

# Ortho Clinical Diagnostics

## SERVICE AGREEMENT SIGNATURE PAGE

CUSTOMER	SUPPLIER
<b>NATIVIDAD MEDICAL CENTER</b> <b>1441 CONSTITUTION BLVD</b> <b>SALINAS, CA 93906-3100</b> <b>Attn: KRISTEN ALDRICH</b> <b>Phone: (831) 783-2627</b>	<b>Ortho-Clinical Diagnostics, Inc.</b> <b>100 Indigo Creek Drive</b> <b>Rochester, NY 14626</b> <b>Attn: KRISTA MAGID</b> <b>Phone: (908) 218-8433</b>
Supplier shall complete the information below upon final execution of this agreement. The effective date for this agreement will be the later of the date indicated below or 3 days following receipt of signed service agreement.	
<b>Agreement Number: 00005779-216263-001</b>	
OCD reserves the right to retract this offer if not signed by customer by: October 27, 2015	

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### AGREEMENT SUMMARY

**Agreement.** This Agreement is an agreement for the supply of certain Products as described herein. This Agreement supersedes all prior agreements between Customer and Supplier or any of its affiliates with respect to any of the Products covered hereby and is comprised of the documents listed above in the Table of Contents.

Ortho-Clinical Diagnostics, Inc., (hereinafter "Supplier") is a New York Corporation. NATIVIDAD MEDICAL CENTER (hereinafter "Customer") is located in SALINAS, CA

# Ortho Clinical Diagnostics

## PRODUCT SUPPLEMENT: SERVICE AGREEMENT

### CUSTOMER INFORMATION

<b>Group Purchasing Organization:</b>		<b>Agreement Number:</b>	00005779-216263-001
<b>Charge to:</b>		<b>Ship to:</b>	
<b>Customer Number:</b>	00044851	<b>Customer Number:</b>	00005779
<b>Name:</b>	NATIVIDAD MEDICAL CENTER	<b>Name:</b>	NATIVIDAD MEDICAL CENTER
<b>Attn:</b>		<b>Attn:</b>	
<b>Address:</b>		<b>Address:</b>	1441 CONSTITUTION BLVD
<b>City, State, Zip:</b>	SALINAS, CA, 93912-1611	<b>City, State, Zip:</b>	SALINAS, CA, 93906-3100
<b>Contact Name:</b>		<b>Contact Name:</b>	
<b>Contact Telephone:</b>		<b>Contact Telephone:</b>	

Purchase Order #: \_\_\_\_\_

Description	Value	Annual Cost	Payment Plan
5600 SYSTEM SERVICE AGREEMENT J56000884	\$26,400.00	\$26,400.00	Annually
5600 SYSTEM SERVICE AGREEMENT J56000888	\$26,400.00	\$26,400.00	Annually
<b>Totals</b>	<b>\$52,800.00</b>	<b>\$52,800.00</b>	

J #	Serial #	Service Type	Coverage Term		Contract End
			From	To	
J56000884	56000884	Silver	10/15/2015		10/14/2016
J56000888	56000888	Silver	10/15/2015		10/14/2016

\*Sales, use, or other taxes measured by sales or receipts are not included in these prices

A **Service Term Discount** is available when committing for 2 or more years *and* agree to pay the annual total amount, due within 30 days from date of invoice. Pricing reflected in the multiyear contract will remain firm for the term of the agreement. The following Service Discounts are available:

Analyzer	Annual Discount	New 2014 Ortho Care Basic SILVER Single Year service contract	Price per year for a 2 Year service contract	Price per year for a 3 Year service contract	Price per year for a 4 Year service contract
J56000884	\$750	<input type="checkbox"/> \$26,400	<input type="checkbox"/> \$24,900	<input type="checkbox"/> \$24,150	<input type="checkbox"/> \$23,400
J56000888	\$750	<input type="checkbox"/> \$26,400	<input type="checkbox"/> \$24,900	<input type="checkbox"/> \$24,150	<input type="checkbox"/> \$23,400

### REMARKS / SPECIAL INSTRUCTIONS

This Service Agreement will become effective when the entire unaltered signed service agreement and accompanying PO are received and signed by OCD Service Sales.

