



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13505

Upon motion of Supervisor Salinas, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with ARxIUM for pharmacy purchasing and inventory management software services for an amount not to exceed \$55,000 retroactive to August 1, 2016 through July 31, 2018.

PASSED AND ADOPTED on this 18th day of April 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas, Parker and Adams

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting April 18, 2017.

Dated: April 25, 2017
File ID: A 17-072

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Danise Hancock
Deputy



SOFTWARE LICENSE AGREEMENT

This **Software License Agreement** (this "Agreement") is made by and between **ARxIUM, Inc.** ("Licensor") and Natividad Medical Center ("Licensee") as of August 1, 2016 (the "Effective Date"). In consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. System.

- 1.1 Licensor maintains Purchasing and Inventory Management software with various modules, including those specifically set forth on Schedule A to this Agreement (the "System").
- 1.2 Licensor maintains a centralized EDI/Data Management Repository ("CDR") that facilitates electronic communications transactions ("Transactions") between Licensee and Licensee's suppliers or the suppliers of its affiliates ("Trading Partners").
- 1.3 Licensee wishes to utilize the modules of the System set forth on Schedule A. Licensor hereby grants Licensee a non-exclusive, nontransferable, revocable, personal, limited and non-sublicensable license to use the System and related documentation (the "Documentation") solely in connection with the internal conduct of Licensee's business ("Licensee Facility").

2. Term and Termination.

- 2.1 Term. This Agreement shall commence on the Effective Date and shall continue, for each Licensee Facility, for a term **ending January 31, 2018** (the "Term"), unless terminated earlier in accordance with this Paragraph 2.
- 2.2 Voluntary Termination. After the Term, either party may terminate this Agreement without penalty upon delivery of a written notice of termination to the other party at least thirty (30) days prior to the date of termination set forth in the notice. No termination of this Agreement shall release Licensee from any obligation to pay Licensor any amount that has accrued or is payable prior to the effective date of termination.
- 2.3 Termination for Loss of 340b Eligibility, Legislative Changes, Etc. Anything in this Agreement to the contrary notwithstanding, Licensee may, at its option and upon at least sixty (60) days prior written notice, terminate this Agreement with respect to a specific Licensee Facility if such Licensee Facility becomes ineligible for 340b pricing, based on documentation from HRSA. In addition, in the event legislation, rules, regulation or other government laws are enacted which extend 340b pricing to inpatient services, Licensee may cancel this Agreement upon at least ninety (90) days prior written notice to Licensor, but in no event earlier than the first anniversary date of this Agreement.
- 2.4 Termination for Cause. In addition to any other rights that it might have hereunder, either party may terminate this Agreement, in whole or in part, upon breach by the other party of any material provision of this Agreement, by giving written notice thereof to the party in breach, provided that such default, breach or failure to perform is not cured within thirty (30) days following notice thereof (and provided further, that neither party shall be permitted repeatedly to cure multiple breaches of the same obligation or term hereof).
- 2.5 Effect of Termination. Upon termination of this Agreement and the System license, Licensor shall immediately discontinue Licensee's access to the System and Licensee, its receivers, trustees, assigns, or other representatives shall immediately return all copies of the Documentation to Licensor without delay. No termination of this Agreement shall release Licensee from any obligation to pay Licensor any amount that has accrued or is payable prior to the effective date of termination, including any amounts due on the remaining term of a license for a Licensee Facility. The foregoing provisions of this Paragraph shall in no way limit or restrict the right of Licensor to seek immediate equitable relief against Licensee to the extent Licensor deems appropriate to enforce this Agreement and protect its rights hereunder.

3. Licensor's Duties.

- 3.1 Security. Licensor will utilize all commercially reasonable methods to prevent security breaches to the System and to protect Licensee's information systems against the risk of penetration by a third party and will provide regular back up of Licensee's data.
- 3.2 Hours of Operation. During the term of this Agreement, Licensor shall make the System available 24 hours per day, 7 days per week except for such periods as may be needed to update and maintain the System. Licensor performs this maintenance from 5:00am - 6:00am EST. Maintenance frequency will typically be no more than once a week. All orders should be placed prior to that time. EDI, FTP, & Fax orders can still take place during this time period, but processing of transactions cannot be guaranteed.
- 3.3 Communication to Trading Partners. Licensor shall process each Transaction from Licensee and convert or translate it into an appropriate ANSI X.12 EDI format or facsimile transmission, whichever is preferred by Licensee's Trading Partner to whom such Transaction is addressed.
- 3.4 Communication from Trading Partners. Licensor shall receive appropriate ANSI X.12 EDI Transactions from Licensee's Trading Partners intended for Licensee and convert or translate such Transactions into a format suitable to the System.

