

DECLARATION FOR CALIFORNIA COMPLIANCE LAW

Introduction

ACE Surgical Supply Company, Inc. (ACE) is committed to complying with all applicable laws, regulations, and industry standards. To achieve this, we have established a Comprehensive Compliance Plan that follows the guidelines set out in the *Compliance Program Guidance for Pharmaceutical Manufacturers* issued by the U.S. Department of Health and Human Services Office of Inspector General (OIG).

The purpose of our Compliance Plan is to prevent and detect violations of our own standards as well as relevant laws. The goal of the Plan below serves to maintain and improve our compliance to continuously changing laws, compliance risks, and business practices.

Comprehensive Compliance Plan

Written Policies and Procedures

We have adopted written policies and procedures, guidelines, directives and other communications that provide guidance to ACE employees in their business with health care professionals, customers, suppliers, government entities, society at large, other employees, and other third parties. These policies also address the methods and means by which the Comprehensive Compliance Program is administered and enforced. Included in our written policies and procedures is a Marketing Code of Conduct Policy.

In addition, in accordance with California law, we have a set annual dollar limit on gifts, promotional materials, and items of value that ACE provides to each individual California healthcare professional.

Leadership and Oversight

ACE's Vice President of Regulatory Affairs and Quality Assurance (RA/QA) is responsible for managing and overseeing the Compliance Plan. The Director of RA/QA is empowered with appropriate authority to exercise independent judgment, and has free and unencumbered access to senior management.

Training and Education

ACE is committed to effectively communicating our standards and procedures to Company personnel. Our training activities include a combination of live presentations, online web modules,

printed materials, and individualized sessions. ACE periodically reviews and updates its training programs and identifies additional areas of training on an “as needed” basis.

Enforcement and Disciplinary Measures

We conduct fair and diligent investigations of compliance matters that are brought to the Company’s attention. ACE takes disciplinary actions, where appropriate, in response to confirmed violations of the Company’s compliance standards, and strives to ensure consistent application of the Company’s standards.

Responses to Detected Problems and Corrective Actions

An effective compliance program increases the likelihood of preventing and detecting unlawful and unethical behavior. However, even an effective compliance program may not prevent all violations. Accordingly, the Company’s Comprehensive Compliance Program requires a prompt response to potential violations of law or Company policy. Actions in response to detected problems, and to prevent future violations, may include improving policies or procedures, training, communication and monitoring or disciplinary action.

CALIFORNIA HEALTH AND SAFETY CODE §§119400-119402

We believe that ACE has developed a Comprehensive Compliance Program that meets the compliance goals set forth by California Health and Safety Code sections 119400 through 119402. To our best knowledge, we are, in all material respects, in compliance with our Comprehensive Compliance Program and the requirements of California Health and Safety Code sections 119400 through 119402, as we interpret and apply the requirements to the nature of our business. Although we are not making a representation that every employee and agent will always fully comply with our standards and rules, our Comprehensive Compliance Program is reasonably designed to prevent and detect violations. We are committed to monitoring our conduct and taking appropriate action to discipline Company personnel who violate our standards.

Dated: November 6, 2018