Silver Option: On-Site Service Support M-F, 8am - 5pm, Excluding Holidays \*Labor and travel at no charge within coverage hours \*Service scheduled no later than the next covered business day.

All payments are due and payable within thirty (30) days of invoice date.

## SERVICE AGREEMENT (Ortho Clinical Diagnostics, Inc.)

This service agreement is between Ortho-Clinical Diagnostics, Inc., a New York corporation (the "Company"), and NATIVIDAD MEDICAL CENTER, (the "Customer").

The Company sells diagnostic products ("Products") and services related to those products ("Services"). The Customer is a federal government acute-care facility, hospital, or free-standing walk-in center OR a blood donor center OR a commercial laboratory.

The federal anti-kickback statute, 42 U.S.C. § 1320a-7b(b), prohibits certain activities in connection with referring or arranging for business paid for by a federal healthcare program. The Company will provide the Customer, as permitted by the "discount safe harbor" to the federal anti-kickback statute under 42 C.F.R. § 1001.952(h), with Price Concessions (as defined below) on Products and/or Services purchased under this agreement if certain conditions are met.

The parties agree as follows:

### SERVICE TERMS

1. Property Rights. Any ideas, concepts, know-how, or techniques that the Company may develop during the performance of this agreement shall be the sole and exclusive property of the Company. Any maintenance materials, tools, documentation, diagnostics and test equipment provided by the Company will remain the exclusive property of the Company.

2. Access to Books and Records. To the extent required by 42 C.F.R. §§ 420.300-304, until the expiration of four years after the expiration or early termination of a Statement of Work, the Company will maintain a copy of this agreement and the books, documents and records related to the Services provided under that Statement of Work if the value or cost of the services is \$10,000 or more within a 12-month period. The Company will provide the Comptroller General of the United States, the United States Department of Health and Human Services, and their respective duly authorized representatives, access to the foregoing to the extent required by 42 C.F.R. §§ 420.300-304.

3. Access to Equipment. The Customer will provide the Company, without charge, sufficient working and storage space and utility services at the Customer's facilities and with access to the Customer's personnel, files, and equipment as the Company reasonably deems necessary to fulfill the Company's obligations under this agreement.

4. Service Warranty. The Company represents that it will perform the Services in a good and workmanlike manner. Any warranties, whether express or implied, provided by the Company with respect to the equipment are as described in the documentation accompanying that equipment on purchase. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE FOREGOING INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. Service Restrictions:

- 1) During the term of service agreement, Customer shall be responsible for providing routine maintenance, as specified in the Operator's Manual provided by Company, on all equipment covered thereunder. Failure to follow such routine maintenance procedures may result in service charges to repair the equipment or to otherwise bring the equipment back into compliance with Company specifications for such equipment or, at Company's discretion, may void all service obligations of Company hereunder.

THIS DOCUMENT CONTAINS CONFIDENTIAL AND PROPRIETARY TRADE SECRETS OF THE COMPANY.  
ITS CONTENTS MAY NOT BE DISCLOSED BY AN AUTHORIZED RECIPIENT WITHOUT THE COMPANY'S PRIOR WRITTEN CONSENT.

