

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
CARESTREAM HEALTH, INC.**

THIS AGREEMENT, entered into this _____ day of _____, 2015,
by and between the COUNTY OF SAN MATEO, hereinafter called "County" or
"Customer", and Carestream Health, Inc., hereinafter called "Contractor" or
"Carestream";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code Section 31000, County may
contract with independent contractors for the furnishing of such services to or for
County or any Department thereof;

WHEREAS, it is necessary and desirable that Contractor be retained for the
purpose of providing services further described in Exhibit B.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO
AS FOLLOWS:**

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and
incorporated into this Agreement by this reference:

Exhibit A—Service Agreement

Attachment 1 to Exhibit A—Business Associate Agreement executed by the parties

Exhibit B—Carestream Quote Number 173514.

2. Services to be performed by Contractor

In consideration of the payments set forth herein and in Exhibit B, Contractor shall
perform services for County in accordance with the terms, conditions, and
specifications set forth herein and in Exhibit A.

3. Payments

In consideration of the services provided by Contractor in accordance with all terms,
conditions, and specifications set forth herein and in Exhibit A, County shall make
payment to Contractor based on the rates and in the manner specified in Exhibits A
and B. In no event shall County's total fiscal obligation under this Agreement,
including but not limited to costs for any optional work and travel expenses, exceed
FIVE HUNDRED THIRTY-FIVE THOUSAND TWO HUNDRED DOLLARS.
(\$535,200).

4. Term

The term of this agreement shall be for four years as outlined in Exhibit B. The term shall commence as mutually agreed to in writing by the parties and continue for four calendar years thereafter. Any extension of this agreement must be done by written amendment executed by both parties.

5. Availability of Funds

County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after County learns of said unavailability of outside funding.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of County and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of County employees.

7. Hold Harmless

7.1 General Hold Harmless. Contractor shall indemnify County against any third party claim for bodily injury or death, or tangible property damage, to the extent the claim arises from a breach of any Contractor warranties under this agreement or from the negligent acts or omissions of Contractor, including its subcontractors and agents furnishing items or services hereunder, by defending against such claim and paying all amounts that a court finally awards or that Contractor agrees to in settlement of such claim. Contractor shall also reimburse County for reasonable expenses incurred by County at Contractor's request. Contractor shall also indemnify County from any sanctions, penalties, or third party claims to the extent resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage to the extent that the County has been found in a court of competent jurisdiction to be proximately liable by reason of its own negligence or willful misconduct. To qualify for such defense and payment, County must give Contractor prompt written notice of the claim; and allow Contractor to control, and fully cooperate with Contractor in, the defense and all related negotiations.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

7.2 Intellectual Property Indemnification.

Contractor hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the services it provides under this Agreement and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets ("IP Rights") except as

otherwise noted by this Agreement. Contractor warrants that the services it provides under this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Contractor shall defend, indemnify, and hold harmless County from and against all third party claims, and reasonable expenses (including reasonable attorney fees incident to establishing the right of indemnification) to the extent arising out of or related to any claim by a third party that the services provided under this Agreement infringe or violate any third-party's IP Rights provided any such right is enforceable in the United States. Contractor's duty to defend, indemnify, and hold harmless under this Section applies only provided that: (a) County notifies Contractor promptly in writing of any notice of any such third-party claim; (b) County cooperates with Contractor, at Contractor's expense, in all reasonable respects in connection with the investigation and defense of any such third-party claim; (c) Contractor retains sole control of the defense of any action on any such claim and all negotiations for its settlement or compromise (provided Contractor shall not have the right to settle any criminal action, suit, or proceeding without County's prior written consent, not to be unreasonably withheld, and provided further that any settlement permitted under this Section shall not impose any financial or other obligation on County, impair any right of County, or contain any stipulation, admission, or acknowledgement of wrongdoing on the part of County without County's prior written consent, not to be unreasonably withheld); and (d) should services under this Agreement become, or in Contractor's opinion be likely to become, the subject of such a claim, or in the event such a third party claim or threatened claim causes County's reasonable use of the services under this Agreement to be seriously endangered or disrupted, Contractor shall, at Contractor's option and expense, either: (i) procure for County the right to continue using the services without infringement or (ii) replace or modify the services so that they become non infringing but remain functionally equivalent.

Notwithstanding anything in this Section to the contrary, Contractor will have no obligation or liability to County under this Section to the extent any otherwise covered claim is based upon: (a) any aspects of the services under this Agreement which have been modified by or for County (other than modification performed by, or at the direction of, Contractor) in such a way as to cause the alleged infringement at issue; (b) any aspects of the services under this Agreement which have been used by County in a manner prohibited by this Agreement.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

Contractor shall not subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of County. Any such subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement. This agreement cannot be assigned by either party without the prior written consent of the other, except to a parent or subsidiary or a subsidiary of its parent, or to a successor by merger, consolidation or purchase of substantially all the assets of at least that portion of the assigning party's business related specifically to this agreement. Assignment does not relieve the assignor of its obligations. Any assignment not in accordance with these provisions is void.

