

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)



Master Services Agreement

This Master Services Agreement (this “Master Agreement”) is entered into on January 1, 2022 (the “Effective Date”), by and between **Vizient, Inc.**, a Delaware corporation, on behalf of itself and its subsidiaries (collectively, “Vizient”) and **San Bernardino County on behalf of Arrowhead Regional Medical Center**, a political subdivision organized and existing under the constitution and the laws of the State of California, (“Member”), for itself and on behalf of its covered facilities (“Covered Facilities”), as specifically set forth in an applicable SOW (as defined below). ***As of the Effective Date, this Master Agreement shall supersede that certain Purchasing Program Profile Form between Novation and the County of San Bernardino/Arrowhead Regional Medical Center dated February 5, 2008, that certain Acknowledgement and Consent between University HealthSystem Consortium and the County of San Bernardino/Arrowhead Regional Medical Center dated February 12, 2008, as amended, and that certain Master Services Agreement between Vizient and the County of San Bernardino on behalf of Arrowhead Regional Medical Center dated August 1, 2017, as amended.*** For the avoidance of doubt, this Master Agreement shall govern the period commencing on the Effective Date. Vizient and Member are sometimes referred to herein individually as a “Party” and collectively, as the “Parties.”

1. **Statement of Work.** For all services provided by Vizient under this Master Agreement (collectively, the “Services”), Vizient will issue a statement of work or order form (each, an “SOW”) containing relevant terms and provisions which are fully incorporated herein, as an attachment to this Master Agreement, and made a part hereof. If applicable, the SOW will identify the Vizient subsidiary, if any, providing Services and any Covered Facilities receiving such Services. In the event of conflicting terms between this Master Agreement and any SOW executed hereunder, the terms of the SOW will control.
2. **Service Fees and Invoicing.** Service fees for all Services (“Service Fees”) will be specifically set forth in each SOW. Any obligation to reimburse Vizient for Services-related expenses, including, but not limited to, travel, meals, lodging, and other administrative costs, such as postage, copying, and overnight mailing (collectively, “Reimbursable Expenses”), are in addition to Service Fees and will be indicated in each applicable SOW. Except as otherwise set forth in an SOW, i) Vizient will invoice Service Fees and, if applicable, Reimbursable Expenses on a monthly basis; and ii) Member will remit payment net 60 days after the date of the invoice. The maximum amount of reimbursement/payment under this Master Agreement shall be subject to availability of funds to the Member. The consideration to be paid to Vizient, as provided in an applicable SOW, shall be in full payment for all Vizient’s Services and expenses incurred in the performance hereof, including travel and per diem. Unless provided for otherwise in the applicable SOW, Vizient shall provide Member itemized monthly invoices, in arrears, and in a format acceptable to the Member for Services performed under this Agreement within twenty (20) days of the end of the previous month. Vizient shall accept all payments from Member via electronic fund transfer (EFT) automated clearing house (ACH) directly deposited into the Vizient’s designated checking or other bank account. Vizient shall promptly comply with directions and accurately complete forms provided by Member required to process EFT ACH payments.
3. **Taxes.** Member hereby acknowledges and agrees Service Fees do not include foreign, federal, state, or local sales, use, or other similar taxes, however designated, levied on the Services, and Member will be responsible for such taxes. The Member shall pay for any state or local sales taxes on the Services rendered or equipment and/or parts supplied to the Member pursuant to the Master Agreement. If Member is a tax exempt organization, Member will provide Vizient with Member’s current tax exemption certificate or a direct pay permit (“Certificate”) and any updated Certificate, as may be requested by Vizient from time to time during the Term. The Parties presume all sales of tangible personal property or services are subject to tax unless Member provides a Certificate. **IF MEMBER FAILS TO PROVIDE A CERTIFICATE: i) MEMBER IS RESPONSIBLE FOR ALL TAXES CHARGED OR PAID EVEN IF LEGALLY EXEMPT FROM SUCH TAXES; ii) VIZIENT WILL REMIT ANY TAXES CHARGED AND COLLECTED TO THE TAXING AUTHORITIES AS IF A TAX WAS DUE; AND iii) VIZIENT WILL NOT RETURN OR REFUND SUCH TAXES TO MEMBER.**

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

4. **Data.** In order for Vizient to provide Services, Member will provide spend-related data to Vizient, including, but not limited to, purchase orders, item master information, vendor master information, receipts, invoices, and utilization data (individually and collectively referred to herein as “Spend Data”), in accordance with the submission requirements for requested Services.
 - 4.1. **Data Consent.** Vizient may use Spend Data provided by Member before the Effective Date and during the Term in de-identified form to populate benchmarking databases (“Databases”) and to generate reports from such Databases (“Reports”), which Vizient solely owns and may use for any purpose. Vizient may also use Spend Data in de-identified form for any other purpose, including, but not limited to, contract development, research information, and for comparative analysis use for Vizient’s customers. Vizient may disclose Spend Data on a line-item, identified basis to subcontractors and consultants under confidentiality agreements with Vizient for the purpose of assisting Vizient in providing services. Member represents it has the right to provide Vizient with Spend Data for the uses described in this provision.
 - 4.2. **Databases and Reports.** Vizient makes no warranties or representations with regard to the Databases and Reports, and Member is solely responsible for the results of its operational use of such Databases and Reports. Databases and Reports may sometimes include portions of Vizient’s and its suppliers’ confidential data, such as Vizient’s group purchasing (“GPO”) Member pricing data, supplier pricing data, and contract terms and conditions. Member must perpetually treat the Databases and Reports as Confidential Information of Vizient and its respective suppliers, and will not use them for any purpose other than Member’s internal use.
5. **Term and Termination.**
 - 5.1 **Term.** This Master Agreement is effective as of January 1, 2022, and expires December 31, 2026, unless terminated earlier in accordance with provisions of this Master Agreement.
 - 5.2 **Termination for Cause.** Either Party may terminate this Master Agreement or SOW effective immediately upon written notice to the other Party if the other Party is under default or breach of this Master Agreement or SOW and the breaching Party has not remedied such default or breach within 30 days after receipt of written notice from the non-breaching Party specifying the default or breach. Failure by either party to comply with any of the material provisions, covenants, requirements or conditions of this Master Agreement shall be a material breach. Unless a remedy is specifically designated as exclusive, no remedy conferred by any of the specific provision of this Master Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder, now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by either Party shall not constitute a waiver of the right to pursue other available remedies.
 - 5.3 **Termination for Insolvency.** Either Party may terminate this Master Agreement and all attached SOWs immediately upon written notice to the other Party if the other party is adjudged insolvent or bankrupt; or upon the institution of any proceeding against the other Party seeking relief, reorganization, or arrangement under any laws relating to insolvency; or for the making of any assignment for the benefit of creditors; or upon the appointment of a receiver, liquidator, or trustee of any of the other Party’s property or assets; or upon liquidation, dissolution, or winding up of the other Party’s business.
 - 5.4 **Breach for Material Misstatement / Misrepresentation.** If during the course of the administration of this Master Agreement, the Member reasonably determines that Vizient has intentionally made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the Member, this Master Agreement may be immediately terminated. If this Master Agreement is terminated according to this provision, the Member is entitled to pursue any available legal remedies, subject to the limitations set forth herein.
6. **Grant of Limited Rights.** All documents, data, products, graphics, computer programs and reports prepared by Vizient pursuant to the Master Agreement shall be considered property of the Vizient. Vizient solely owns all work

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

product, including, but not limited to, all materials, programs, documentation, concepts, methodologies, and aids related to the Services. Vizient grants to Member the limited right to use the Services for its internal use only during the Term of this Master Agreement or applicable SOW. Member will not, without Vizient's prior written consent, reproduce any of the materials, programs, documentation, or aids related to the Services for the purpose of disclosure or distribution to any other party other than its legal, financial, and consulting advisors i) who have a need to access the information for purposes of fulfilling Member's obligations under this Master Agreement and ii) are under confidentiality obligations substantially similar to those set forth in this Master Agreement.

