future revisions or additions, for the term of this Agreement.

### 4. DUTIES OF STERICYCLE

- 4.1 Stericycle shall have the responsibility of selling the Services to the Customer. After interest is generated by WHS representatives, Stericycle's sales representatives shall conduct the detailed selling effort, including the negotiation of specified contract terms, and, if successful, shall close the sale. Stericycle shall have sole responsibility for determining the prices at which the Services are sold to the Customer. Once the sale is closed, Stericycle shall be responsible for serving the Customer.
- 4.2 Stericycle shall provide promotional material about the Services to WHS, at Stericycle's expense, as reasonably needed for the joint marketing efforts of the parties.
- 4.3 Stericycle shall make staff available as reasonably needed to participate with WHS in promotional meetings and presentations to Customers about the Stericycle programs and services.
- 4.4 Stericycle shall provide to WHS a quarterly report of all contracts signed and all services provided to each Customer.
- 4.5 Stericycle shall make no use of the name or trademark of Washington Hospital Services (WHS) or the Washington State Hospital Association (WSHA) in promotional materials, nor make any representations of endorsement or sponsorship by WSHA in promotional materials or otherwise, without the prior written approval of WHS.
- 4.6 Stericycle shall perform the Services as agreed between Stericycle and the Customer. Stericycle shall be solely responsible for the provision of the Services.

- 4.7 Stericycle shall be solely responsible for billing, collection of receivables, customer service and all other aspects of servicing and managing the account. All inquiries concerning account management received by WHS shall be forwarded to Stericycle.
- 4.8 Stericycle shall conduct periodic educational events to update present and prospective customers on medical waste handling.

#### 5. DUTIES OF WHS

- 5.1 WHS shall work with Stericycle in developing a jointly agreed upon marketing strategy. WHS shall implement and actively participate in the marketing activities.
- 5.2 WHS shall work with Stericycle to develop promotional materials for use in the marketing activities of WHS. Promotional materials will be provided by Stericycle, subject to WHS's approval, but such approval shall not be unreasonably withheld.
- 5.3 WHS shall send promotional materials regarding Stericycle and its services to all Washington hospitals and other selected health care providers.
- 5.4 WHS shall list and describe Stericycle in WHS's "Summary of Programs," WHS's catalogue of services and sponsored vendors.
- 5.5 WHS shall contact a representative of each specific, targeted Washington hospital and other specific, potential customers to inform them of the availability of the services offered by Stericycle. The target list for contacts shall be mutually agreed upon by WHS and Stericycle in jointly developing the marketing strategy.
- 5.6 WHS shall provide Stericycle with semi-annual reports of all contacts with Washington hospitals and other potential customers, together with a schedule of upcoming mailings, presentations and promotional activities.
- 5.7 WHS shall advise Stericycle of the date and location of all hospital trade shows within the State of Washington and shall assure, if there will be commercial exhibit space, that space is made available for Stericycle to rent to display its promotional information in those shows.
- 5.8 WHS shall make available information and promotional materials about the Services at appropriate meetings of WSHA members and through additional WHS publications which Stericycle and WHS deem most effective.
- 5.9 WHS shall maintain a business and professional support staff adequate to enable WHS to promptly and thoroughly fulfill the marketing assistance to Stericycle provided for in this Agreement.
- 5.10 WHS shall make specific introductions to potential customers who indicate strong interest.

- 5.11 WHS shall periodically discuss Stericycle's service at various hospital council meetings around the state.
- 5.12 WHS shall assist Stericycle to explore and enter new markets of health care providers.
- 5.13 WHS shall post information about Stericycle on the WHS website. WHS's website will have a direct link to Stericycle's website.

## 6. MARKETING FEE

- 6.1 In consideration for WHS' marketing assistance under this Agreement and the resulting exposure and support for selling by Stericycle of the Services to Customers in the State of Washington, Stericycle agrees to pay WHS an Annual Marketing Fee.
- 6.2 The Marketing Fee shall be periodically negotiated. The annual fee shall be set forth in Appendix A and is incorporated herein by this reference.
- 6.3 The Marketing Fee shall be paid in quarterly installments within fifteen (15) days after the last day of each quarter.
- 6.4 In the event of termination of this Agreement, Stericycle shall pay WHS a pro rata portion of the Annual Marketing Fee based upon the date of termination.

## 7. AGREEMENTS WITH THIRD PARTIES

During the term of this Agreement, WHS shall not provide or enter into an agreement to provide marketing assistance or other support to any third party engaged in performing any of the Services provided by Stericycle.