9. Insurance

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by County's Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish County with certificates of insurance evidencing the required coverage. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any cancellation of the policy.

- (1) **Workers' Compensation and Employer's Liability Insurance.** Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, (a) that it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) that it will comply with such provisions before commencing the performance of work under this Agreement.
- (2) **Liability Insurance.** Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from claims for damages for bodily injury, including accidental death, as well as claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or by an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount specified below.

Such insurance shall include:

- | | | |
|-----|---|-------------|
| (a) | Comprehensive General Liability | \$1,000,000 |
| (b) | Motor Vehicle Liability Insurance | \$1,000,000 |
| (c) | Professional Liability. | \$1,000,000 |

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that as respects Contractor's liability hereunder (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

10. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Further, Contractor certifies that Contractor and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

11. Non-Discrimination and Other Requirements

- A. *General non-discrimination.* No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.
- B. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County upon request.
- C. *Section 504 of the Rehabilitation Act of 1973.* Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.
- D. *Compliance with County's Equal Benefits Ordinance.* With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:
- x Contractor complies with Chapter 2.84 by:
 - x offering the same benefits to its employees with spouses and its employees with domestic partners.
 - ☐ offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Contractor's cost of providing the benefit to an employee with a spouse.
 - ☐ Contractor is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.
 - ☐ Contractor does not comply with Chapter 2.84, and a waiver must be sought.

- E. *Discrimination Against Individuals with Disabilities.* The Contractor shall comply fully with the nondiscrimination requirements of 41 C.F.R. 60-741.5(a), which is incorporated herein as if fully set forth.
- F. *History of Discrimination.* Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:
- ☒ No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.
 - ☐ Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide County with a written explanation of the outcome(s) or remedy for the discrimination.
- G. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to the following:
- i) termination of this Agreement;
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
 - iii) other appropriate contractual and civil remedies under law.

To effectuate the provisions of this Section, the County Manager shall have the authority to request written confirmation of compliance with the terms herein

Contractor shall report to the County Manager any finding of discrimination against Contractor issued by the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations within 30 days of such finding, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a copy of such the finding, and a description of the circumstance.

12. Compliance with County Employee Jury Service Ordinance

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which

states that a contractor shall have and adhere to a written policy providing that its employees, to the extent they live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code."

13. Retention of Records, Right to Monitor and Audit

(a) Contractor shall maintain all required records for three (3) years after County makes final payment and all other pending matters are closed, and such records shall be subject to the examination and/or audit of County, a Federal grantor agency, and the State of California upon prior written notice, and only to the extent such review of records is necessary to confirm compliance with this Agreement or is required by law.

(b) Reporting and Record Keeping: Contractor shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State, and local agencies, and as required by County.

(c) Contractor agrees upon reasonable notice to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representatives, and/or to any of their respective audit agencies, provided any such representatives and agencies are bound to confidentiality requirements of Contractor, the right to examine all records and documents relating to this Agreement, solely as necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement.

14. Merger Clause & Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated herein by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not

binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

16. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of County, to:

San Mateo Medical Center
222 W. 39th Avenue
San Mateo, CA 94403
Attn: Chief Operations Officer
Facsimile: 650-573-2030

:

In the case of Contractor, to:

Carestream Health, Inc.
150 Verona Street
Rochester, NY 14608
Attn: Contract Management

17. Electronic Signature

If both County and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative Memo, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

For County: ☐ If this box is checked by County, County consents to the use of electronic signatures in relation to this Agreement.

For Contractor: ☐ If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors, San Mateo
County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

CARESTREAM HEALTH, INC.


Contractor's Signature

Date: 9/1/15

Exhibit A

SERVICE AGREEMENT

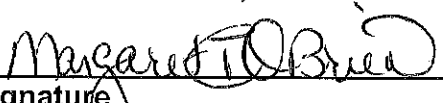
This agreement, dated 09/01/2015, constitutes the entire agreement between Carestream Health, Inc., 150 Verona Street, Rochester, New York 14608 ("Carestream") and San Mateo County, San Mateo Medical Center, 222 W 39th Ave, San Mateo, CA , 94403 ("Customer").

By their signature below, the parties acknowledge that this agreement supersedes all prior or contemporaneous representations, agreements, understandings or commitments, whether written or oral, relating to the subject matter of this agreement. The invalidity of any provision of this agreement does not affect the validity of the remaining provisions and the parties shall construe this agreement as if such invalid provision had been omitted. No provision of this agreement may be terminated, modified or waived except in a written agreement executed by the parties.

