



May 25, 2022

Mr. Edgar Chan  
 Arrowhead Regional Medical Center  
 400 North Pepper Avenue  
 Colton, California 92324

Dear Mr. Chan:

Fresenius USA Marketing, Inc. ("FUSA") is pleased to offer San Bernardino County on behalf of Arrowhead Regional Medical Center ("PURCHASER") the following pricing for Hemodialysis equipment ("EQUIPMENT") as a one-time limited offer:

<b>RO Equipment DESCRIPTION</b>	<b>PRODUCT NO</b>	<b>PRICE/EACH</b>	<b>QUANTITY</b>	<b>ESTIMATED EXTENDED PRICE</b>
Aqua Bplus - 2500 Aqua B2 2000	24-2001-0	\$45,548.08	1	\$45,548.08
HF	24-00HF-0	\$12,972.23	1	\$12,972.23
Gateway, w/out housing / w/out GSM Module	24-GWIN-0	\$962.42	1	\$962.42
HT-T-piece DN70/87A°	F00002143	\$4.25	2	\$8.50
HT-elbow DN70/87A°	F00002145	\$2.53	6	\$15.19
HT-elbow DN70 / 45A°	F00002146	\$2.53	4	\$10.13
HT-pipe DN 70, 1000mm long	F00002147	\$6.12	7	\$42.84
HT-pipe DN 70, 500mm long	F00002148	\$4.34	2	\$8.68
AquaBplusOption"RingunitAdvanced",2ri	F00003314	\$1,870.57	1	\$1,870.57
Fluid Fly Loop 2x2m Coupling	F00006457	\$555.49	27	\$14,998.35
Fluid Fly Loop 2x2m CoupProbe	F00006456	\$573.29	6	\$3,439.72
ReducingDoubleNpleG1¼"-1½ NPT,Mat.1.4	F00010261	\$104.14	1	\$104.14
Closure nipple NW 6 - DN 6 - D=10	F00010216	\$47.72	33	\$1,574.86
VIV-ClipHalfPipe 3m InstallationMater	6325111	\$2.43	400	\$972.00
Identification label-permeate ring ma	6346511	\$13.09	2	\$26.18
RetrofitKitTraflLightBuzIncl.Install.M	6365361	\$1,200.16	1	\$1,200.16
Signal column half dome 90 with buzze	6365371	\$367.27	1	\$367.27
ISO Wall Box 2 Acid, 1 Drain	24-0083-A	\$578.69	26	\$15,045.94
ISO Adv Pretreat 2500/2000 AquaB Plus	24-200D-A	\$84,768.95	1	\$84,768.95
ISO Dual Distrib Acid Concentrate Kit	24-262D-A	\$7,083.18	1	\$7,083.18
ISO AquaB Kit Power Distribution Panel	24-8012-A	\$5,979.69	1	\$5,979.69
ISO AquaB Kit w/ Basins and Hardware	24-8013-A	\$1,182.50	1	\$1,182.50
<b>RO Equipment Associated Fees DESCRIPTION</b>	<b>PRODUCT NO</b>	<b>PRICE/EACH</b>	<b>QUANTITY</b>	<b>ESTIMATED EXTENDED PRICE</b>
Reverse Osmosis Water System Service	111119	\$12,500.00	1	\$12,500.00
Hotel&Food-High Rate (Replacement Syst)	111130	\$350.00	28	\$9,800.00
Mileage	111131	\$6.50	6,800	\$44,200.00
Flight wages	111132	\$300.00	20	\$6,000.00
RO Installation	111133	\$6,500.00	1	\$6,500.00
LoopInstallReplaceInclAcid&/orBicarLoop	111137	\$1,000.00	56	\$56,000.00
Pre Treatment Installation	111138	\$6,500.00	1	\$6,500.00
Return Fee	111141	\$2,000.00	5	\$10,000.00
Delay Fee (On Site)	111142	\$1,000.00	10	\$10,000.00
ACDS Installation	111144	\$450.00	2	\$900.00
<b>Training Description</b>				
System technician training		\$1,000.00 per attendee at a Fresenius Medical Care training site (Isopure)	2	\$2,000.00
<b>ESTIMATED FREIGHT:</b>				\$8,500.00
<b>ESTIMATED TOTAL:</b>				<b>\$371,081.58</b>

