STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

1. TO: Head of Purchasing Agency

2. FROM: Operating Room

   Department/Division/Agency

   Pursuant to §103D-152(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:

   Orthopedic and Neuro/Spinal allograft or synthetic grafts.

4. Name of Vendor: Musculoskeletal Transplant Foundation

   Address: 125 Mayo Street, suite 300
   Edison, NJ 08837

5. Price: $50,000

6. Term of Contract: From 12 Months To:


8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

   MTF (Musculoskeletal Transplant Foundation) is non-profit organization that provides safe, high quality allografts, bone fillers and structural grafts. These are used for bone defects, trauma, tumor resection, bone revision, spinal fusion etc.. It is nationally the largest AATB (American association of tissue banks) accredited tissue bank having impeccable safety records that have met and exceeded all established AATB guidelines; never having any disease transmission. MTF is affiliated with State of Hawaii organ procurement organizations. The Ortho and Neuro surgeons are trained and rely on MTF to provide the most comprehensive selection enabling them to better meet the needs of their patients and enhance quality of life.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

   The term of the exemption will be for a total of a one year period at which time the hospital will re-evaluate the current services and determine if alternate options become available that would be more advantageous for the hospital. Based on the availability of resources, information and research the best procurement practice will be completed.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

    This exemption shall be from HRS, Section 103-302 all other guidelines, rules and policies under Chapter 103D shall be upheld. HHSC Policies and procedures will be followed and periodic reviews of contract action will be completed.
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Involvement in Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wesley Lo</td>
<td>Chief Executive Officer</td>
<td>☒ Approval</td>
</tr>
<tr>
<td>Patrick Saka</td>
<td>Chief Financial Officer</td>
<td>☒ Approval</td>
</tr>
<tr>
<td>Lorraine Borsum</td>
<td>Director of Surgical Services</td>
<td>☒ Approval</td>
</tr>
</tbody>
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13. Direct inquiries to:
- Department: Contracting
- Contact Name: Nancy Delima
- Phone Number: 243-3091
- Fax Number: 242-2773

14. This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR. YES ☐ NO ☒

Agency shall ensure adherence to applicable administrative and statutory requirements.

15. I certify that the information provided above is, to the best of my knowledge, true and correct.

[Signature]

Department Head: Pat Saka

Date: 10/9/06

16. Date Notice Posted: 10-2-06

The Head of the Purchasing Agency is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to:
- Head of Purchasing Agency
- HHSIC
- 3675 Kilauea Ave
- Honolulu, Hawaii 96816

Head of Purchasing Agency's comments:

[Signature]

17. [ ] APPROVED [ ] DISAPPROVED

Head of Purchasing Agency: [Signature]

Date: 10/9/06

SPO-07 (Rev 09/30/2005)