If Customer's processes require issuance of a purchase order ("PO"), Customer shall attach the PO to this agreement. Customer may include additional information on the PO such as Customer's tax exempt number, billing or shipping address if different from the address above, and contact details; however, the parties expressly agree that no other terms from the PO will apply with respect to any items or services obtained from Carestream.

Carestream Health, Inc.

San Mateo County Health Center

		
Signature	Name	Signature
Margaret L. O'Brien		
Manager, Contract Operations	Title	

Notice: Carestream is committed to conducting business in compliance with applicable laws, regulations and the high ethical standards articulated in the NEMA/MITA Code of Ethics. Please report any suspected violations to our Business Conduct Helpline at <https://www.integrity-helpline.com/carestreamhealth.jsp>.

1. **Definitions.** The following definitions govern the meaning of these capitalized terms used in this agreement. Other capitalized terms are defined where first used in this agreement.

"Application" means a software program developed by, or for, Carestream that is loaded on Third Party Hardware and used to accomplish specific tasks, as opposed to software that controls and instructs Equipment or Third Party Hardware.

"CPACS" means a computed picture archiving and communication System.

"Clinical Use" means the clinical diagnosis from or registration of a patient exam in an Health Care Information System(HCIS).

"Coverage Period" means Normal Business Hours plus any shift uplifts listed on the Quote.

"Delivery" means: (a) with respect to Equipment or Third Party Hardware, together with any Software preloaded on such Equipment or Third Party Hardware, the date on which the item is physically delivered to Customer; and, (b) with respect to an Application that Customer has engaged Carestream to install, the date the Application is available to Customer for testing.

"Diagnostic Software" means diagnostic software intended for use only by Carestream service engineers. The term does not include utilities and administrative software tools provided by Carestream for use by Customer's system administrators.

"Documentation" means the detailed description of functionality, technical specifications, operating environment requirements, user manuals, and related processes and procedures, provided in any form by Carestream for the installation and operation of the Equipment and Software. Carestream may update or supplement Documentation at any time.

"Equipment" means the equipment listed on a Quote that is manufactured by, or for, Carestream as opposed to "Third Party Hardware" which means the equipment listed on a Quote that is manufactured by others but sold by Carestream. Equipment does not include consumables, such as batteries and bulbs, or accessories, such as straps.

"Normal Business Hours" means Monday to Friday between 8:00 a.m. and 5:00 p.m. local time, excluding public holidays.

"Open Source Software" means code that has been developed under the Open Source Initiative (www.opensource.org) or similar initiatives or where the original developer permits unrestricted access to source code or free distribution of the code.

"Operating Environment" means the Third Party Hardware and Third Party Software configuration required to operate an Application.

"PACS" means a picture archiving and communication System.

"RIS" means a radiology information System.

"Release" means a redistribution of Software that contains minor feature enhancements to functionality. Software versioning is numbered using the form Version.Release.Update; so when a new Release of Software is made generally available it is designated by a change in the second number in the series.

"Software" means code or data compilations developed by, or for, Carestream, whether loaded on and provided for the operation of the Equipment, or licensed to Customer as an Application. Software includes any Updates, Releases or customization provided to Customer by Carestream during the term. Software also may include programs or content developed by others that Carestream has

incorporated pursuant to a license agreement; however, Software does not include Third Party Software, Open Source Software or Diagnostic Software.

"System" means Software, Equipment, Third Party Hardware, Third Party Software and Open Source Software, as applicable, which are intended by Carestream to operate together.

"Third Party Software" means software from other commercial suppliers who require Carestream to pass thru, or otherwise have Customer agree to, their end user license terms if Customer acquires the Third Party Software from Carestream. Third Party Software also means software that Carestream lists in the Operating Environment that Customer acquires from a supplier other than Carestream.

"Update" means fixes or corrections for Software bugs to enable the Software to perform in accordance with its Documentation. Software versioning is numbered using the form Version. Release.Update; so when a new Update of Software is made generally available it is designated by a change in the last number in the series.

"Version" means a major Software platform with a standard graphical user interface and functionality. Software versioning is numbered using the form Version. Release.Update; so when a new Version of Software is made generally available it is designated by a change in the first number in the series.

"Volume Analysis" means a questionnaire provided by Carestream to Customer to garner information for sizing and installing a System and Customer's responses to that questionnaire.