7. **Intellectual Property.** Member will not, nor will it permit any third-party to, : i) use any Vizient Database, Report, or Services, or any portion of the Vizient deliverables or work product, including, without limitation, information, design, specification, instruction, software, data, or material (collectively referred to as the "Vizient IP") for any unlawful purpose; ii) market, sublicense, publish, distribute, lend, transfer, or otherwise make Vizient IP, or any components or output therefrom, available to a third party; iii) alter, maintain, enhance, modify, or create derivatives of the Vizient IP; iv) remove any trademark, copyright, or proprietary notices; v) copy, decompile, disassemble, or otherwise reverse engineer the Vizient IP or perform any similar means or actions to discover the source code or trade secrets in the Vizient IP; vi) use the Vizient IP to provide service bureau, time sharing, or other computer services to third parties; vii) circumvent any technological measures that control access to the Vizient IP; viii) use the Vizient IP in any nuclear, aviation, mass transit, life support, or any other inherently dangerous manner; or ix) use the Vizient IP to benefit any party other than Member.

8. **Confidentiality.**

8.1. **General.** During the Term and for a period of 3 years after its expiration or termination, neither Party may publish, disseminate, or disclose to any third party any Confidential Information (as defined below) of the other Party without the other Party's prior written consent. A Party may disclose Confidential Information only to its employees who have a need to access the Confidential Information for purposes of fulfilling the Party's obligations under this Master Agreement, or as required by law.

8.2. **Confidential Information.** The Parties shall hold as confidential and use reasonable care to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties, of Confidential Information that is either: (1) provided by the disclosing party or an agent of the disclosing party or otherwise made available to the receiving party or receiving party's agent in connection with this Agreement; or, (2) acquired, obtained, or learned by receiving party or an agent of the receiving party in the performance of this Agreement. For purposes of this provision, Confidential Information means all nonpublic information, whether disclosed by a Party, its agents or their respective employees or contractors, that is designated as confidential and falls within a recognized exemption to the San Bernardino County Sunshine Ordinance, County Code of Ordinances Section 19.0101, California Government Code 54950, and California Public Records Act (Government Code Section 6250). Confidential Information may include: Vizient supplier agreements, pricing, supplier contract terms, member data, customer lists, financial analyses, benchmarking and comparative reports of any kind, business processes or plans, sourcing and contracting methods, "know-how," technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data.

8.3. **Exclusions.** Confidentiality obligations will not apply to information that: i) is published by the disclosing Party or otherwise becomes available to the public other than by a breach of this Master Agreement; ii) is rightfully received by the recipient from a third party not under an obligation of confidentiality; iii) is known by or independently developed by the recipient prior to disclosure by the disclosing Party; or iv) is required to be disclosed pursuant to a lawful subpoena from a court of competent jurisdiction or in response to a valid request by a federal or state governmental agency. If the receiving Party receives a subpoena, other validly issued administrative or judicial process, or public records request requesting Confidential Information of the other Party, it will, to the extent legally permissible, promptly notify the other Party and if requested by the other Party, tender to the other Party the defense of the subpoena or process. Unless the subpoena or process is timely limited, quashed or extended, the receiving Party will then be entitled to comply with the request to the extent permitted by law.

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

8.4. Rights in the Confidential Information. Except as expressly stated in this Master Agreement, i) this Master Agreement does not confer any right, license, interest, or title in, to, or under the Confidential Information; and ii) no license is granted to the receiving Party, by estoppels or otherwise, under any patent, trademark, copyright, trade secret, or other proprietary rights.

8.5. Equitable Relief. The Parties acknowledge and agree that monetary damages are insufficient for any breach of the confidentiality provisions of this Master Agreement. As such, the nonbreaching Party may seek specific performance or injunctive relief, in addition to any other remedies available at law or in equity, upon the breach or threatened breach of this Confidentiality Section without posting bond and without proof of actual damages.

9. Intentionally omitted.

10. Compliance.

10.1. Compliance with Applicable Laws. The Parties agree to comply with all applicable federal, state, and local laws, including, but not limited to, the requirements of the federal fraud and abuse statute, codified at 42 U.S.C. 1320a-7b, as amended, and relevant regulations thereto.

10.2. Discounts and Rebates. To the extent Member receives discounts, rebates, distributions, or any other price reductions as a result of purchases or remuneration under this Master Agreement, an SOW, or any other group purchasing program agreement, Member may have an obligation under federal or state law to disclose such price reductions or remuneration to federal or state health care programs or other payors (as part of the cost reporting process or otherwise). Member and all Covered Facilities will comply with all such laws. Member will provide each of its applicable Covered Facilities, if any, rebate or other information (if any) necessary for the Covered Facility to comply with its obligations under this Section.

10.3. Records. Upon request of the Secretary of Health and Human Services, the Comptroller General of the United States, or any other duly authorized representative, Vizient will make available the contracts, books, documents, and records necessary to certify the nature and extent of the cost of any Services in excess of \$10,000 per year until the expiration of 4 years from completion of any such Services provided under this Master Agreement.

10.4. Vizient shall make all reasonable efforts to ensure that no Member officer or employee, whose position enables them to influence any contract award or any competing offer, shall have any direct or indirect financial interest resulting from the award of this Agreement or shall have any relationship to Vizient or an officer or employee of Vizient.

10.5. Vizient shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee, or agent of Member in an attempt to secure favorable treatment regarding this Agreement. Member, by written notice, may immediately terminate any contract with Vizient if it determines that any improper consideration as described herein was offered to any officer, employee, or agent of Member with respect to the proposal and award process. This prohibition shall apply to any amendment, extension, or evaluation process once a contract has been awarded. Vizient shall immediately report any attempt by a Member officer, employee, or agent to solicit (either directly or through an intermediary) improper consideration from Vizient. The report shall be made to the supervisor or manager charged with supervision of the employee or to the San Bernardino County Administrative Office. In the event of a termination under this provision, Member is entitled to pursue any available legal remedies.

11. Professional Obligations. Member acknowledges and agrees that the professional duty owed to patients seeking health care services lies solely with the health care professional providing health care services. As such, Member takes full responsibility for the use of information provided under this Master Agreement and all SOWs in patient care and acknowledges that the use of any and all Services is not intended to replace or substitute professional

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

judgment. Vizient does not assume any responsibility for actions of Member that may result in liability or damages arising from malpractice, failure to warn, negligence, or any other basis.