3.5 Confidentiality. Licensors acknowledges and agrees that all information transmitted by Licensee and Licensee's Trading Partners to and from the System is confidential and proprietary in nature. Accordingly, Licensors shall maintain the confidentiality of such information. During the term of this Agreement and thereafter, Licensors shall not communicate, divulge, publish or use, other than as permitted by this Agreement or by applicable law, any of the information placed into the System by Licensee or Licensee's Trading Partners except with the written consent of Licensee.

4. Licensee's Duties.

4.1 Adherence to Operating Instructions. Licensee shall adhere to the procedures set forth in the Documentation. Such Documentation may be amended or supplemented by Licensors from time to time and such updates will be made available to Licensee either in printed or electronic format.

4.2 Confidentiality. For purposes of this Agreement, the management reports, the information in the Documentation, and any know-how concerning the methods of operation of the System which may be communicated to Licensee or which Licensee may ascertain by virtue of their use of the System, and any other information which Licensors designates as confidential shall be deemed confidential (collectively "Confidential Information"). Licensee shall maintain the Confidential Information as secret and confidential. Such Confidential Information shall be used by Licensee only as permitted herein. During the Term and thereafter, Licensee shall not communicate, divulge, publish or use, other than in the manner set forth in this Agreement any of the Confidential Information except with the prior written consent of Licensors.

4.3 Fees. As payment for access to the System and for services provided to Licensee by Licensors hereunder as part of the System, Licensee shall remit payment of the fees detailed in Schedule A to this Agreement within thirty (30) days after the invoice date. Licensors may, with ten (10) business days advance written notice to Licensee, suspend services hereunder or terminate this Agreement if Licensee fails to pay any sums due when due. Licensors reserves the right to adjust pricing at the beginning of each subsequent term to this Agreement.

5. Support Policies

5.1 Support and Escalation Procedures. Licensee shall classify each problem according to the following severity levels and Licensee shall notify Licensors of the existence and classification of the problem by notification with a System Problem Report in accordance with Licensors' Support Policies set forth herein ("Support Policies"). Telephone notifications shall be followed as soon as reasonably possible by written notification, such as e-mail, given by Licensee to Licensors, which shall be deemed received by Licensors upon completion of transmission by facsimile, e-mail or telefax. Licensors shall provide problem resolution within the time limits specified for the severity level as described below.

(a) Severity Level 1 - Critical Problems. The System or a significant component of the System is experiencing problems which cause it to stop completely or that lead to data corruption. Licensors shall provide telephone response by a qualified technician within the Initial Response Time for Severity Level 1 - Critical Problems as defined below. Within the Initial Response Time, qualified personnel will be assigned to the problem and Licensee shall be advised of the assignment. Every effort will be made to resolve the condition within the Target Resolution Timeframe as defined below. Licensors shall demonstrate to Licensee its good faith and diligent initiation and prosecution of corrective measures. Licensors shall report to Licensee concerning the cause of the problem, the resources required to resolve the problem, the approximate time the problem will be resolved, and a description of the actions necessary to resolve the problem. The response times applicable to Severity Level 1 - Critical Problems, measured from Licensee's delivery of the System Problem Report to Licensors in accordance with Licensors' Support Policies, are as follows:

(i) Initial Response Timeframe	2 Hours
(ii) Target Resolution Timeframe	24 Hours
(iii) Extended Resolution Timeframe	96 Hours
(iv) Status Report Schedule	Every 24 Hours

(b) Severity Level 2 - High Impact Problems. The System is experiencing problems that cause a major application, function or feature to fail. These problems are never enough to limit the usefulness of the entire System. Licensors shall provide telephone response by a qualified technician within the Initial Response Time for Severity Level 2 - High Impact Problems as defined below. Every effort will be made to resolve the condition within Target Resolution Timeframe for Severity Level 2 - High Impact Problems as defined below, and Licensors will demonstrate to Licensee its good faith and diligent initiation and prosecution of corrective measures within said period. Resolution may include a temporary fix or workaround. The response times applicable to Severity Level 2 - High Impact Problems, measured from Licensee's delivery of the System Problem Report to Licensors in accordance with Licensors' Support Policies, are as follows:

(i) Initial Response Time	4 Hours
(ii) Target Resolution Timeframe	48 Hours
(iii) Extended Resolution Timeframe	96 Hours

- (c) Severity Level 3 - Medium Impact Problems. The System is experiencing problems that cause minor applications, functions or features to fail to operate. The problem is severe enough to limit the usefulness of the affected part of the System, but does not hamper the rest of the System's usefulness. Licensor shall provide telephone response by a qualified technician within the Initial Response Time for Severity Level 3 - Medium Impact Problems as defined below. The problem will be escalated and resolved within the Target Resolution Timeframe as defined below. Mutually agreed upon temporary fixes or workarounds will be implemented until a permanent resolution is provided. The response times applicable to Severity Level 3 - Medium Impact Problems, measured from Licensee's delivery of the System Problem Report to Licensor in accordance with Licensor's Support Policies, are as follows:
- | | |
|----------------------------------|----------|
| (i) Initial Response Time | 8 Hours |
| (ii) Target Resolution Timeframe | 96 Hours |
- (d) Severity Level 4 - Low Impact Problems. The System is experiencing problems that cause minor irritations but do not inhibit the usefulness of the System. Licensor shall evaluate and prioritize the problem. Severity Level 4 -Low problems will be resolved in a future release based on priority.
- 5.2 Conditions. All response and resolution times will be achieved at a rate of no less than 95% of the time, measured monthly. If Licensor fails to meet the response and resolution time goals set forth in Paragraph 5.1 for three (3) consecutive months, Licensee may elect to receive a credit in an amount equal to fifty percent (50%) of the monthly system usage fee for said three (3) month period in accordance with the fees set forth in Schedule A.
- 5.3 Support Services. Support services provided by Licensor at no additional cost to Licensee shall specifically include:
- (a) Error Corrections. Error or defect corrections to the System so that the System performs substantially in accordance with its Documentation;
 - (b) Regulatory Changes. All necessary changes or enhancements to the System so as to maintain compliance with applicable Federal, JCAHO, and applicable state requirements in respect of the intended functions of the System;
 - (c) Enhancements. All updates and enhancements to the System as Licensor will, from time to time, develop and make generally available via software releases or otherwise; and
 - (d) Documentation. Updates to Documentation which contain (i) corrections to Documentation related to the current release of the System and (ii) the description, use, and operation of new or enhanced features of the System.

6. Limitation of Liability; Indemnification; Warranty.

- 6.1 EDI Services. Licensor shall not be responsible for the loss or corruption of data transmissions or for the failure to send or receive data transmissions due to events beyond Licensor's control. Further, Licensor shall not be responsible for Licensee's failure to provide accurate data to Licensor, any damages arising from Licensee's or any third party's (including, without limitation, Trading Partners') equipment or software errors or failures, the failure of Licensee or any third party to act on any communication transmitted to or by Licensee in accordance with this Agreement, or any errors or omissions in Transactions or Data transmitted by Licensee or its Trading Partners and the results of such errors or omissions. Licensee acknowledges that Licensor is in no respect responsible for the creditworthiness or performance of any Trading Partner of Licensee.
- 6.2 Indemnification By Licensor. Licensor agrees to defend, indemnify and hold harmless (including reasonable attorney's fees) Licensee, its corporate affiliates, and any employee or agent thereof (each of the foregoing being hereinafter referred to individually as the "Indemnified Party") against all liability (other than liability caused by the Indemnified Party) to the extent caused by the acts, omissions or negligence of Licensor or its agents, including, but not limited to, those relating to personal injuries suffered by Licensee's patients, employees or invitees, those relating to property damage, and/or the violation of any third party's trade secrets, proprietary information, trademark, copyright, or patent rights in connection with the licensing of the System. Licensor may, at its option, conduct the defense in any such action arising as described herein and Licensee promises fully to cooperate with such defense. This indemnification is limited to the System delivered to Licensee or as modified in accordance with this Agreement, and does not cover third party claims arising from modifications not authorized by Licensor. If an infringement claim causes Licensee's quiet enjoyment and use of the System to be seriously endangered or disrupted, Licensor shall, at its option (a) replace the System, without charge, with a compatible, functionally equivalent and non infringing product; (b) modify the System to avoid the infringement; or (c) obtain a license for Licensee to continue use of the System for the term of this Agreement and pay for any additional fee required for such license.
- 6.3 Indemnification By Licensee. Licensee agrees to defend, indemnify and hold harmless (including reasonable attorney's fees) Licensor, its corporate affiliates, and any employee or agent thereof (each of the foregoing being hereinafter referred to individually as the "Indemnified Party") against all liability (other than liability caused by the Indemnified Party) to the extent caused by the acts, omissions or negligence of Licensee or its agents. Licensee may, at its option, conduct the defense in any such action arising as described herein and Licensor promises fully to cooperate with such defense.