- 2) Customer agrees that neither it nor its employees or agents will alter or modify any part of the equipment or software, unless such action is expressly authorized in writing by Company. Any modification of or damage to any part of the equipment or software, whether by misuse, negligence, unauthorized repair or relocation, improper site preparation, unauthorized or improper integration with other products, accident, act of nature or otherwise (unless attributable to Company's negligence), may result in service charges to repair the equipment or software or to otherwise bring the equipment back into compliance with Company's specifications for such equipment or software or, at Company's discretion, may void all service obligations of Company hereunder.
- 3) Customer shall notify company prior to relocating any equipment. Any such relocation made without the express prior written approval of Company shall void all service obligations hereunder. Charges associated with the relocation and setup at a new location are not covered under this agreement.
- 4) Where Customer does not take title to equipment, Customer shall return the equipment to Company in good working condition, normal wear and tear excepted.
- 5) No person is authorized to expand or in any way modify the expressed obligations described above.
- 6) This agreement does not cover the following: circumstances beyond Company's control (such as overriding, bypassing, defeating interlock switches on equipment or devices sold by Company); problems due to failure of Customer to conform to Company site specifications; service or parts for any attachments, accessories, alterations or software not marketed by Company, nor to correct problems resulting from their use; rebuilding or reconditioning of equipment; service issues caused by Customer misuse or abuse; failure to follow Company's operating instructions; supply items.
- 7) Service Coverage. With respect to the Services to be provided by Company under this agreement, this agreement shall supersede any pre-existing agreement between Customer and Company. If there are multiple items of equipment at Customer's site that are the same model/type (e.g. two 5600 Chemistry Systems), then in order for any one item of equipment to be eligible for coverage under this agreement, all such items on-site must be covered under either a standard warranty, a rental service agreement with Company or a separate service agreement with Company.

6. Relation to Contract Documents: To the extent the terms or conditions contained in this Product Supplement and Service Agreement conflict with any requirements in a Purchase Order, Solicitation, or Contract between the parties, this Product Supplement and Service Agreement shall govern to the full extent permitted by law.

The Company:

ORTHO-CLINICAL DIAGNOSTICS, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

The Customer:

NATIVIDAD MEDICAL CENTER

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

The parties wish to enter into one such service agreement with respect to services that as of the Effective Date fall within the services listed in Schedule A (each, a "Service") below.

**Schedule A:**

1. How to obtain service:
  - a. Customer can reach Company's Customer Support Center by calling (800) 421-3311
  - b. When Company's Customer Support Center determines the issue cannot be resolved with telephone assistance, additional action will be taken as described below under Scope of Services.
2. Term and Termination:
  - a. If this agreement is terminated by the Customer in accordance with subsection (a) above in order to upgrade a piece of Company's equipment, any unused amounts of service coverage (determined by chronological proration) for which the Customer has prepaid will be credited against the price of any new service agreement associated with the upgrade equipment purchased by the Customer under the then current service pricing strategies.
  - b. If this agreement is terminated by the Customer in accordance with subsection (a) above, or any other reason than in (b) above, the Customer will not be provided credit for any unused prepaid amount, and if the Customer has purchased but not completely paid for a multi-year term, the Customer will be invoiced, and the Customer agrees to pay within 60 days of being invoiced, an amount equal to any difference between the amount prepaid by the termination date and the amount still owed to the Company for the remaining multi-year term.
3. Replacement Parts:
  - a. Replacement of all worn-out or defective non-consumable parts ("Replacement Parts") on covered equipment replaced during an on-site service visit will be at no charge. Consumable parts are not covered by this agreement and are the responsibility of the Customer. Replacement Parts may be new or reconditioned to perform as new.
  - b. Parts removed from equipment and replaced, unless previously agreed, shall, at Company's discretion, become the property of Company.
  - c. All parts replaced at no charge must be returned to Company within thirty (30) days after replacement when the Replacement Part(s) are shipped directly to Customer. The Customer may also order certain replacement, non-consumable parts directly from Company. The cost of standard shipping is included. A charge for Premium shipping (NFO, Next Day) will be billed if this is requested by the Customer. All consumable parts will be charged to Customer.