12. Indemnification.

- 12.1. General Indemnification.** Vizient will defend, indemnify and hold Member, its authorized officers, employees, and agents, harmless from any and all damages, losses, liabilities, claims, or cost (including, without limitation, reasonable attorney's fees) arising out of any third-party claim for bodily injury or death, or damage to property, caused by any negligent act or omission or breach of this Master Agreement (or any SOW hereunder) by the Vizient or its employees, officers, or agents. The foregoing obligation does not apply to any medical malpractice claim, damage, loss, or liability caused by Member. Neither Party is responsible for losses incurred to the extent caused by the other Party's negligence or willful misconduct.
- 12.2. Intellectual Property Indemnification.** Subject to the Indemnification Procedure Section below, Vizient will, at its sole expense, defend any third-party action brought against Member based on a claim that any Vizient IP that is proprietary to Vizient or licensed by Vizient and purchased pursuant to this Master Agreement infringes any United States copyright, patent, or trademark and will pay all reasonable costs and damages finally awarded against Member in any such action attributable to such claim.
- 12.3. Limitation.** Vizient will have no liability to Member under Section 12.2 to the extent such infringement arises from the use of such: i) Vizient IP in combination with equipment, software, or services not supplied by Vizient; ii) Vizient IP in a manner other than in accordance with its product description and the terms of this Master Agreement, applicable SOW, or any end user license agreement that may be provided with such Vizient IP; or iii) modifications to Vizient IP made by persons other than Vizient personnel or Member's design or specifications.
- 12.4. Modification by Vizient.** If any allegation of infringement with respect to any Vizient IP is made, or, in Vizient's opinion is likely to be made, then Vizient may, at its sole option and expense: i) procure for Member the right to continue using the Vizient IP; ii) modify the Vizient IP so as to avoid the infringement; iii) replace the Vizient IP with a functionally similar version and require Member to cease use of the Vizient IP in question; or iv) refund Service Fees paid to Vizient by Member for the use of such Vizient IP, less an amount for amortization based on a five-year, straight-line amortization schedule, in which case the Member must cease using the Vizient IP and return it to Vizient.
- 12.5. Indemnification Procedure.** A Party's right to indemnification is conditioned upon the following: i) the indemnified Party must promptly notify the indemnifying Party of the claim (provided, however, that if the indemnified Party fails to provide prompt notice, the indemnifying Party will be relieved of its indemnification obligations only if and to the extent the indemnifying Party is materially prejudiced by such failure); ii) the indemnifying Party will have sole control of the defense and settlement of the claim (but the indemnifying Party must not agree to a consent decree or similar order binding the indemnified Party or to any settlement that specifically apportions fault or liability to the indemnified Party without the indemnified Party's prior written consent); iii) the indemnified Party will provide the indemnifying Party, at the indemnifying Party's expense, with assistance in the defense as the indemnifying Party may reasonably request.

THE PARTIES HEREBY ACKNOWLEDGE AND AGREE THE FOREGOING STATES VIZIENT'S ENTIRE LIABILITY UNDER THIS MASTER AGREEMENT OR OTHERWISE WITH RESPECT TO INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS.

- 13. Limitation of Liability.** EXCEPT FOR EACH PARTY'S INDEMNITY OBLIGATIONS SET FORTH HEREIN, CLAIMS ARISING FROM A PARTY'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR VIOLATION OF LAW : i) IN NO EVENT WILL EITHER PARTY BE LIABLE, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY (INCLUDING STRICT LIABILITY AND NEGLIGENCE), FOR LOST PROFITS OR REVENUES, LOSS OR INTERRUPTION OF USE, LOST OR DAMAGED DATA, REPORTS, DOCUMENTATION, OR SECURITY, OR SIMILAR ECONOMIC LOSS, OR FOR ANY INDIRECT, EXEMPLARY, SPECIAL,

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

INCIDENTAL, CONSEQUENTIAL, OR SIMILAR DAMAGES ARISING FROM OR RELATED TO THIS MASTER AGREEMENT, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; AND ii) EXCEPT FOR MEMBER'S FAILURE TO PAY FOR THE SERVICES, EACH PARTY'S MAXIMUM LIABILITY IS LIMITED TO ONE MILLION DOLLARS (US\$1,000,000). ***THIS LIMITATION OF LIABILITY IS FUNDAMENTAL TO THIS MASTER AGREEMENT. THE PARTIES REVIEWED AND BARGAINED FOR THESE TERMS AND NEITHER PARTY WOULD BE WILLING TO ENTER INTO THIS MASTER AGREEMENT WITHOUT THIS LIMITATION.***

14. Insurance. Without in any way affecting any indemnity obligations provided and in addition thereto, Vizient agrees to provide insurance as set forth in accordance with Exhibit 1, as attached hereto and incorporated herein.

15. Warranty and Remedies.

15.1. Authority. Each Party represents and warrants it is authorized to enter into and execute this Master Agreement and any and all applicable SOWs, if any, on behalf of itself and each of the applicable Vizient subsidiaries or Covered Facilities, respectively, as documented in any applicable SOW.

15.2. Vizient Warranty. Vizient warrants it will perform the Services in a good and workmanlike manner in accordance with the requirements in each SOW. **EXCEPT AS SET FORTH IN THIS SECTION, THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** MEMBER'S SOLE AND EXCLUSIVE REMEDY, AND VIZIENT'S SOLE AND EXCLUSIVE LIABILITY, FOR A BREACH OF THE WARRANTY IN THIS SECTION ARE: i) THE SPECIFIC SUPPORT SERVICES IN THE APPLICABLE SOW; ii) REPEATING OR REPROCESSING OF THE SERVICE(S) (IF POSSIBLE) BY VIZIENT AT NO ADDITIONAL CHARGE; OR iii) TERMINATION OF THE APPLICABLE SOW UPON 30 DAYS' PRIOR WRITTEN NOTICE TO VIZIENT.

15.3. Cooperation. Each Party agrees to cooperate and respond to applicable requests for information in a timely manner. A Party's failure or delay is excused to the extent the other Party impedes or delays completion of the Services by: i) failing or delaying to provide necessary information, equipment, or access to facilities to Vizient; ii) failing to complete required tasks or perform its obligations under this Master Agreement or the applicable SOW for any reason; or iii) providing materially untrue or incorrect information.

16. Protected Health Information. Pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act, regulations have been promulgated governing the privacy of individually identifiable health information. Vizient acknowledges that it may be a business associate as defined under HIPAA and subject to the requirements of HIPAA and HITECH, and their implementing regulations. Vizient agrees to fully comply with the terms of HIPAA and HITECH, and regulations promulgated thereunder, and to ensure any Subcontractors utilized to fulfill Services pursuant to this Master Agreement comply with said provisions. The Parties agree to comply with the requirements of all other applicable federal and state laws that pertain to the protection of health information. If Member engages Vizient to perform Services involving the use or disclosure of Patient Health Information (PHI), then the respective SOW will explicitly state the use or disclosure of PHI is required and Vizient and Member shall enter into a mutually agreeable business associate agreement for the protection of PHI in accordance with HIPAA requirements.

17. Government Program Participation. Each Party represents and warrants it is not presently excluded from participation in any federal health care program (as such term is defined in 42 U.S.C. § 1320a-7b(f)) ("Federal Health Care Program"), or debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency. Each Party represents and warrants it is not currently the subject of an actual, pending, or threatened formal adverse action, as that term is defined in 42 U.S.C. § 1320a-7e(g). Each Party will promptly notify the other Party in the event it is excluded from any Federal Health Care Program, or debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency, during the Term. Vizient further certifies that if it or any of its subcontractors are business

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

entities that must be registered with the California Secretary of State, they are registered and in good standing with the Secretary of State.