For this one-time offer, the following terms and conditions will apply:

- Payment Terms – 60 Days, subject to Credit review.
- FOB Origin
- FUSA will notify PURCHASER of the shipping date and PURCHASER shall confirm to FUSA acceptance of such date.
- Purchase may not count toward any previous discount offering.
- Order must be received by 12/31/2022



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- All sales are final.
- Unless otherwise provided herein, all orders, including this order of EQUIPMENT, shall be subject to the terms of the Supply Agreement between Fresenius USA Marketing, Inc. and San Bernardino County On Behalf Of Arrowhead Regional Medical Center dated and Effective as of April 18, 2022, and shall not be subject to the terms, conditions, or provisions of any order confirmation, except to the extent that such confirmation specifies quantities. For the avoidance of doubt, the term "PRODUCTS" in the Supply Agreement includes the EQUIPMENT under this Special Offer Letter. In the event of a conflict between the terms of the Supply Agreement and the terms of this Special Offer Letter, the terms of this Special Offer Letter shall prevail.
- The terms, conditions and pricing stated in this letter are confidential information of FUSA, which cannot be shared with any third party without FUSA's prior written consent, except where disclosure is required by law.
- Any discounts, rebates or deductions from FUSA's list price or other concessions received by PURCHASER from FUSA are "Discounts or Other Reductions in Price" under 42 U.S.C. § 1320a-7b(b)(3)(A). The parties shall comply with all laws and regulations (including 42 C.F.R. 1001.952(h)) regarding reporting of any discount, rebate, or other concession in the fiscal year of the PURCHASER in which it was earned or the year after, and report any discount, rebate, or other concession, consistent with applicable rules
- Please see the attached Exhibit 1.0, entitled "Warranty," for additional conditions specific to Hemodialysis Equipment.
- Please see the attached Exhibit 2.0, entitled "RO Equipment Specific Terms" for additional conditions specific to Hemodialysis Equipment. In the event of a conflict between the terms above and those in Exhibit 2.0, the terms in Exhibit 2.0 shall govern.

**In order to expedite your purchase, please fax your completed purchase order to the Equipment Order Department at (781) 699-9735.** We at Fresenius USA Marketing, Inc. appreciate your continued support. Should you have any questions, please feel free to contact me.

Sincerely,

*Scott Hale*  
Scott Hale  
Regional Sales Manager

/sb

Enclosure

cc: D. Walker

[SAP: N060]

San Bernardino County On Behalf Of Arrowhead Regional Medical Center, 4778, 00032178.0  
02476

Accepted: San Bernardino County on behalf of Arrowhead Regional Medical Center

\_\_\_\_\_  
Curt Hagman, Chairman, Board of Supervisors  
Date: \_\_\_\_\_

This Special Offer Letter ("Agreement") may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same document. 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.



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## EXHIBIT 1.0

### WARRANTY

#### Section 1.0 Warranty

1.1 FUSA warrants to PURCHASER that EQUIPMENT delivered is free from defects in material or workmanship for the periods specified in the appropriate Operator's Manual (which outlines the complete warranty) unless otherwise specified in the attached one-time limited offer, provided the EQUIPMENT is used and maintained in accordance with the manufacturer's operating instructions. Parts installed which have been purchased from vendors other than FUSA shall void all applicable warranties.

1.2 The Warranty does not apply to any EQUIPMENT that is misused, abused, neglected, tampered with, damaged by accident, flood, water, fire or other hazard, subjected to abnormal or unusual electrical or fluid stress, improperly installed or operated, or not maintained in accordance with the routine maintenance schedule set forth in the Operator's and Technician's manual for the EQUIPMENT. Periodic preventative maintenance required to maintain proper machine operation is not covered under the Warranty. Warranty does not provide replacement dialyzers or any other compensation during the period that PURCHASER'S EQUIPMENT is inoperative.

1.3 FUSA shall repair or replace, at its option, using new or reconditioned parts and/or subassemblies, any parts subject to this warranty that are proven defective in materials or workmanship. Such repair or replacement shall be made without cost to PURCHASER and FUSA reserves the right to determine the location at which the repair or replacement will be accomplished.