2. **Service Period.** The terms of this agreement commence on the earliest coverage start date listed on the Quote and continue until the latest coverage end date listed on the Quote ("Service Period").
3. **Pre-Inspection.** Carestream reserves the right to inspect any Equipment or Software where there has been either an interruption in coverage, or the Equipment has not been serviced, for a period of 60 days or more. If Carestream determines that repairs or Updates are required, Carestream shall perform those repairs or Updates, as applicable, and Customer shall pay Carestream for such additional services together with any required parts on a time and materials basis. Carestream shall then certify the inspected Equipment and Software and the Service Period for those items shall commence.
4. **Services.**
 - A. Customer may report issues or obtain technical support 24 hours a day, 7 days a week by telephoning Carestream at 1-800-328-2910. Unless otherwise specified in the Quote, Carestream shall respond to Customer by phone during the Coverage Period of any service plan within 60 minutes of (i) call receipt within the Coverage Period or (ii) commencement of the next Coverage Period if calls are received after hours or within less than 60 minutes from the end of the current Coverage Period ("Call Response Time"). Prior to contacting Carestream, Customer shall perform any problem determination procedures, diagnostic

activities and remedial actions detailed by Carestream in the Documentation or other customer communications.

- B. Many Carestream Products are sold with Carestream's proprietary remote management service ("RMS") which, when configured and enabled, allows Carestream to remotely monitor, diagnose and resolve a variety of Equipment and Software issues, and remotely install Updates, through a secure, encrypted internet connection or a secure remote service access ("SRSA") virtual private network ("VPN") connection. As a condition of Carestream performing the services described herein, Customer shall permit Carestream to use its remote access tools as its first call response method for Equipment and Software service requests.
- C. With the exception of Equipment covered by an Advanced Unit Replacement plan ("AUR"), if Carestream is not able to resolve an Equipment issue remotely, Carestream shall dispatch trained field engineers to diagnose, repair and calibrate the Equipment on-site during the Coverage Period, (i) at no charge for Equipment to the extent covered under any plan in the Quote with or uplifted to include Carestream onsite labor or (ii) at Carestream published rates for Equipment not covered by the service plan.
- D. For AUR covered Equipment, after Customer reports a defect, Carestream shall ship a customer installable replacement unit and Customer shall return the defective unit to Carestream within 30 days of receipt of the replacement unit in the packaging provided by Carestream. If Customer has purchased the AUR plan with on-site support, Carestream shall send a field service engineer to install the replacement unit and remove the defective unit. If Customer requests on-site service outside of the service covered by Customer's service plan, or without first permitting remote access, then Customer shall pay Carestream's standard call out charge and published hourly rates for such on-site service.
- E. Genuine Carestream replacement parts are included for all Equipment repairs and maintenance covered by a Carestream service plan. Carestream may use reconditioned or used parts to meet its service obligations, however, Carestream warrants all such reconditioned or used parts under the same warranties applicable to new parts. Upon completion of a service call, Carestream's field engineer shall certify that the Equipment meets specifications.
- F. Carestream shall use commercially reasonable efforts to insure the availability of replacement parts to fulfill the requirement of any service plan described in the Quote. If replacement parts become unavailable for any reason and Carestream as a result cannot fulfill its service obligations for a reported issue Customer may terminate such service plan and receive a pro-rated refund of prepaid fees for such plan through its unexpired term.
- G. Unless otherwise stated in the Quote, the targeted time for a Carestream field engineer to arrive at Customer's site to initiate Equipment repairs is four hours from commencement of the Coverage Period for Equipment covered under a full service coverage plan provided Customer is located within 100 miles of a major metropolitan area or Carestream field engineer location.

- H. Customer shall pay Carestream's published labor rate for services provided by Carestream outside of the Coverage Period, however, if the Equipment is specified in the Quote as being covered under a call continuation option, Carestream shall not charge Customer additional hours for repair or preventive maintenance calls that commence during the Coverage Period and continue beyond the Coverage Period.
- I. At no additional charge, Carestream shall provide on-site preventive maintenance as defined by the Equipment maintenance procedures in the service manual on any Equipment designated on the Quote as covered under a full service coverage plan or a preventive maintenance ("PM") plan. For Equipment on plans that specify Call Continuation and to avoid disrupting clinical operations, Carestream shall schedule on-site preventive maintenance outside of Normal Business Hours at Customer's request, provided Customer permits the service to start no less than 30 minutes before the end of the Coverage Period or no more than one hour before the start of the Coverage Period. Preventive maintenance may be available on request for Equipment covered under any other service plan at published labor rates.
- J. If Carestream determines that the Equipment or Software requires a modification to address patient or operator safety, Carestream shall install such safety modifications at no additional charge to Customer during Normal Business Hours.
- K. Carestream shall install Updates, and if applicable Releases, during Normal Business Hours. For Equipment, Carestream shall only provide Updates, safety modifications and other support services for the then current Release and the immediately previous Release. For Applications, Carestream shall only provide support for the then current Version and immediately previous Version.
- L. If Customer has purchased Carestream's basic software refresh for an item, and Carestream issues a new Release or Version during the Service Period, at Customer's request, Carestream shall provide that new Release or Version to Customer at no additional license fee provided Customer is on the then current Version. At Customer's expense, Customer shall obtain all additional Third Party Hardware, Third Party Software, and any professional services required to implement new Releases or Versions. If Customer has purchased Carestream's premium software refresh for CR or DR Equipment, and Carestream issues a new Release or Version and Carestream determines that a PC upgrade is required to operate that Release or new Version, then Carestream shall upgrade Customer's PC and install the new Release or Version at no additional charge.
- M. For those items of Equipment covered by Carestream's partnership or parts and telephone service plans, Carestream shall provide Customer's operationally responsible person with technical training at Carestream's then published rates and telephone support for Equipment repairs. Customer shall ensure that its operationally responsible person is fully trained to provide first level support and is performing all Carestream recommended maintenance and testing. For RIS or PACS Software covered under the Full Partnership service plan, Carestream