- 18. Right to Monitor.** The Member, State and Federal governments shall have, subject to Vizient's confidentiality obligations, the right to review and audit only Member related records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have the right to monitor the performance of Vizient in the delivery of Services provided under this Master Agreement. Vizient shall give reasonable cooperation, in any auditing or monitoring conducted. Vizient shall reasonably cooperate with the Member in the implementation, monitoring and evaluation of this Agreement and reasonably comply with reasonable reporting requirements established by the Member. Vizient shall repay to Member within sixty (60) days of receipt of audit findings any reimbursements made by Member to Vizient that are determined by subsequent audit to be unallowable pursuant to the terms of this Agreement or by law.
- 19. Records.** Vizient shall maintain all records and books pertaining to the delivery of Services under this Master Agreement and demonstrate accountability for performance under this Master Agreement and any SOW. All records shall be complete and current and comply with all Master Agreement requirements. Failure to maintain reasonably acceptable records shall be considered grounds for termination of this Master Agreement in accordance with Section 5.2 above. All records relating to the Vizient's personnel, subcontractors, Services and Reimbursable Expenses pertaining to this Master Agreement shall be kept in generally acceptable accounting format. Records should include primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. All records pertaining to Services delivered and all fiscal, statistical and management books and records shall, subject to Vizient's confidentiality obligations, be available for examination and audit by Member representatives for a period of three years after final payment under the Master Agreement or until all pending Member, State and Federal audits are completed, whichever is later.
- 20. Background Checks.** Vizient shall ensure that its personnel (a) are authorized to work in the jurisdiction in which they are assigned to perform Services; (b) do not use legal or illegal substances in any manner which will impact their ability to provide Services to the Member; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the Member and not in violation of applicable law, Vizient shall conduct a background check, on only its personnel providing the Services. If requested by the Member, Vizient shall verify that the individual meets Vizient's standards for employment. Such background check shall be in the form generally used by Vizient in its initial hiring of employees or contracting for contractors or, as applicable, during the employment-screening process but must, at a minimum, have been performed within the preceding 12-month period. Vizient personnel who do not meet the Member's hiring criteria, in Member's sole discretion, shall not be assigned to work on Member property or Services, and Member shall have the right, at its sole option, to refuse access to any Master Agreement personnel to any Member facility.
- 21. Compliance with Member's Policies.** In performing the Services and while at any Member facilities, Vizient personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of the Member regarding health and safety, and personal, professional and ethical conduct; (c) comply with the finance, accounting, banking, Internet, security, and/or other applicable standards, policies, practices, processes, procedures, and controls of the Member; and (d) abide by all laws applicable to the Member facilities and the provision of the Services, and all additions and modifications to each of subsections (b), (c), and (d) (collectively, "**Member Policies**"). Member Policies, and additions or modifications thereto, may be communicated orally or in writing to Vizient or Vizient personnel or may be made available to Vizient or Vizient personnel by conspicuous posting at a Member facility, electronic posting, or other means generally used by Member to disseminate such information to its employees or contractors. Vizient shall be responsible for the promulgation and distribution of Member Policies to Vizient personnel to the extent reasonably necessary and appropriate. Member shall have the right to require Vizient's employees, agents, representatives, and subcontractors to exhibit identification credentials issued by Member in order to exercise any right of access under this Master Agreement.

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

22. Subcontractors. Vizient agrees not to enter into any subcontracting contracts for providing on-site Services contemplated under the Master Agreement without first obtaining written approval from the Member. Any subcontractor shall be subject to the same terms and conditions as Vizient. Vizient shall be fully responsible for the performance and payments of any subcontractor's contract. Vizient shall obtain Member's written consent, which Member may withhold in its sole discretion, before entering the contracts with or otherwise engaging any subcontractors who may supply any part of the on-site Services to Member. At Member's request, Vizient shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the Member, resumes of proposed subcontractor personnel. Vizient shall remain directly responsible to Member for its subcontractors and shall indemnify Member for the actions or omissions of its subcontractors under the terms and conditions specified in this Section 19. All approved subcontractors shall be subject to the provision of this contract applicable to Vizient personnel, including removal pursuant to this Master Agreement. For any subcontractor, Vizient shall:

- a. Be responsible for subcontractor compliance with this Master Agreement and the subcontract terms and conditions;
- b. Ensure that the subcontractor follows Member's reporting formats and procedures as specified by Member; and
- c. Include in the subcontractor's subcontract substantially similar terms as are provided in Section V, Scope of Work.

Upon expiration or termination of this Master Agreement for any reason, Member will have the right to enter into direct agreements with any of the subcontractors. Vizient agrees that its arrangements with subcontractors will not prohibit or restrict such subcontractors from entering into direct contracts with Member.

23. General.

23.1. Entire Agreement. This Master Agreement, including all SOWs executed hereunder, amendments, and exhibits, constitutes the entire agreement between Vizient and Member relating to the subject matter of this Master Agreement, and supersedes all prior understandings, agreements, proposals, and documentation relating to the subject matter of this Master Agreement.

23.2. Amendment. This Master Agreement may be amended only by a document signed by authorized representatives of both Parties.

23.3. Assignment. Without the prior written consent of the other Party, neither Party may assign the Master Agreement either in whole or in part; provided, however, either Party may assign its rights and obligations under this Master Agreement or any SOW upon notice, and without consent, to an affiliate of the assigning Party. This Master Agreement and all of its terms and conditions, shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties, provided no such assignment is in violation of the provisions of this Master Agreement.

23.4. Governing Law; Attorneys Fees. This Master Agreement shall be governed by and construed according to the laws of the State of California. If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorneys' fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under the Indemnification and Insurance Requirements.

23.5. Independent Entities. None of the provisions of this Master Agreement or any SOW will create any relationship between the Parties other than that of independent entities contracting with each other solely for the purpose of effecting the provisions of this Master Agreement. Neither of the Parties, nor any of their employees, will be construed to be the agent, employer, employee, or representative of the other.

23.6. Dispute Resolution. In the event of a problem or potential problem that could impact the quality or quantity of work, Services, or the level of performance under this Master Agreement, Vizient shall promptly notify the

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

Member, in writing and by telephone. Vizient's primary contact and the Hospital Director or his/her designee shall attempt in good faith to promptly resolve any dispute, controversy or claim arising out of this Master Agreement. If these representatives are unable to resolve a dispute, controversy or claim within ten (10) days after the initial request for a meeting, then the dispute shall be submitted to an executive-level performance review. If the primary contact and Member representative are not successful in resolving the dispute, negotiations shall be conducted by the Chief Executive Officer, or designee and the highest level executive for Vizient. If these representatives are unable to resolve the dispute within ten (10) days after the representatives have commenced negotiations, or 20 days have passed since the initial request for negotiations at this level, the Parties may agree in writing to submit the dispute to mediation

- 23.7. Force Majeure.** Neither Party will be liable for delays in their performance to the extent and for the duration of time resulting from an event beyond the Party's reasonable control, such as acts of God (earthquake, hurricane), terrorism, national emergencies, or changes in government regulations. Except as otherwise provided herein, when either Party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Master Agreement, that Party shall promptly give notice thereof, including all relevant information with respect thereto, to the other Party.
- 23.8. Severability.** In the event any provision of this Master Agreement is for any reason deemed to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Master Agreement, and this Master Agreement will be construed by limiting or invalidating such provision to the minimum extent necessary to make such provision valid, legal, and enforceable.
- 23.9. Waiver.** The waiver of any breach of any term or condition of this Master Agreement does not waive any other breach of that term or condition or of any other term or condition, unless agreed to in a writing signed by the Parties.
- 23.10. Notices.** All notices related to this Master Agreement shall be in writing and shall be deemed to have been given when delivered personally, or at the time sent, if sent by registered or certified United States mail, return receipt requested, postage prepaid, or by FedEx or similar delivery service for overnight delivery, and addressed to the other Party as follows or at such address as such Party from time to time may indicate by written notice to the other Party:

If to Vizient:

Vizient, Inc.
Attn: Membership/Sales Operations
290 East John Carpenter Freeway
Irving, Texas 75062

With a copy to:

Vizient, Inc.
Attn: Legal Department
290 East John Carpenter Freeway, 7th Floor
Irving, Texas 75062

If to Member:

The Purchasing Department
Attn: The Purchasing Director
777 E. Rialto Ave
San Bernardino, CA 92415

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

Each party shall notify the other party in writing of any change in mailing address within ten (10) business days of the change.