1.4 All warranties stated herein shall be construed to comply with the warranty Safe Harbor found at 42 C.F.R. 1001.952(g).

1.5 THE WARRANTY IN THIS SECTION 1.0 SHALL BE IN LIEU OF ANY OTHER WARRANTY EXPRESSED, OR IMPLIED OR STATUTORY, RESPECTING THE EQUIPMENT, AND FUSA MAKES NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE PURCHASER'S SOLE AND EXCLUSIVE REMEDY IN ONE TIME OFFER LETTER, TORT OR UNDER ANY OTHER THEORY AGAINST FUSA WITH RESPECT TO THE EQUIPMENT AND ITS USE SHALL BE THE REPLACEMENT OR REPAIR OF THE EQUIPMENT AND NO OTHER REMEDY (INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL AND INCIDENTAL DAMAGES) SHALL BE AVAILABLE TO PURCHASER. FUSA SHALL HAVE NO FURTHER OBLIGATION OR LIABILITY WITH RESPECT TO THE WARRANTY OF THE EQUIPMENT, OR ITS SALE, OPERATION AND USE, AND FUSA NEITHER ASSUMES, NOR AUTHORIZES THE ASSUMPTION OF, ANY OBLIGATION OR LIABILITY IN CONNECTION WITH THE EQUIPMENT



## EXHIBIT 2.0

### RO EQUIPMENT SPECIFIC TERMS

#### Section 1.0 Warranty Length

1.1 The warranty period for Aqua RO System (other than parts) shipped by FUSA without any installation by FUSA is twelve (12) months. The warranty period for the Aqua RO System (other than parts) installed at a PURCHASER site by FUSA is twelve (12) months from the date of installation. The warranty period for parts is ninety (90) days from the date of shipment or, if installed by FUSA, ninety (90) days from the date of complete RO installation. Service is warranted for ninety (90) days from performance of service.

1.2 PURCHASER is required to follow all manufacturer requirements on maintaining the complete water system (ROs, Ring, and Pre-Treatment systems). Any failure will void the warranty. If void, any services or parts supplied to PURCHASER under warranty post-failure will be invoiced.

1.3 PURCHASER must receive certification on maintaining and operating the RO System by FUSA.

1.4 Only AquaBplus using Advanced Pre-Treatment (M500 and PTM available via Isopure and SWT only) will be covered by this warranty.

1.5 If city feed water quality falls outside of the original (at time of design) tested results and damage occurs to the system, FUSA will have the right to void the warranty.

1.6 PURCHASER will be responsible for reimbursement of FUSA's reasonable travel and other expenses incurred in providing on-site warranty and out of warranty services for Aqua RO System.

#### Section 2.0 Training

2.1 System technician training is provided prior to installation at a Fresenius Medical Care training site, or on-site for up to six (6) attendees. System technician training is three days in length and costs \$1,000.00 per attendee if at a Fresenius Medical Care selected training site, or \$3,000.00 per class plus travel expenses if performed on-site. Three (3) Year Update Training at training center is \$350.00 per attendee or \$1000.00 per class plus travel if performed on site. Operator training to be provided at the time of installation by a trained system technician.

#### Section 3.0 Installation

3.1 For AquaBplus and AquaBplus B2 Layout Approval: Prior to acceptance of a system installation proposal, a proposed room layout will be provided to PURCHASER, provided that PURCHASER has provided a scaled drawing of its water room to FUSA. Upon agreement of such layout by both FUSA and PURCHASER (and fulfillment of any other pre-contract requirements), the purchase order will be accepted. If PURCHASER's specified space is modified in any way without FUSA's approval prior to installation of the system, an additional charge may be assessed against PURCHASER.

3.2 For AquaBplus and AquaBplus B2 Tap Water Quality Approval: Prior to acceptance of a system installation proposal, a proposed system design using current Tap Water Quality analysis will be provided to PURCHASER. Upon agreement of such system design by both FUSA and PURCHASER (and fulfillment of any other pre-contract requirements), the purchase order will be accepted. If at the time of Installation the PURCHASER's Tap Water Quality has changed from the initial sample and requires added design changes an additional charge may be assessed against PURCHASER. Testing requirements, timelines, and sign-off requirements will be addressed and covered on the kick-off call, prior to installation.