shall provide Customer's RIS or PACS system administrator with technical support training at Carestream's then published rates and second level telephone support. Customer shall ensure that its system administrator is fully trained to provide first level support and is performing all Carestream recommended maintenance. All parts required to repair the equipment will be provided no charge provided the trained operationally responsible person has received approval from Carestream's Center of Excellence technical support.

- N. If Customer has purchased a plan specified as a labor plan or a partnership plan with on-site assistance, Carestream will provide on-site labor support to the extent specified in the Quote.
- O. Carestream will provide Customer with IP address changes, native DICOM connections, technical training and other non-warranty support and services upon request at Carestream's then published rates. If specified on the Quote, Carestream will provide IP address changes and native DICOM connections at no additional charge for full service coverage plans.

5. Accident Protection Plan.

- A. Carestream offers an Accident Protection Plan for DRX detectors that covers detector damage as a result of (i) a sudden and accidental impact or drop; or (ii) damage to internal components of the detector caused by liquid penetration; or (iii) broken or cracked glass regardless of the cause. A covered impact or drop is defined as an impact of 200g or greater as recorded in the detector shock log. Carestream shall have no obligation or liability for detector damage attributable to misuse, abuse, vandalism, viruses or any other malicious or negligent act or omission by a party that is not under the direct control of Carestream. To be effective, Customer must purchase this optional coverage prior to first clinical use, or if purchased thereafter, or if the coverage lapses prior to renewal, then Customer must request an inspection of the detector by Carestream at Customer's expense before coverage will take effect.
- B. Provided the conditions in A are met, Carestream shall provide Customer with a customer installable refurbished replacement detector at the reduced rate listed in the Quote. If Customer requests additional services to install the replacement, Carestream shall provide those services on a time and materials basis at the then current labor and travel rates. Customer shall also permit Carestream to remotely access the detector to diagnose any issues and determine if those issues are covered by the Accident Protection Policy. If Carestream is not able to remotely access the detector, then Customer shall pay Carestream, at then current rates, for both travel time and on-site time to diagnose the problem.
- C. Carestream will allow for a reasonable number of detector replacements under this coverage. The determination of excessive claims will be defined solely by Carestream based on global average accidental damage rates. In the event of excessive replacements by Customer, Carestream may terminate Customer's Accident Protection coverage

6. Secure Remote Service Access ("SRSA").

- A. An SRSA VPN connection is a requirement for remote service and support of PACS and RIS Systems, and for DR Imaging Equipment. SRSA is also an option for CR Imaging Equipment and supported Digital Output printing Equipment. Carestream also strongly recommends an SRSA VPN connection for locations with 3 or more supported Systems. If listed on the Quote, Carestream shall provide Customer with a VPN device and configuration to provide a secure encrypted connection from Carestream's support network to Customer's Equipment. If Customer is obtaining an SRSA connection from Carestream, Customer shall work with Carestream network services to establish a SRSA prior to commencement of the installation.
 - B. Carestream shall not be liable for remote support availability issues or other service delays caused by Customer's failure to permit remote access. Customer will provide Carestream with contact information for Customer's VPN engineer to resolve any VPN issues. Customer will provide Carestream with the VPN peer address for the VPN device as well as other IP addresses needed to configure the device for outside service access. If the Carestream supported equipment on Customer's network is addressed using private IP addresses, then static NAT statements are required to be configured on Customer's VPN side or next hop router device so that Carestream may uniquely identify every device to the Carestream service technician. Customer will allow an occasional ping over the VPN tunnel originating from Carestream to the remote VPN device or VPN terminating network connected device located at Customer's site for VPN monitoring. Customer will allow Secure Shell ("SSH") protocol through to the Carestream managed VPN device or provide a dial-up connection into the network in the event the VPN device is experiencing communications difficulties. Customer shall notify Carestream of any planned VPN connection, network outages or configuration changes.
7. **Third Party Hardware.** Carestream shall perform periodic maintenance on Third Party Hardware that is listed on the Quote as covered for service. Carestream may use reconditioned or used parts, in which case, Carestream shall warrant such reconditioned or used parts under the same warranties applicable to new parts. Customer is responsible for replacing Third Party Hardware as it ages. Carestream shall not be required to replace or refresh Third Party Hardware. Carestream may cancel Third Party Hardware maintenance if maintenance is no longer feasible due to (a) unavailability of parts, or (b) OEM service discontinuance. Carestream will refund any then remaining prepaid service fees attributable to Third Party Hardware maintenance terminated by Carestream.
8. **Exclusions.**
- A. Carestream shall have no obligation or liability for Equipment or Software problems attributable to any of the following and Customer shall pay Carestream, at Carestream's then current rates, for any time Carestream spends diagnosing or correcting issues caused by any of the following:
 - i. Modifications, additions or attachments to the Operating Environment, Equipment or Software, unless such modifications are performed by, and at