- 23.11. Equal Opportunity and Affirmative Action.** Vizient is an equal opportunity and affirmative action employer. Vizient abides by the requirements of 41 C.F.R. 60-1.4(a) (Executive Order 11246 Equal Opportunity Clause); 41 C.F.R. 60-250.5(a) (Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, Recently Separated Veterans, and Other Protected Veterans); 41 C.F.R. 60-300.5(a) (Equal Opportunity for Disabled Veterans, Recently Separated Veterans, Other Protected Veterans, and Armed Forces Service Medal Veterans); 41 C.F.R. 60-741.5 (a) (Equal Opportunity for Workers with Disabilities); FAR 52.222-21 (Prohibition of Segregated Facilities); and FAR 52.222-26 (Equal Opportunity). These regulations are incorporated herein by reference and prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin.
- 23.12. Primary Point of Contact.** Vizient will designate an individual to serve as the primary point of contact for the Master Agreement. Vizient or designee must respond to Member inquiries within two (2) business days. Vizient shall not change the primary contact without written acknowledgement to the Member. Vizient will also designate a back-up point of contact in the event the primary contact is not available.
- 23.13. Member Representative.** The Hospital Director of ARMC or his/her designee shall represent the Member in all matters pertaining to the Services to be rendered under this Master Agreement, including termination and assignment of this Master Agreement, and shall be the final authority in all matters pertaining to the Services/Scope of Work by Vizient. If this Master Agreement was initially approved by the San Bernardino County Board of Supervisors, then the Board of Supervisors must approve all amendments to this Master Agreement.
- 23.14. Damage to Member Property.** Vizient shall repair, or cause to be repaired, at its own cost, all damage to Member vehicles, facilities, buildings or grounds caused by the willful or negligent acts of Vizient or employees or agents of the Vizient. Such repairs shall be made immediately after Vizient becomes aware of such damage, but in no event later than thirty (30) days after the occurrence. If the Vizient fails to make timely repairs, the Member may make any necessary repairs. For such repairs, Vizient, shall repay all costs incurred by the Member, by cash payment upon demand or Member may deduct such costs from any amounts due to the Vizient from the Member, as determined at Member's sole discretion.
- 23.15. Drug and Alcohol-Free Workplace.** In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this Master Agreement, Vizient agrees that the Vizient and Vizient's employees, while performing service for the Member, on Member property, or while using Member equipment:
- a. Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance;
 - b. Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance; and
 - c. Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where Vizient or Vizient's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

Vizient shall inform all employees that are performing service for the Member on Member property, or using Member equipment, of the Member's objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the Member.

The Member may terminate for default or breach of this Master Agreement and any other contract Vizient has with the Member, if Vizient or Vizient's employees are determined by the Member not to be in compliance with above.

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

23.16. Environmental Requirements. In accordance with County Policy 11-08, the Member prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The Member requires Vizient to use recycled paper for any printed or photocopied material created as a result of this Master Agreement. Vizient is also required to use both sides of paper sheets for reports submitted to the Member whenever practicable.

To assist the Member in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), Vizient must be able to annually report the Member's environmentally preferable purchases. Vizient must also be able to report on environmentally preferable goods used in the provision of Services to the Member, utilizing a Member approved form.

23.17. Licenses, Permits, and/or Certifications. Vizient shall ensure that it has all necessary licenses, permits and/or certifications required by Federal, State, Member, and municipal laws, ordinances, rules and regulations. Vizient shall maintain these licenses, permits, and/or certifications in effect for the duration of this Master Agreement. Vizient will notify Member immediately of loss or suspension of any such licenses, permits, and/or certifications. Failure to maintain required licenses, permits, and certifications may result in immediate termination of this Master Agreement.

23.18. Mutual Covenants. The parties to this Master Agreement mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

23.19. Air, Water Pollution Control, Safety and Health. Vizient shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this Master Agreement.

23.20. Strict Performance. Failure by a party to insist upon the strict performance of any of the provisions of this Master Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Master Agreement thereafter.

23.21. Subpoena. In the event that a subpoena or other legal process commenced by a third party in any way concerning the Goods or Services provided under this Master Agreement is served upon Vizient or Member, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Vizient and Member further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by Vizient for Member.

23.22. Time of the Essence. Time is of the essence in performance of this Master Agreement and of each of its provisions.

23.23. Counterparts. All documents pertaining to this Master Agreement may be executed in two or more counterparts, but all of which, taken together, shall constitute one and the same instrument. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

23.24. Publicity/Use of Marks. Except as otherwise agreed to by the Parties in writing, neither Party may: i) use each other's trademarks or service marks; or ii) make any press release or other public disclosure regarding this Master Agreement or the transactions contemplated by this Master Agreement without the other Party's prior written consent, except as required under applicable law or by any governmental agency, in which

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

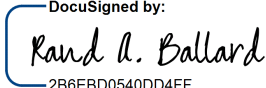
case the Party required to make the press release or public disclosure shall use commercially reasonable efforts to obtain the approval of the other Party as to the form, nature, and extent of the press release or public disclosure prior to issuing the press release or making the public disclosure. No news releases, advertisements, public announcements or photographs arising out of this Master Agreement or the parties' relationship with each other may be made or used without prior written approval of the other party.

23.25. Survival. The following provisions shall survive the expiration or any earlier termination of this Master Agreement for the number of years stated in the provision or, if none is stated, then perpetually: Grant of Limited Rights, Confidentiality, Non-solicitation, Discounts and Rebates, Records, Professional Obligations, Indemnification, the last sentence in Vizient Warranty regarding limitations of liability, General, and Notices.

IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be executed by their duly authorized representatives as of the Effective Date.

Vizient, Inc.

San Bernardino County on behalf of Arrowhead Regional Medical Center

By:  _____
2B6EBD0540DD4EE

By: _____

Printed Name: Rand Ballard

Printed Name: _____

Title: Chief Customer Officer

Title: _____

Date: 11/10/2021 | 8:48:28 AM CST

Date: _____

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

**EXHIBIT 1
INSURANCE REQUIREMENTS**

Vizient agrees to provide insurance set forth in accordance with the requirements herein. If Vizient uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, Vizient agrees to amend, supplement or endorse the existing coverage to do so.

1. Without in anyway affecting any indemnity obligations provided and in addition thereto, Vizient shall secure and maintain throughout the Master Agreement term the following types of insurance with limits as shown:
 - a. Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of Vizient and all risks to such persons under this Master Agreement. If Vizient has no employees, it may certify or warrant to Member that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by Member's Director of Risk Management. With respect to contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.
 - b. Commercial/General Liability Insurance – Vizient shall carry General Liability Insurance covering all operations performed by or on behalf of Vizient providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. The policy coverage shall include:
 - i. Premises operations and mobile equipment.
 - ii. Broad form property damage (including completed operations).
 - iii. Explosion, collapse and underground hazards.
 - iv. Personal injury.
 - v. Contractual liability.
 - vi. \$2,000,000 general aggregate limit.
 - c. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence. If Vizient owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.
 - d. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.
 - e. Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate limits
 or
Errors and Omissions Liability Insurance – Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate limits
 or
Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) in the aggregate shall be required for Master Agreements with charter labor committees or other not-for-profit organizations advising or acting on behalf of Member.
 - f. Cyber Liability Insurance - Cyber Liability Insurance with limits of no less than \$1,000,000 for each claim or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved Member entities and cover breach response cost as well as regulatory fines and penalties.

- g. Products Liability Insurance – Products Liability Insurance with limits of no less than \$1,000,000 per claim and \$2,000,000 in the aggregate.

If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the Master Agreement work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after Master Agreement completion.

2. **Additional Insured.** All policies, except for Worker’s Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming Member and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for Member to vicarious liability but shall allow coverage for Member to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.
3. **Waiver of Subrogation Rights.** Vizient shall require the carriers of required coverages to waive all rights of subrogation against Member, its officers, employees, agents, volunteers, contractors, and subcontractors. All general or auto liability insurance coverage provided shall not prohibit Vizient and Vizient’s employees or agents from waiving the right of subrogation prior to a loss or claim. Vizient hereby waives all rights of subrogation against Member.
4. **Policies Primary and Non-Contributory.** All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Member.
5. **Severability of Interests.** Vizient agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between Vizient and Member or between Member and any other insured or additional insured under the policy.
6. **Proof of Coverage.** Vizient shall furnish Certificates of Insurance to Member Department administering the Master Agreement evidencing the insurance coverage at the time the Master Agreement is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Vizient shall maintain such insurance from the time Vizient commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of the Member’s request, Vizient shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements.
7. **Acceptability of Insurance Carrier.** Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum “Best” Insurance Guide rating of “A- VII”.
8. **Deductibles and Self-Insured Retention.** Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.
9. **Failure to Procure Coverage.** In the event that any policy of insurance required under this Master Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, Member has the right but not the obligation or duty to cancel the Master Agreement or obtain insurance if it deems necessary and any premiums paid by Member will be promptly reimbursed by Vizient or Member payments to Vizient will be reduced to pay for Member purchased insurance.