4. Scope of Services:

The service coverage specified for each item of equipment set forth in the Product Supplement: Service Agreement shall consist of the following:

Field Serviceable Equipment
<ol style="list-style-type: none"><li>a) Service hours during which Company will provide onsite service performed by Field Engineers are as indicated on the Product Supplement: Service Agreement</li><li>b) Onsite service provided outside the service hours are not covered and shall be billed at prevailing labor rates and trip charges based on time of day, day of week and geographic zone</li><li>c) The Company's onsite response time will vary depending on the geographic zone in which the customer resides and the service option purchased indicated on the Product Supplement: Service Agreement.</li><li>d) It is Company's objective to respond to requests for onsite service by the next covered business day or as the service option purchased as indicated on the Product Supplement: Service Agreement</li><li>e) Periodic Maintenance (PM) performed by Company to clean, test, and maintain covered equipment is recommended as indicated by the covered equipment service manual. This includes all labor and parts used during the PM. PM calls will only be made between the hours of 8:00am and 5:00pm local time, Monday through Friday, excluding Federal and local holidays</li></ol>

THIS DOCUMENT CONTAINS CONFIDENTIAL AND PROPRIETARY TRADE SECRETS OF THE COMPANY.  
ITS CONTENTS MAY NOT BE DISCLOSED BY AN AUTHORIZED RECIPIENT WITHOUT THE COMPANY'S PRIOR WRITTEN CONSENT.

<p>f) The Company will install Health and Safety related Modification Kits on covered equipment. This includes all labor and parts used in the installation that are required to implement the modification. These calls will only be made between the hours of 8:00am and 5:00pm local time, Monday through Friday, excluding Federal and local holidays</p>
<p>MTS Centrifuge / Incubator</p>
<p>a) When Company receives a request from Customer or otherwise determines the Customer has a need for service that cannot be resolved with Customer replaceable parts and telephone support, replacement equipment ("Replacement Unit") will be sent to the Customer with instructions for returning the existing equipment ("Existing Unit") to Company. At Company's discretion, Company may send new or refurbished equipment. It is the Company's objective to ship a Replacement Unit to the Customer within the next business day of Company's decision to ship such Replacement Unit.</p> <p>b) Customer will be responsible for unpacking and installing the Replacement Unit and also for removing, cleaning and repacking and returning the Existing Unit. Company will pay charges for shipping the Replacement Unit to the Customer and shipping the Existing Unit back to Company.</p> <p>c) Customer shall return Existing Unit to Company within two weeks of receipt of replacement Unit. Company will invoice the customer for the full value of the Replacement Unit if the Existing Unit is not returned to Company as required by this agreement.</p>
<p>Vitros DT (Desk Top) Systems</p>
<p>a) When modules are connected to a Vitros DT analyzer, the configuration is considered one operating unit. Therefore, if a service agreement covers a Vitros DT analyzer, all modules and analyzers must be covered under the same level service agreement or warranty. Service agreements will be available for DT Analyzers if modules are disconnected. If modules are reconnected and not covered by service agreements the Customer will be charged for any problems associated with use of the modules.</p> <p>b) When Company receives a request from Customer or otherwise determines that the Customer has a need for service, a shipping carton will be sent to the Customer, who is responsible for packing and returning the equipment in accordance with the instructions supplied in the shipping carton.</p> <p>c) Company will perform all adjustments and/or replacement of parts required to maintain the equipment in an operating condition consistent with Company specifications and return the equipment to Customer.</p> <p>d) Customer will be responsible for unpacking and reinstallation, including any necessary calibration.</p> <p>e) It is Company's objective to repair the equipment and return it to the Customer on the same day it is received.</p>
<p>f) A Company owned analyzer will be on loan available at no charge if requested while the customer's analyzer is being repaired. If the loaned analyzer is not returned to Company within thirty (30) days after receipt of repaired analyzer, the customer will be obligated to pay the Company the current selling price of the loaned analyzer.</p>

**ADDENDUM TO SERVICES AGREEMENT**  
**00005779-216263-001**  
**BY AND BETWEEN ORTHO-CLINICAL DIAGNOSTICS, Inc. and**  
**NATIVIDAD MEDICAL CENTER**

This Addendum amends, modifies, and supplements the County of Monterey Agreement for Services (hereinafter "Agreement") by and between Ortho Clinical Diagnostics (hereinafter "Company") and the County of Monterey, on behalf of Natividad Medical Center (Agreement number referenced above). This Addendum has the full force and effect as if set forth within the Terms. To the extent that any of the terms or conditions contained in this Addendum may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum shall take precedence and supersede the attached Agreement.