the request of, Carestream and such additions and attachments are purchased from, or specified by, Carestream;

- ii. Customer's failure to (a) follow the Equipment or Software operating instructions and Documentation; (b) perform, or permit Carestream, to perform routine maintenance; (c) perform recommended daily routines and back-ups; (d) adhere to the Operating Environment; or (d) adhere to site preparation and environmental specifications;
 - iii. Misuse, abuse, accident (other than accidents covered under the DRX Accident Protection Plan described above), vandalism, viruses or any other malicious or negligent act or omission by a party that is not under the direct control of Carestream;
 - iv. Environmental conditions, moisture or water, excessive radiation, improper servicing or fire;
 - v. Electrical problems caused by power surges, lightning or Customer's wiring or electrical supply;
 - vi. Network issues, problems caused by Customer's other vendors, or issues related to or caused by non-Carestream equipment, hardware or software; or
 - vii. Moving the Equipment.
- B. Customer is responsible for routine system administration, back-ups, recovery procedures, supply items, consumables, accessories and changes to the Equipment set-up.

9. Fees and Payment.

- A. Carestream's obligations are contingent on receipt of timely payment from Customer. Carestream shall invoice the annual service fees listed on the Quote, together with any pro-rated service uplift fees, as well as any Accident Protection Plan premiums, on receipt of this signed agreement. Carestream shall invoice, and Customer shall pay, any additional charges, monthly as incurred. Customer shall pay each invoice within 30 days after the date of the invoice.
- B. Customer shall be responsible for the payment (directly or by reimbursement to Carestream) of all taxes imposed on Carestream or Customer resulting from this agreement, excluding taxes based on Carestream's income and employment taxes and unemployment insurance for Carestream's employees. If Customer provides Carestream with a copy of its tax exemption letter or number, Carestream shall not bill Customer for taxes to which the exemption applies.

10. Warranties.

- A. Carestream warrants that it shall perform all services in a professional and competent manner.
- B. Carestream warrants that any parts it supplies will be free from defects in material and workmanship during the Service Period.

- C. The warranties set forth in this agreement are made to, and for the benefit of, Customer exclusively. Customer is solely responsible for using the System and for the accuracy and adequacy of data entry. THE WARRANTIES SPECIFICALLY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHERS, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY EXCLUDED.

11. Remedies.

- A. Carestream shall remedy any breach of its obligations through repair, re-performance or replacement. If Carestream cannot remedy its breach by repair, re-performance or replacement, or if a repair, re-performance or replacement remedy is not applicable, Carestream shall be liable only for direct damages, in the aggregate, up to the prorated portion of the annual service fee paid by Customer that is attributable to the month in which the breach occurred or up to the full cost of the equipment provided by Carestream that is not functional and that Carestream does not repair or replace.
- B. This section states Customer's exclusive remedy for any cause against Carestream, regardless of the form of action, whether based in contract, tort (including negligence), strict liability or any other theory of law. The parties have each agreed to the fees and entered into this agreement in reliance upon the remedies, warranties, limitations and disclaimers set forth in this agreement, and the same form an essential basis of the bargain between the parties.

12. DAMAGE WAIVER. INDEPENDENT OF THE EXCLUSIVE REMEDIES EXPRESSED IN THE REMEDIES SECTION ABOVE, THE PARTIES EXPRESSLY AGREE THAT NEITHER PARTY SHALL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES, REGARDLESS OF WHETHER THE PARTY IN BREACH WAS ADVISED OF, OR OTHERWISE SHOULD HAVE BEEN AWARE OF, THE POSSIBILITY OF SUCH DAMAGES.