Arrowhead Regional Medical Center – Master Services Agreement

(MID# 723998)

10. Insurance Review. Insurance requirements are subject to periodic review by Member. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of Member. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Member, inflation, or any other item reasonably related to Member's risk. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Master Agreement. Vizient agrees to execute any such amendment within thirty (30) days of receipt. Any failure, actual or alleged, on the part of Member to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of Member.

Arrowhead Regional Medical Center – Group Purchasing Program (MID# 723998)



Group Purchasing Program Statement of Work

Vizient, Inc., a Delaware corporation, ("**Vizient**") will provide the services detailed in this **Group Purchasing Program Statement of Work** (this "**SOW**") to the **San Bernardino County on behalf of Arrowhead Regional Medical Center**, political subdivision organized and existing under the constitution and the laws of the State of California, ("**Member**"), and Member's Covered Facilities (defined below), for the Service Fees indicated below. **This SOW is made pursuant to the terms and conditions set forth in the Master Services Agreement between the Parties dated January 1, 2022, and any amendments or addendums thereto** (collectively, the "**Master Agreement**"). As such, all capitalized terms used herein and not otherwise defined in this SOW will have the meanings ascribed to such terms in the Master Agreement. **As of the Effective Date, this SOW shall supersede that certain Associate Member Agreement between University HealthSystem Consortium and the County of San Bernardino/Arrowhead Regional Medical Center dated February 5, 2008, as amended.** For the avoidance of doubt, this SOW shall govern the period commencing on the Effective Date. **This SOW is effective as of January 1, 2022** ("**Effective Date**"). Vizient and Member are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**." Any reference to, or description of any right or obligation of, "**Member**" in this SOW will also include its Covered Facilities unless specifically delineated.

1. **Services.** Vizient will provide Group Purchasing Program services to Member (collectively, the "**Services**"). Specifically, the Services include:
 - 1.1 **GPO Services and Agent Designation.** Vizient is a health care group purchasing organization ("**GPO**") that, on behalf of participating organizations, negotiates, directly and through its contracting subsidiaries, such as Vizient Supply, LLC ("**Vizient Supply**") and MedAssets Performance Management Solutions, Inc. ("**MedAssets**"), vendor and distributor ("**Suppliers**") agreements ("**Supplier Agreements**") for goods, services, or intangible items (collectively, "**Covered Items**") and offers related supply chain and clinical improvement services (collectively referred to as the "**Group Purchasing Program**"). Member designates, for itself and on behalf of its Covered Facilities, Vizient and its agents, including, but not limited to, Vizient Supply and MedAssets, to act as Member's primary GPO agent for purposes of negotiating and entering into Supplier Agreements under which Member may purchase as a third-party beneficiary; provided, however, Vizient will remain Member's exclusive GPO for purposes of negotiating and entering into pharmaceutical and pharmacy-related Supplier Agreements. Member does not guarantee or represent that Vizient will be permitted to perform any minimum amount of work, or receive compensation other than on a per order basis, under the terms of this SOW.
 - 1.2 **Ancillary Document Agent Designation.** Member appoints Vizient as its authorized agent for the limited purpose of entering into, executing, and submitting to Suppliers, on Member's behalf, purchase-level tier assignments, letters of participation, letters of commitment, or other relevant documentation, to the extent such documentation is required to provide Member with access to and benefit from Supplier Agreements.
 - 1.3 **Vizient Catalog.** Vizient will provide Member with access to Vizient's electronic contract management and catalog database ("**Vizient Catalog**") which provides access to: i) Supplier Agreements; ii) information regarding Vizient's products and services; iii) Administrative Fees Database (as defined below); and iv) Annual Disclosure Reports (as defined below).
 - 1.4 **Supplier Disputes.** Vizient will provide Member with reasonable assistance to resolve disputes with Suppliers related to Supplier Agreements; provided, however, Vizient will not provide legal analysis or legal counseling to Member or any dispute-resolution assistance requiring legal expertise.

2. **Covered Facilities.**

Arrowhead Regional Medical Center – Group Purchasing Program (MID# 723998)

- 2.1 Covered Facility.** A “Covered Facility,” or collectively, “Covered Facilities,” are individual sites or facilities whereby Member represents and warrants Member: i) has managerial or operational responsibilities including, without limitation, primary control of each Covered Facility’s procurement activities related to supply chain management; ii) has the authority to bind each Covered Facility to the terms and conditions of this SOW; and iii) is authorized to accept any applicable Fee Share, Discounts, or Rebates (as defined below) on behalf of Covered Facilities. The term “primary control” means Member has the power, directly or indirectly, whether through ownership or via a management agreement, to direct, oversee, manage, or implement policies as it relates to procurement activities or facility operations. Vizient reserves the right to require reasonable written documentation a Covered Facility meets the requirements of this section.
- 2.2 Covered Facility Addition Form.** Upon execution of this SOW, Vizient will provide Member with an electronic form whereby Member can add Covered Facilities to Member’s Group Purchasing Program membership (“Covered Facility Addition Form”). Thereafter, Member has 30 days to complete and return the Covered Facility Addition Form to Vizient at the email address described therein. Member may add a Covered Facility at any time by submitting a Covered Facility Addition Form which will take effect within 3 business days of receipt. Member may remove a Covered Facility by providing written notice to Vizient. Member is responsible for providing all information necessary to roster Covered Facilities under Member’s Group Purchasing Program membership. Each Covered Facility must comply with the terms hereof and Vizient will have no obligation to provide Services or Fee Share to any site or facility not rostered as a Covered Facility in accordance with this SOW. Vizient reserves the right to, reasonably and in good faith, condition the addition of a Covered Facility on a mutually agreeable amendment to this SOW. Notwithstanding the foregoing, Vizient reserves the right to condition the addition of an existing Vizient GPO member as a Covered Facility hereunder on a mutually agreeable amendment to this SOW.

3. Term and Termination.

- 3.1 Term.** This SOW is effective as of January 1, 2022, and expires December 31, 2026, unless terminated earlier.
- 3.2 Termination for Convenience.** This SOW may not be terminated for convenience.
- 3.3 Termination for Cause.** The Parties may terminate this SOW for material breach in accordance with the terms of the Master Agreement. Notwithstanding the foregoing, all notices to or from a Covered Facility relating to any material breach will require a simultaneous notice to the Member.
- 3.4 Effect of Termination.** The termination of this SOW relative to a Covered Facility will not automatically result in the termination of this SOW as between Vizient and Member; provided, however, termination of this SOW relative to the Member will result in the automatic termination of this SOW as between Vizient, Member, and all Covered Facilities.

4. Administrative Fees, Discounts and Rebates, and Supplier Agreement Obligations.

- 4.1 Administrative Fees.** Member acknowledges and agrees that, pursuant to the terms of Supplier Agreements, Vizient i) will receive administrative fees from Suppliers based on Member’s purchases (“Administrative Fees”) and ii) may furnish certain administrative and promotional services to such Suppliers.
- 4.2 Administrative Fees Database.** Except as otherwise provided for in a Supplier Agreement, each Supplier Agreement provides for a fixed Administrative Fee of 3% or less of the purchase price for Covered Item(s). For Supplier Agreements that provide for an Administrative Fee greater than 3%, Member can access such Administrative Fee amounts (“Administrative Fees Database”) via Vizient Catalog, which Vizient will update as necessary, and is incorporated herein by reference. This section is intended to maintain the Parties’ compliance with the federal health care GPO anti-kickback statutory exception, 42 USC 1320a-7b(b)(3)(C), and regulatory safe harbor, 42 CFR 1001.952(j), as amended.