6.4 Indemnification Claim – Notice and Defense. The foregoing indemnification obligations are conditioned upon the party seeking indemnification providing the indemnifying party prompt written notice of any claim by a third party to which this indemnity may relate within a reasonable time after receipt of notice of such third party claim, and the right to control and direct the investigation, preparation, defense and settlement of the claim, and further provided, that the party seeking indemnification cooperates with the indemnifying party in connection with the foregoing. No settlement intended to bind either party shall be made without such party's prior written authorization.

6.5 Warranty. Licensor warrants as follows:

(a) System Performance. Licensor warrants that the System will perform in accordance with the Documentation if operated as directed.

(b) Right to Contract and License. Licensor represents and warrants that it either owns or has the right to license all property included in the System and that all such property is free of liens and claims. Further, Licensor warrants that it has the right to license any third-party software included in this Agreement.

(c) Virus Warranty. Licensor warrants that the System (to include all subsequent corrections, releases, and enhancements made available to Licensee) will not contain any software routine, code or instruction, or combination of the above (collectively referred to and defined for the purposes of this Paragraph as a "Virus" or "Disabling Code"), that is designed to: (i) permit unauthorized access to the System; (ii) permit unauthorized access to Licensee's data network; or (iii) disable, delete, modify, damage or erase software, hardware or data maintained at Licensee's premises. This includes, but is not limited to, components that are commonly referred to as "back doors", "time bombs", "Trojan horses," "worms," "drop dead devices," or "viruses." For the purpose of this warranty, counters or limiters that function solely to enforce a license limitation, such as the number of concurrent users, are not considered to be Viruses or Disabling Codes.

NOTWITHSTANDING THE FOREGOING, LICENSOR SPECIFICALLY DISCLAIMS ANY WARRANTIES OR REPRESENTATIONS RELATED TO THE INTERNET. SECURITY-RELATED FEATURES AND/OR SERVICES CANNOT GUARANTEE COMPLETE SECURITY VIA THE INTERNET AND LICENSOR SHALL NOT BE LIABLE FOR BREACHES OF SUCH SECURITY OR ANY OTHER RELATED WARRANTIES, EITHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION, INTERNET FUNCTION AND/OR PERFORMANCE WARRANTIES. LICENSOR SHALL HAVE NO LIABILITY FOR THE CONDUCT OF LICENSEE'S USERS ON THE INTERNET.

The above System warranties shall include all interfaces provided for in the Documentation or otherwise supplied by Licensor.

6.6 Remedy. Licensee's remedy for the breach of the Warranties set forth in Paragraph 6.5 above shall be (a) the prompt and efficient repair or replacement of the defective System so that it performs in accordance with its Documentation or (b) a Licensor-supplied "workaround" which achieves the same functionality using different procedures but which does not negatively impact or degrade Licensee's operations with respect to Licensee's use of the System.

6.7 Intellectual Property Ownership. (a) Licensee acknowledges and agrees that it acquires no ownership rights in the System or the Documentation. All such ownership rights including, without limitation copyrights, patent rights, trade secrets, trademarks and any other intellectual property rights shall remain vested in the Licensor. All rights not expressly granted herein are expressly reserved.

(b) All data provided by Licensee belongs to Licensee. Use or distribution of Licensee's data by Licensor is prohibited unless Licensor obtains prior written consent from Licensee.

(c) Following termination or expiration of this Agreement, Licensee data will be available in an archived state for 5 years.

Based on your request for access to your data following termination or expiration of this Agreement, Licensor will provide Licensee with an *Accumulator Summary Report* that will provide a snapshot of accumulation for 340B and/or GPO. This report is recommended to be run at either the switchover to a new product or at the end of life of the current 340B product. There is no charge for this data.