3.3 For AquaBplus and AquaBplus B2 unless specifically stated herein, station boxes provided by FUSA exclude installation and connection to the drain line or the water, bicarb, or concentrate distribution loops. These connections are the responsibility of PURCHASER. Quotations do not include seismic restraints. If seismic restraints are required, an additional charge will be assessed against PURCHASER. FUSA will be responsible for disconnection of existing system and connection of AquaBplus.

3.4 PURCHASER is responsible for the disposal of any refuse generated during the system installation.

3.5 PURCHASER agrees to provide site parking for FUSA installation vehicles.

3.6 FUSA will notify PURCHASER of the shipping date and PURCHASER shall confirm to FUSA acceptance of such date.



#### **Section 4.0 Interruption/Delay; In-Service/Training**

4.1 Unless otherwise agreed to by the parties, installation will proceed during a single visit by FUSA personnel. If PURCHASER's work site is not ready for installation at the designated time upon arrival of FUSA's installer(s), a job site readiness charge will be assessed against PURCHASER. If the installer(s) have to leave PURCHASER's work site due to the site not being ready or the installation is interrupted (beyond the control of FUSA) and results in subsequent visits to PURCHASER's work site for job completion, an additional charge of \$3,000 will be assessed against PURCHASER. If the installer(s) have to leave PURCHASER's work site due to the site not being ready or the installation is interrupted (within control of FUSA) and results in subsequent visits to PURCHASER's work site for job completion, a charge of \$3,000 will be assessed against FUSA. If FUSA's installer(s) are not permitted to start-up and test the system immediately upon installation and, in lieu thereof, PURCHASER or its designee starts-up and tests the system, then FUSA will have no responsibility for any issues that would have been resolved if FUSA had been permitted to start-up and test the system upon installation. A purchase order will be required for a return trip should PURCHASER require FUSA to return to perform the start-up and testing. At the conclusion of installation, FUSA will perform an "in-service" or training at PURCHASER's site to explain the operation and function of the system. Unless other arrangements are made in advance, the in-service/training will be performed immediately following the completion of installation. Should PURCHASER not be prepared for the in-service at that time and request a return visit, an additional charge may be assessed against PURCHASER.

4.2 Fresenius will display the operator's manual with the RO for PURCHASER per FDA guidelines. PURCHASER shall also receive a service manual upon completion of training.

#### **Section 5.0 Local Regulations and Associated Fees**

5.1 If local building codes or regulations (e.g., electrical, plumbing) dictate a change in equipment or installation method (as per PURCHASER's quotation), an appropriate change in price will occur. Any such additional pricing will be PURCHASER's responsibility. If FUSA is required for any reason to use local union personnel of any trade, hiring and payment for the required union personnel will be the sole responsibility of, and handled by, PURCHASER. It will not be FUSA's responsibility to pay salary, benefits, or other compensation of any kind to the union.

#### **Section 6.0 Service Response**

6.1 For Emergency Service issues, phone response is immediate. Onsite response within 4-8 hours. For non-emergency issues phone support is immediate and onsite response within two (2) days.

#### **Section 7.0 Onsite Requirements**

7.1 In the event FUSA provides any services onsite on PURCHASER's premises, FUSA, its agents and employees providing such services shall comply with the onsite requirement set forth in Exhibit 3.0.

## EXHIBIT 3.0

### ONSITE REQUIREMENTS

#### A. Compliance with PURCHASER Policy

In performing the services and while at any PURCHASER facilities, FUSA personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of the PURCHASER 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 PURCHASER; and (d) abide by all laws applicable to the PURCHASER facilities and the provision of the services, and all amendments and modifications to each of the documents listed in subsections (b), (c), and (d) (collectively, "PURCHASER Policies"). PURCHASER Policies, and additions or modifications thereto, may be communicated orally or in writing to FUSA or FUSA personnel or may be made available to FUSA or FUSA personnel by conspicuous posting at a PURCHASER facility, electronic posting, or other means generally used by PURCHASER to disseminate such information to its employees or Contractors. FUSA shall be responsible for the promulgation and distribution of PURCHASER Policies to FUSA personnel to the extent necessary and appropriate. PURCHASER shall have the right to require FUSA's employees, agents, representatives and subcontractors to exhibit identification credentials issued by PURCHASER in order to exercise any right of access under this contract.