Arrowhead Regional Medical Center – Group Purchasing Program (MID# 723998)

- 4.3 Discounts and Rebates.** Member acknowledges and agrees that, in addition to any Fee Share, Member: i) may receive discounts (“Discounts”) or rebates (“Rebates”) from Suppliers or Vizient that may be subject to 42 USC 1320-7b and thus Member may have an obligation under federal or state law to disclose such Discounts or Rebates to federal or state health care programs or other payors part of the cost reporting process or otherwise; and ii) agrees to comply with all such laws. This section is intended to maintain the Parties’ compliance with the federal health care discount anti-kickback statutory exception, 42 USC 1320a-7b(b)(3)(A) and discount safe harbor, 42 CFR 1001.952(h), as amended.
- 4.4 Impact Standardization Program.** Vizient’s Impact Standardization Program (“Impact Program”) provides quarterly Rebates to those members who enroll and comply with the Impact Program’s standardization purchasing requirements. Upon successful enrollment and compliance with the Impact Program’s requirements, Member will receive all Impact Program Rebates paid to Vizient, on behalf of Member, during each calendar quarter. Vizient will pay all Rebates to Member within 120 days following the end of each calendar quarter.
- 4.5 Annual Disclosure Report.** Vizient will provide Member, no less than annually and via Vizient Catalog, an annual report listing Member’s purchases and respective Administrative Fees, Rebates, or Discounts received by Vizient based on such purchases (“Annual Disclosure Report”). Member acknowledges and agrees Vizient has no obligation to provide an Annual Disclosure Report to Covered Facilities. As such, Member represents and warrants it will provide Covered Facilities with any information relating to Administrative Fees necessary for Covered Facilities to comply with all relevant state and federal cost reporting or other laws and regulations. Member agrees to indemnify Vizient against, and hold Vizient harmless from, any claim arising from breach of this representation and warrant.
- 4.6 Supplier Agreement Obligations.** Member is bound to the terms and conditions of each Supplier Agreement if Member: i) purchases Covered Items under that agreement; or ii) agrees to be bound to that agreement in an ancillary document (such as a Letter of Commitment or Letter of Participation). Member warrants that any purchase made under any Supplier Agreement will not cause Member to breach any third-party agreement or obligation. Vizient has no responsibility for interpreting, negotiating, or managing ancillary agreements Member enters into with an individual Supplier. Notwithstanding the foregoing, Member determines, in its sole discretion, whether and how much to purchase through Supplier Agreements.
- 4.7 Own Use.** Member represents and warrants that all Covered Items purchased will be for Member’s “own use,” within the meaning of the Nonprofit Institutions Act as interpreted by the U.S. Supreme Court in Abbott Laboratories v. Portland Retail Druggists Association Inc., 425 U.S. 1 (1976), and its successor line of cases, and will comply with the Prescription Drug Marketing Act of 1987, as applicable and amended. Vizient will have the right to immediately terminate this SOW should Member breach the foregoing representation and warranty.

5. Service Fees, Committed Purchases Requirement, and Fee Share.

- 5.1 Service Fees.** Vizient will provide the Services described herein to Member in consideration of the Administrative Fees retained by Vizient hereunder (“Service Fees”), and Member acknowledges and agrees the retained Administrative Fees represent the fair market value of such Services.
- 5.2 Committed Purchases Requirement.** For each 12-month period, commencing on the Effective Date (each, a “Contract Year”), Member’s aggregate purchases reported by Suppliers, not acting in the capacity of a distributor (“Manufacturer Purchases”), will equal or exceed the applicable spend amount (the “Committed Purchases Requirement” or “CPR”), as follows:

Contract Year	Committed Purchases Requirement
January 1, 2022 – December 31, 2022	\$39,417,000

Arrowhead Regional Medical Center – Group Purchasing Program (MID# 723998)

January 1, 2023 – December 31, 2023	\$40,599,000
January 1, 2024 – December 31, 2024	\$41,817,000
January 1, 2025 – December 31, 2025	\$43,072,000
January 1, 2026 – December 31, 2026	\$44,364,000

In the event of a Renewal Term, the then-current CPR will increase by 3% for each Renewal Term. If Member fails to meet the Committed Purchases Requirement for any Contract Year, Member will pay Vizient two point six five percent (2.65%) of the difference between the Committed Purchases Requirement and total Manufacturer Purchases made during such Contract Year.

- 5.3 Fee Share.** Vizient will pay Member 68% of Administrative Fees reported by Suppliers, based on Member's purchases during the Term ("Fee Share"), within 120 days following the end of each calendar quarter.
- 5.4 Member Statement.** After the end of each calendar quarter, Vizient will provide Member with a summary account statement ("Member Statement") showing total Fee Share earned, other cash payments, and any other invoices offset for the respective calendar quarter. If the Member Statement reflects a total net due amount owed from Vizient to Member, Vizient will pay Member such amounts within 120 days after the last day of the applicable period. If the Member Statement reflects a total net amount due from Member to Vizient, Vizient will issue an invoice for such amounts and Member will pay all invoices within 30 days of receipt. Vizient reserves the right to offset any invoices for Service Fees, Reimbursable Expenses, or any other amounts owed under the Master Agreement, past due 90 days, against amounts due to Member as reflected in the Member Statement. The Member Statement will provide a summary of any invoices for Service Fees, Reimbursable Expenses, and other amounts offset by Vizient.
- 5.5 No Obligation.** Notwithstanding anything to the contrary stated herein, Vizient will not be obligated to pay Fee Share to the extent: i) Member breaches a material term of the Master Agreement or this SOW that remains uncured; ii) Administrative Fees are received for which a Supplier has failed to provide sufficient detail to determine whether they are derived from purchases made by Member or a Covered Facility; iii) a Supplier fails to pay Administrative Fees owed to Vizient based on purchases made by Member or a Covered Facility; or iv) a change in law or regulation occurs which Vizient reasonably believes prohibits the sharing of such Administrative Fees with its members.
- 5.6 Term Expiration.** Following the expiration of the Term, Vizient will pay Member Fee Share for purchases i) made prior to the Term expiration date; and ii) reported to Vizient by a Supplier within 90 days of the Term expiration date. For purposes of clarification, Vizient will have no obligation to pay Fee Share for any purchases made by Member following the expiration of the Term or reported by a Supplier more than 90 days after the expiration of the Term. An early termination of this SOW, for any reason, will terminate Vizient's obligation to pay any Fee Share to Member after the effective date of such termination.
- 5.7 Electronic Signature.** The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

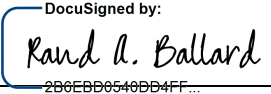
[Signatures on next page]

Arrowhead Regional Medical Center – Group Purchasing Program (MID# 723998)

IN WITNESS WHEREOF, the Parties have caused this SOW to be executed by their duly authorized representatives as of the Effective Date.

Vizient, Inc.

San Bernardino County of behalf of Arrowhead Regional Medical Center

By:  _____
2B6EBD0540DD4FF...

By: _____

Printed Name: Rand Ballard

Printed Name: _____

Title: Chief Customer Officer

Title: _____

Date: 11/10/2021 | 8:48:28 AM CST

Date: _____

Please sign, scan, and email to executedagreements@vizientinc.com. Vizient will provide a fully executed electronic copy to Member.