Licensor can also provide access to the 340B software to obtain Licensee data through the software application following termination or expiration of this Agreement however, since Licensee will no longer be under contract, Licensor will charge \$250 per user. This will provide a single user with access for a period of 5 days. After 5 days, access would be denied. If Licensee needs additional time, the regular rate applies. This is intended to be used to capture historical data in the event of a HRSA audit.

If Licensee needs assistance in pulling data, Licensor can offer support. Licensor charges an hourly rate of \$250 for this support. This rate also would include any customized reports needed to fulfill an audit requirement.

7. Miscellaneous Provisions.

- 7.1 Notices. All notices, requests, demands and other communications (other than electronically transmitted Transactions) required or permitted to be given or made hereunder shall be in writing and shall be deemed to have been given on, (a) the third business day following the date of deposit in the United States mail, postage prepaid, by registered or certified mail, return receipt requested, or (b) the first business day following the date of delivery to a nationally-recognized overnight courier service, in each case addressed as set forth below or to such other person or entity as either party shall designate by notice to the other in accordance herewith.
- 7.2 Governing Law, Forum Selection and Jurisdiction. This Agreement shall be construed and interpreted according to the internal laws of the State of California. Notwithstanding the foregoing, Licensee agrees that Licensor may seek injunctive relief in any court of competent jurisdiction.
- 7.3 No Waiver. Any waiver or delay by any party in enforcing this Agreement will not deprive that party of the right to take appropriate action at a later time or due to another breach.
- 7.4 Severability. All provisions of this Agreement will be deemed to be severable and any unenforceable or invalid provision will be replaced with a valid and enforceable provision that comes closest to expressing the intent of such provision.
- 7.5 Remedies Cumulative. All remedies provided herein are cumulative and in addition to any other available remedy.
- 7.6 Entire Agreement; Amendments. This Agreement and the attached Schedules supersede any prior oral and written representations entered into by the parties that relate to the subject matter herein. This Agreement may not be modified except by a subsequent writing executed by the parties. This Agreement will benefit, and be binding upon, the successors and permitted assigns of the parties.
- 7.7 Independent Contractor. The relationship between the parties is that of independent contractors and not partners, joint venturers, principal and agent or employer and employee. Neither party shall have the authority to and shall not incur obligations of any kind in the name of or for the account of the other party hereto.
- 7.8 No Third Party Reliance. No third party is entitled to rely on any provision of this Agreement and the parties assume no liability to any third party because of any reliance on the agreements of the parties contained in this Agreement.
- 7.9 Reasonable Control. Licensor will not be liable for its failure to perform an obligation under this Agreement if that failure results from any cause beyond Licensor's reasonable control.
- 7.10 Survival. Paragraphs 3.5, 4.2, 4.3, 6 and any others whose context shows that it is intended to survive shall survive this Agreement's termination.

8. Insurance.

8.1 Evidence of Coverage

Prior to commencement of this Agreement, the Licensor 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 Licensee's Contracts/Purchasing Department, unless otherwise directed. The Licensor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Licensee has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Licensor.

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 Licensee's Contracts/Purchasing Director.

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

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 Licensors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

All insurance required by this Agreement shall be with a company having a minimum A.M. Best rating of A+ and financial size category rating of not less than A-VII. Furthermore, such insurance shall be 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 Licensor completes its performance of services under this Agreement.

Each liability policy shall provide that Licensee shall be given 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 LICENSOR 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.

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 Licensor'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 Licensor's insurance.

Prior to the execution of this Agreement by LICENSEE, LICENSOR shall file certificates of insurance with LICENSEE's Contracts/Purchasing Department, showing that the LICENSOR has in effect the insurance required by this Agreement. The LICENSOR 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.

LICENSOR 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 LICENSEE, annual certificates to LICENSEE's Contracts/Purchasing Department. If the certificate is not received by the expiration date, LICENSEE shall notify LICENSOR and LICENSOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by LICENSOR to maintain such insurance is a default of this Agreement, which entitles LICENSEE, at its sole discretion, to terminate the Agreement immediately.

IN WITNESS WHEREOF, the parties by their duly authorized officers have executed and delivered this Agreement on the date set forth by Licensor below.

NATIVIDAD MEDICAL CENTER

Signature: _____

Name: _____

Title: _____

Address: 1441 Constitution Boulevard
Salinas, CA 93906

Date: _____

ARxIUM, Inc.