13. Confidentiality.

- A. Each party shall retain in strict confidence the terms of this agreement and all information relating to the other party's business, employees, affiliates, development plans, software, documentation, techniques, trade secrets, systems and know-how. With the exception of employees or subcontractors with a specific need to know, the parties shall not disclose such information to any third party without the other's prior written consent, unless otherwise required by law. If either party is required by law to disclose information supplied by the other, including copies of this agreement, the party required to disclose shall promptly notify the party whose information is subject to disclosure prior to such disclosure in order to allow that party an opportunity to oppose the disclosure.
- B. Either party may disclose confidential information to its employees or subcontractors on a need to know basis provided such employees or subcontractors have entered into a confidentiality agreement that provides the same standard of protection described in this agreement.

- C. Carestream acknowledges that Customer is subject to the California Public Records Act (CPRA) and that this Agreement is public record and shall be disclosed on request pursuant to the CPRA.

14. **Business Associate Obligations.** As further described in Attachment 1, Carestream shall abide by the Business Associate obligations defined in the Health Insurance Portability and Accountability Act ("HIPAA") and codified at 45 C.F.R. parts 160 and 164 ("HIPAA Regulations") and in the Health Information Technology for Economic and Clinical Health Act ("HITECH") of the American Recovery and Reinvestment Act ("ARRA") Title XIII (Pub.L. 111-5) (Subtitle D).

15. **Default and Termination.**

- A. If either party fails to observe or perform any material obligation under this agreement, including but not limited to payment default, the non-defaulting party may give written notice to the defaulting party specifying the material failure. If the material failure is not corrected, or a mutually agreed plan to correct the failure has not been established, within 45 days after the date of such notice, the non-defaulting party may terminate this agreement upon written notice to the defaulting party. The right of the non-defaulting party to terminate this agreement under this section is in addition to all other rights that are available to it under this agreement, at law or in equity.
- B. In the event termination is due to payment default, Carestream may, at its option, (i) withhold support under this Agreement until all defaults have been cured, (ii) declare that all sums due or about to become due under this Agreement are immediately due and payable, (iii) commence collection activities for all sums due or to become due hereunder, including, but not limited to costs and expenses of collection and reasonable attorney's fees, (iv) terminate this Agreement without notice to Customer and issue a new invoice for the greater of (a) the portion of the fee attributable to the time period beginning at the start of the unpaid billing period and ending on the date this Agreement is terminated (the "Default Billing Period") or (b) time and materials charges attributable to any Services performed by Carestream during the Default Billing Period, and (v) pursue any other remedies permitted by law.

C. **Early Cancellation and Termination.**

- i. Customer may cancel service for one or more items under a service plan without fault by providing 60 days written notice to Carestream and receive a pro rated refund of service fees as of the effective cancellation date based on the remaining prepaid service period.
- ii. Equipment Refresh Service Cancellation: If Customer cancels service for Equipment provided as a Refresh, Customer shall pay a Refresh cancellation fee based on the list price of the replacement Equipment on the Quote prorated over the original Service Period.
- iii. If all items under service plans are cancelled, the Agreement shall terminate.
- D. The provisions of this section and the Confidentiality section survive termination of this agreement.

16. Regulatory Requirements.

- A. Carestream shall obtain any regulatory or other government authorizations required for Carestream to manufacture, distribute and service the Equipment and Software. Customer shall obtain any permits required for Carestream to perform work at Customer's site and for Customer to own and operate the Equipment or System. Each party shall cooperate with the other as needed in obtaining and maintaining such authorizations or permits.
- B. Carestream will make available copies of this agreement and any books, documents, records and other data of Carestream that are necessary to certify the nature and extent of costs incurred by Customer for such services until the expiration of four years after the furnishing of any service under this agreement, and upon the written request of a duly authorized government representative.

17. Force Majeure. Neither party shall be responsible for any delay or failure of performance resulting from causes beyond its control.

18. Assignment. This agreement cannot be assigned by either party without the prior written consent of the other, except to a parent or subsidiary or a subsidiary of its parent, or to a successor by merger, consolidation or purchase of substantially all the assets of at least that portion of the assigning party's business related specifically to this agreement. Assignment does not relieve the assignor of its obligations. Any assignment not in accordance with these provisions is void.

19. Notices. Whenever written notice is required under this agreement, the noticing party shall send it by mail, e-mail or fax and such notice will be effective when delivered as follows: (a) if to Carestream, for the attention of Contract Management, at either (i) the address set forth in the opening paragraph of this agreement; or (ii) us-hi-digitalorders@carestreamhealth.com; or (iii) US fax: 1-800-445-9967, Canada fax: 416-665-0595; and (b) if to San Mateo County, San Mateo Medical Center, at the address set forth in the opening paragraph.