Arrowhead Regional Medical Center – Analytics Services

(MID# 723998)



VIZIENT ANALYTICS SERVICES ORDER FORM

Vizient, Inc. (“Vizient”) will provide the services detailed in this **Vizient Analytics Services Order Form** (this “Order Form”) to the **San Bernardino County on behalf of Arrowhead Regional Medical Center**, political subdivision organized and existing under the constitution and the laws of the State of California (“Member”), for the Service Fees indicated hereunder. **This Order Form is made pursuant to the terms and conditions set forth in the Master Services Agreement between the Parties dated January 1, 2022, including any amendments or addendums thereto** (collectively, the “Master Agreement”). As such, all capitalized terms used herein and not otherwise defined in this Order Form will have the meanings ascribed to such terms in the Master Agreement. **This Order Form is effective as of January 1, 2022** (“Effective Date”). Vizient and Member are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

<p style="text-align: center;">Vizient Analytics Services</p> <p style="text-align: center;"><i>Please check all Services that apply and complete the applicable sections below.</i></p>	<input type="checkbox"/> Vizient DataLYNX™ Consolidate [4016; Ver. VDL-032116L] <input checked="" type="checkbox"/> Vizient Data Management Platform (“DMP”) and DataLYNX™ Enhance [4015; Ver. VDL-032116L] <input type="checkbox"/> Vizient Savings Actualyzer (“VSA”) - Capital™ [4002; Ver. VALC-070717L] <input type="checkbox"/> Vizient Savings Actualyzer - Pharmacy™ [4086; Ver. VASP-031318L] <input type="checkbox"/> Vizient Savings Actualyzer - Purchased Services™ [4084; Ver. VALPS-070717L] <input checked="" type="checkbox"/> Vizient Savings Actualyzer - Supplies with Benchmarking™ [4075; Ver. VAL-011917L]
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Member Supply Chain Contact:	Name:	Robert Bucarey	Phone	909 580-0059
	Title:	Materiel Manager	Email:	BucareyR@ARMC.SBCounty.Gov

Vizient DataLYNX

Version:	<input type="checkbox"/> Consolidate <input checked="" type="checkbox"/> DMP and Enhance	Total Item Masters**:	1	Total Lines (Baseline):	20,000	Charge Per Line Over Baseline:	\$1.30
Term:	<input type="checkbox"/> 1 Year <input type="checkbox"/> 2 Year <input type="checkbox"/> 3 Year <input type="checkbox"/> 4 Year <input checked="" type="checkbox"/> 5 Year	Service Commencement Date:		January 1, 2022			
Non-Discounted Annual Service Fee:		Discounts:		<input type="checkbox"/> Multi-Year <input type="checkbox"/> Bundle			
Annual Service Fees (after Discounts):	Year 1: \$50,000	Year 2: \$51,500	Year 3: \$53,045	Year 4: \$54,636	Year 5: \$56,275		

****Any requests for additional Item Masters made on or after the Effective Date will result in additional Service Fees.**

VSA – Capital

Term:	<input type="checkbox"/> 1 Year <input type="checkbox"/> 2 Year <input type="checkbox"/> 3 Year <input type="checkbox"/> 4 Year <input type="checkbox"/> 5 Year	Service Commencement Date:					
Non-Discounted Annual Service Fee:		Discounts:		<input type="checkbox"/> Multi-Year <input type="checkbox"/> Multi-Product <input type="checkbox"/> Bundle			
Annual Service Fees (after Discounts):	Year 1: \$	Year 2: \$	Year 3: \$	Year 4: \$	Year 5: \$		

VSA – Pharmacy

Term:	<input type="checkbox"/> 1 Year <input type="checkbox"/> 2 Year <input type="checkbox"/> 3 Year <input type="checkbox"/> 4 Year <input type="checkbox"/> 5 Year	Service Commencement Date:					
Non-Discounted Annual Service Fee:		Discounts:		<input type="checkbox"/> Multi-Year <input type="checkbox"/> Multi-Product <input type="checkbox"/> Bundle			

Arrowhead Regional Medical Center – Analytics Services

(MID# 723998)

Annual Service Fees (after Discounts):	Year 1: \$	Year 2: \$	Year 3: \$	Year 4: \$	Year 5: \$
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VSA – Purchased Services

Term:	<input type="checkbox"/> 1 Year <input type="checkbox"/> 2 Year <input type="checkbox"/> 3 Year <input type="checkbox"/> 4 Year <input type="checkbox"/> 5 Year				Service Commencement Date:	
Non-Discounted Annual Service Fee:			Discounts:	<input type="checkbox"/> Multi-Year <input type="checkbox"/> Multi-Product <input type="checkbox"/> Bundle		
Annual Service Fees (after Discounts):	Year 1: \$	Year 2: \$	Year 3: \$	Year 4: \$	Year 5: \$	

VSA – Supplies with Benchmarking


Term:	<input type="checkbox"/> 1 Year <input type="checkbox"/> 2 Year <input type="checkbox"/> 3 Year <input type="checkbox"/> 4 Year <input checked="" type="checkbox"/> 5 Year				Service Commencement Date:	January 1, 2022
Non-Discounted Advisor Service Fee:	\$504,368		Advisor Service Level:	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3		
Non-Discounted Annual Subscription Fee:			Discounts:	<input type="checkbox"/> Multi-Year <input type="checkbox"/> Multi-Product <input type="checkbox"/> Bundle		
Total Annual Fees (after Discounts):	Year 1: \$95,000	Year 2: \$97,850	Year 3: \$100,786	Year 4: \$103,809	Year 5: \$106,923	

Electronic Signature. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

IN WITNESS WHEREOF, the Parties have caused this Order Form to be executed by their duly authorized representatives as of the Effective Date.

Vizient, Inc.

San Bernardino County on behalf of Arrowhead Regional Medical Center

DocuSigned by:

 By: _____
 Printed Name: Rand Ballard
 Title: Chief Customer Officer
 Date: 11/10/2021 | 8:48:28 AM CST

By: _____
 Printed Name: _____
 Title: _____
 Date: _____

Please sign, scan, and email to executedagreements@vizientinc.com. Vizient will provide a fully executed electronic copy to Member.

Arrowhead Regional Medical Center – Analytics Services

(MID# 723998)

Services Terms and Conditions

- Services.** Vizient will provide the foregoing services (collectively, “Services”) in accordance with the applicable services descriptions (collectively, the “Services Descriptions”) located on <https://www.vizientinc.com/our-solutions/supply-chain-solutions/Solution-Service-Descriptions>. Vizient will provide an electronic or hard copy of all applicable Services Descriptions upon Member’s request.
- Term.** The term for all applicable foregoing Services will commence on January 1, 2022 and continue through December 31, 2026 (“Term”), unless terminated sooner.
- Termination.** This Order Form may not be terminated for convenience. Vizient has the right to terminate this Order Form at any time, should Vizient no longer offer the Services, upon 60 days’ prior written notice and will refund Member a pro rata portion of any prepaid Service Fees. This Order Form is coterminous with the Master Agreement, but termination of this Order Form will not result in the termination of the Master Agreement.
- Discounts.** Any modifications or cancellations to the Services after the Effective Date may result in termination of any discounts provided to Member, and Vizient reserves the right to apply the standard Service Fee rate, effective as of the date Member is no longer eligible to receive such discount(s).
- Service Fees.** Vizient will provide Services to Member for the service fees set forth above (“Service Fees”). Member agrees that any additional facility seeking Services hereunder, on or after the Effective Date, will result in additional Service Fees. Services-related expenses for data entry, travel, meals, lodging, and other administrative costs, such as postage, copying, and overnight mailing, (“Reimbursable Expenses”) are in addition to the Service Fees set forth hereunder.
- Invoicing.** Commencing on the Effective Date, Vizient will invoice Service Fees in equal quarterly installments and will invoice Reimbursable Expenses, as incurred, on a monthly basis. Member will pay all invoice within 30 days of receipt.

Invoices will be addressed to:

Name/Title/Dept.:	
Address:	
Member Contact Information	
Name/Title:	
Phone:	
Email:	

- Member Statement Offset Option.** If adequate funds are available, Member may elect to have Service Fees and/or Reimbursable Expenses offset from Member’s available cash distributions. If Member intends to elect this option, Member shall request, complete, and return the Offset Authorization Form via email to **MSD@vizientinc.com**.