Signature: _____

Name: _____

Title: _____

Address: 1400 Busch Parkway
Buffalo Grove, IL 60089

Date: _____

**SCHEDULE A - Hosted System**

Licensee Name Natividad Medical Center
Licensee Address 1441 Constitution Blvd
Salinas, CA 93906

Contact Name Daniel Leon, CFO
Contact Phone Required Field

Account Executive
Name Sylvain Montpetit
Phone 847-495-6712
E-Mail smontpetit@arxium.com

As proposed, the System consists of the following components and pricing.

Proposal Date 3/11/16

Quantity	Product Code	Basic Hosted System	Price per Unit	Billing Frequency	One-time Fees	Monthly License Fee
1	HST1001-00	Hosted 340B Replenishment System - Supports one healthcare entity or affiliate - Wholesaler Order Entry System for communication of orders - Accumulator - 340B Data transfer file (usage/billing data to 340B)	2,036	Monthly		2,036.00
1	HST7000-00	Standard Support - Toll-free phone support during regular business hours - Software updates included	Included			Included
Quantity	Product Code	Additional Hosted Charges	Price per Unit	Billing Frequency	One-time Fees	Monthly License Fee
1	HST2011-00	Additional 340B Ordering Location - Non Conflicting Catalog - Only available when supporting same healthcare entity or commonly owned affiliate - Not available with any inpatient/outpatient combination - Only available for inpatient locations having a catalog with non-conflicting CDMs and prices - Software manual provided for each additional site	400	Monthly		400.00
1	HST3060-00	Consulting - Database Quality Assurance - Includes single database build with no conflicting catalog - Additional locations with conflicting catalogs are not included in fee - Quality assurance reviews are conducted periodically after implementation	1,500	Monthly		1,500.00
0	HST3098-00	Additional Customized On-Site Services, Training and Installation (per day including travel costs)	2,000	One Time		
0	HST3099-00	Additional Customized Remote Services, Training and Installation (per hour)	250	One Time		
Qty	Product Code	EDI Transaction Charges	Price per Unit	Billing Frequency	One-time Fees	Monthly License Fee per Account
1	HST4000-00	Monthly Unlimited Usage (per account)	600			600.00
Total Product Price			US\$		0.00	4,536.00

Other Terms and Conditions**Payment Terms****Monthly License Fee**

100% billable quarterly in advance (payment terms net 30 days from invoice date). Billing of license fees shall commence upon Licensee's receipt of Installation Notice.

EDI Transaction Charges

In arrears based on actual usage (payment terms net 30 days from invoice date). The County Auditor-Controller shall pay the amount certified on the invoice by NMC representative within 30 days of receiving the certified invoice.

Additional Terms

This quotation is firm for sixty days from issuance. All monetary amounts are in US dollars. Any applicable taxes are not included in the quotation and are the responsibility of the Licensee.

LICENSOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by LICENSOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. CUSTOMER shall certify the invoice, either in the requested amount and shall promptly submit such invoice to the County Auditor-Controller for payment unless there is a disputed fee, in which the procedure below will be utilized. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

Disputed Fees. All Fee disputes must be brought to the attention of Licensor within 30 days after receipt of the invoice containing the amount in dispute or, otherwise, Customer will be deemed to accept the accuracy of such invoice and to waive its right to dispute the amount. In the event Customer disputes a portion of an invoice, Customer agrees to fully pay the undisputed portion of the invoice and Licensor acceptance of such partial payment shall not waive any of its rights as to the remaining balances nor in any way constitute accord and satisfaction.



EDI Billing Preference

Please complete this form by entering your corporate information and selecting your billing preference

Customer Legal Name: Natividad Medical Center

Mailing Address: 1441 Constitution Blvd., Salinas, CA 93906

Contact Name: Jason Warren


Contact Email: warrenj@natividad.com

Contact Telephone #: 831-772-7720

My billing preference is as follows:

- ☐ remain on the current rate plan of \$0.25 per document and \$0.03 per line
- ☒ change to a flat rate of \$600.00/month per account for unlimited usage*

* Customers with more than 10 accounts may be eligible for special pricing. Please email contracts@arxium.com to request a custom quotation.

Signature: 

Name: Dr. Gary Gray

Title: CEO

Date of Signature: 4/15/17