NOW, THEREFORE, Natividad Medical Center and Company agree that the following terms and conditions shall be incorporated into and become a part of the Agreement as follows:

**1. MUTUAL INDEMNIFICATION**

a. Company shall indemnify, defend, and hold harmless the County of Monterey, including Natividad Medical Center ("County/NMC"), its officers, agents and employees from any claim, liability, loss, injury or damage rising out of, or in connection with, performance of this Agreement by Company and/or its agents, members, employees or sub-Suppliers, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County/NMC. It is the intent of the Parties to this Agreement to provide the broadest possible indemnification for the County/NMC. Company shall reimburse the County/NMC for all costs, attorneys' fees, expenses and liabilities incurred by the County/NM with respect to any litigation in which Company is obligated to indemnify, defend and hold harmless the County/NMC under this Agreement.

b. The County/NMC shall indemnify, defend, and hold harmless Company, its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by the County/NMC and/or its agents, members, employees or sub-Suppliers, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by Company. It is the intent of the Parties to this Agreement to provide the broadest possible coverage for Company. The County/NMC shall reimburse Company for all costs, attorneys' fees, expenses and liabilities incurred by Company with respect to any litigation in which the County/NMC is obligated to indemnify, defend and hold harmless Company under this Agreement.

**2. INSURANCE**

A. Evidence of Coverage:

Prior to commencement of this Agreement, the Company shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate.

This verification of coverage shall be sent to Natividad Medical Center's Contracts/Purchasing Department, unless otherwise directed.

Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad Medical Center's Contracts/Purchasing Director.

Insurance Coverage Requirements: Without limiting Company's duty to indemnify, SUPPLIER shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

- b. **Commercial General Liability Insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Suppliers, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval).

- c. **Business Automobile Liability Insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval).

- d. **Workers' Compensation Insurance**. If Company employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval).

- e. **Professional Liability Insurance**, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the



California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the Company shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval).

**3. OTHER INSURANCE REQUIREMENTS:**

- a. All insurance required by this Agreement shall be with a company acceptable to Natividad Medical Center and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date Company completes its performance of services under this Agreement.
- b. Company shall provide Natividad Medical Center notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Company and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

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- c. **Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Company's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Company's insurance.**
- d. Prior to the execution of this Agreement by Natividad Medical Center, Company shall file certificates of insurance with Natividad Medical Center's Contracts/Purchasing Department, showing that the Company has in effect the insurance required by this Agreement. The Company shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.
- e. Company shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to Natividad Medical Center's Contracts/Purchasing Department. If the certificate is not received by the expiration date, Natividad Medical Center shall

notify Company and Company shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Company to maintain such insurance is a default of this Agreement, which entitles Natividad Medical Center, at its sole discretion, to terminate the Agreement immediately.

**Natividad Medical Center**

**Ortho-Clinical Diagnostics, Inc.**

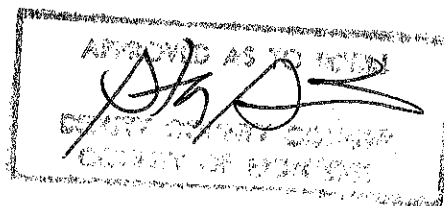
\_\_\_\_\_  
Gary R. Gray, Interim CEO

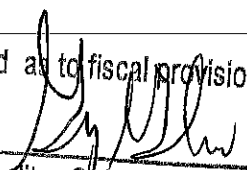
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
(print name)

\_\_\_\_\_  
Title



Reviewed as to fiscal provisions  
  
\_\_\_\_\_  
Auditor-Controller  
County of Monterey 10-14-15