## 8. <u>AUTHORITY</u>

Neither party shall have the authority to perform any act or make any statement, which binds or purports to bind the other without the prior written consent of the other party.

#### 9. ASSIGNMENT

Neither party may sell, transfer or assign its fights pursuant to this Agreement without the prior written consent of the other party, except that either party may assign this Agreement to an affiliate or in connection with the sale of the business to which this Agreement relates.

#### 10. INDEPENDENT CONTRACTORS

Stericycle and WHS are independent contractors and nothing in this Agreement shall be construed to create a partnership, joint venture or agency relationship between Stericycle and WHS.

## 11. <u>INDEMNIFICATION</u>

WHS agrees to indemnify and hold Stericycle, its officers, directors, employees and agents harmless from any and all liability (including claims by third parties), and shall reimburse them for any loss, costs or expenses (including reasonable attorney's fees) caused by or arising in connection with WHS' unauthorized acts or failures to act in connection with its duties under this Agreement, or its receipt of fees paid under this Agreement, and Stericycle agrees to indemnify and hold WHS, its officers, directors, employees and agents harmless from any and all liability (including claims by third parties), and shall reimburse them for any loss, costs or expenses (including reasonable attorney's fees) caused by or arising in connection with Stericycle's unauthorized acts or failures to act under this Agreement, or in any way arising directly or indirectly out of the provision of Services. The indemnifying party will be entitled, at its sole cost and expense, to contest and defend any claim for which it is called upon to indemnify or reimburse the indemnified party under this Agreement. These indemnification obligations shall survive the termination of this Agreement.

## 12. <u>TERMINATION</u>

Either party shall have the fight to terminate this Agreement on written notice if the other (i) commits or suffers any act of bankruptcy or insolvency or (ii) fails to cure any material breach of the provisions of this Agreement within sixty (60) days after written notice of such breach.

#### 13. NOTICES

All notices required or permitted shall be in writing and shall be deemed given when delivered personally, by telefax, telex or telegram, or four (4) business days after being mailed by registered or certified mall, postage prepaid, or by such other method (including air courier) which provides for a signed receipt upon delivery, addressed as follows, or to such other person or address as may be designated by notice to the other party.

If	to	W	HS

If to Stericycle

President Washington Hospital Services 300 Elliott Ave. West, Suite 300 Seattle, Washington 98119 Mike Philpott Stericycle. 20320 – 80<sup>th</sup> Ave. South Kent, WA 98032

## 14. ENTIRE AGREEMENT

This Agreement is the entire agreement between the parties hereto, there being no prior written or oral promises or representations not incorporated herein.

# 15. APPLICABLE LAW

This Agreement is made subject to and shall be governed by the laws of the State of Washington.

## 16. AMENDMENTS

No amendment or modification of the terms of this Agreement shall be binding upon either party unless reduced to writing and signed by both parties.

# 17. <u>COUNTERPARTS</u>

For the convenience of the parties hereto, this Agreement may be executed in one or more counterparts, which together shall be deemed an original for all purposes.

### 18. CONFIDENTIALITY

During the term of this Agreement, each party may disclose to the other party information about its business strategies, its plans, terms of this Agreement and documents utilized in securing each transaction or Customer ("Confidential Information"). Each party agrees that, during and after the term of this Agreement, it shall not disclose to any third party any Confidential Information of the other party without the other party's prior written consent. Notwithstanding any other provision of this Agreement, Confidential Information shall not include any information, which shall become known to third parties or publicly known through no fault of the non-disclosing party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers on the day and year first above written.

STERICYCLE OF WASHINGTON, INC.

WASHINGTON HOSPITAL SERVICES

Title: Resigna Sure Lecter

Date: 45-76-10

Title: Posident

Date: 5 24 10

### **DRAFT #1**

## Appendix A

Per the Marketing Agreement between Stericycle of Washington, Inc, (Stericycle) and Washington Hospital Services (WHS) dated January 1, 2010, Appendix A is modified as stated under Section 6.2.

Effective January 1, 2010 Stericycle and WHS agree to the following Annual Marketing Fees.

Year 2010	\$46,000
Year 2011	\$46,750
Year 2012	\$47,500

The marketing fee shall be paid in quarterly installments within 15 days after the last day of each quarter.

STERICYCLE OF WASHINGTON

Dy. AM.

Title: Kecklemit Sales ISK

Date: 5-26-10

WASHINGTON HOSPITAL SERVICES

By: Koll I lenan

Title: Tesident

Date: 5/26/10

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