#### B. Background Checks for FUSA Personnel

FUSA 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 PURCHASER; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the PURCHASER and not in violation of applicable law, FUSA shall conduct a background check, at FUSA's sole expense, on all its personnel providing Services. If requested by the PURCHASER, FUSA shall provide the results of the background check of each individual to the PURCHASER. Such background check shall be in the form generally used by FUSA 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. FUSA personnel who do not meet the PURCHASER's hiring criteria, in PURCHASER's sole discretion, shall not be assigned to work on PURCHASER property or Services, and PURCHASER shall have the right, at its sole option, to refuse access to any contract personnel to any PURCHASER facility.

#### C. Drug and Alcohol Free Workplace

C.1 In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this contract, FUSA agrees that FUSA and FUSA's employees, while performing service for the PURCHASER, on PURCHASER property, or while using PURCHASER equipment:

C.1.1 Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.

C.1.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance.

C.1.3 Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where FUSA or FUSA's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

FUSA shall inform all employees that are performing service for the PURCHASER on PURCHASER property, or using PURCHASER equipment, of the PURCHASER'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 PURCHASER.

C.2 PURCHASER may terminate for default or breach of this contract and any other contract FUSA has with the PURCHASER, if FUSA or FUSA's employees are determined by the PURCHASER not to be in compliance with above.

#### D. Employment Discrimination

During the term of the contract, FUSA shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. FUSA shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and PURCHASER laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

#### E. Licenses, Permits and/or Certifications

FUSA shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, PURCHASER, and municipal laws, ordinances, rules and regulations. FUSA shall maintain these licenses, permits and/or certifications in effect for the duration of this contract. FUSA will notify PURCHASER immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this contract.

#### F. Air, Water Pollution Control, Safety and Health

FUSA shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this contract.

#### G. Subcontracting

G.1 FUSA shall obtain PURCHASER's written consent, which PURCHASER may withhold in its sole discretion, before entering into Contracts with or otherwise engaging any subcontractors who may supply any part of the Services to PURCHASER. At PURCHASER's request, FUSA shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the PURCHASER, resumes of proposed subcontractor personnel. FUSA shall remain directly responsible to PURCHASER for its subcontractors and shall indemnify PURCHASER for the actions or omissions of its subcontractors. All approved subcontractors shall be subject to the provisions of this contract applicable to FUSA Personnel.

- G.2 For any subcontractor, FUSA shall:
  - G.2.1 Be responsible for subcontractor compliance with the contract and the subcontract terms and conditions; and
  - G.2.2 Ensure that the subcontractor follows PURCHASER's reporting formats and procedures as specified by PURCHASER.
  
- G.3 Upon expiration or termination of this contract for any reason, PURCHASER will have the right to enter into direct Contracts with any of the Subcontractors. FUSA agrees that its arrangements with Subcontractors will not prohibit or restrict such Subcontractors from entering into direct Contracts with PURCHASER.

**H. Damage to PURCHASER Property**

FUSA shall repair, or cause to be repaired, at its own cost, all damages to PURCHASER vehicles, facilities, buildings or grounds caused by the willful or negligent acts of FUSA or its employees or agents. Such repairs shall be made immediately after FUSA becomes aware of such damage, but in no event later than thirty (30) days after the occurrence. If FUSA fails to make timely repairs, the PURCHASER may make any necessary repairs. FUSA, as determined by the PURCHASER, shall repay all costs incurred by the PURCHASER for such repairs, by cash payment upon demand, or PURCHASER may deduct such costs from any amounts due to FUSA from the PURCHASER, as determined at the PURCHASER's sole discretion.

**I. Indemnification**

FUSA also agrees to indemnify, defend (with counsel reasonably approved by PURCHASER) and hold harmless the PURCHASER and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of the negligent acts or omissions or the willful misconduct of FUSA, its employees, and agents (collectively, "Indemnifying Party") in the course of any work, including any installation, relating to the EQUIPMENT on the PURCHASER's premises.