Attachment 1
Business Associate Agreement

1. **Definitions.** Capitalized terms in this Business Associate Agreement ("BAA"), not otherwise defined, have the same meaning ascribed to those terms in the HIPAA Regulations provided, however, that:

"Business Associate" means Carestream Health, Inc. 150 Verona Street, Rochester, NY 14608 ("Carestream") and its subsidiaries, but only to the extent Carestream's access to PHI is more than incidental or limited in nature and does not occur under the control of Covered Entity or on Covered Entity's premises. Carestream does not, by agreeing to this BAA, concede that it is a business associate. Where the term "business associate" appears without an initial capital letter, it has the meaning given to such term in the HIPAA Regulations.

"Covered Entity" means San Mateo County, San Mateo Medical Center, 222 W 39th Ave, San Mateo CA 94403 and, to the extent they are receiving services from Business Associate, its subsidiaries or parent and each subsidiary of its parent, as applicable.

"PHI" means Protected Health Information limited to the information Business Associate received from, or created, or received on behalf of, Covered Entity as Covered Entity's Business Associate. "ePHI" means a subset of PHI that is created or transmitted electronically.

"Underlying Agreement" means the commercial agreement(s) between Business Associate and Covered Entity pursuant to which Business Associate is providing services to Covered Entity that has given rise to the need for this BAA.

2. **Obligations of Business Associate.** With regard to its use and disclosure of PHI, Business Associate shall:
- A. Not use or disclose PHI other than as permitted or required by the Underlying Agreement or as required by law;
 - B. Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI and use appropriate safeguards to prevent use or disclosure of PHI other than as permitted here;
 - C. Report to Covered Entity any use or disclosure of PHI not provided for by this BAA and any Security Incident of which Business Associate becomes aware;
 - D. Use reasonable commercial efforts to mitigate any harmful effect known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this BAA;
 - E. Ensure that any agents and subcontractors to whom Business Associate provides PHI agree to the same restrictions and conditions that apply through this BAA to Business Associate and that such agents and subcontractors implement reasonable and appropriate safeguards with respect to such PHI;

- F. Make available to Covered Entity any PHI maintained by Business Associate in a Designated Record Set within 20 days of receiving a written request from Covered Entity, so that Covered Entity can respond to Individual requests for access or amendments;
 - G. Incorporate amendments to any PHI maintained by Business Associate in a Designated Record Set within 40 days of receiving a written request from Covered Entity;
 - H. Document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI and provide this accounting to Covered Entity within 40 days of receiving a written request from Covered Entity, at the address specified by Covered Entity in the request; and
 - I. Make Business Associate's internal practices, books and records relating to the use and disclosure of PHI and Business Associate's policies, procedures and documentation related to the safeguards required by the Security Rule available to the Secretary for purposes of determining Covered Entity's compliance with the HIPAA Regulations.
3. **Permitted Uses and Disclosures of PHI.** Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Regulations if done by Covered Entity, except that Business Associate may make any and all uses and disclosures of PHI necessary to perform its obligations under the Underlying Agreement, including:
- A. Use PHI for its proper management and administration and to carry out the legal responsibilities of Business Associate;
 - B. Disclose PHI to a third party for the purpose of Business Associate's proper management and administration or to carry out the legal responsibilities of Business Associate, provided that the disclosures are Required By Law or Business Associate obtains reasonable assurances from the third party regarding the confidential handling of such PHI as required under the HIPAA Regulations;
 - C. Provide Data Aggregation services relating to the health care operations of Covered Entity; and
 - D. De-identify PHI, and use de-identified data, in accordance with the de-identification provisions of HIPAA Regulations.
4. **Termination.**
- A. If Covered Entity learns of a material breach by Business Associate, Covered Entity shall either provide an opportunity for Business Associate to cure such breach or to end such violation, as applicable. If Business Associate does not cure or cease the violation, or if a cure is not possible, Covered Entity shall either (a) terminate the Underlying Agreement if, in Covered Entity's sole discretion, it is feasible; or, (b) if neither termination nor cure is feasible, report the violation to the Secretary.

- B. With the exception of incidental elements of PHI required to maintain US Food and Drug Administration Quality Systems records, upon termination of the Underlying Agreement for any reason, Business Associate shall return or destroy all PHI in Business Associate's possession or in the possession of Business Associate's subcontractors or agents. Business Associate shall retain no copies of returned or destroyed PHI. If return or destruction is not feasible, Business Associate shall provide Covered Entity with notification of the conditions that make the return or destruction of such PHI not feasible. Any PHI retained by Business Associate will remain subject to all of the protections of this BAA, and Business Associate shall make no further use of such PHI. The rights and obligations of Business Associate under this subsection survive termination of the Underlying Agreement.

5. HITECH.

- A. Business Associate acknowledges that HITECH requires Business Associate to adhere to the administrative, physical, and technical safeguards, and policy, procedure, and documentation requirements of the HIPAA Administrative Simplification Security Rule in the same manner that such sections apply to Covered Entity, and Business Associate shall so comply.
- B. As required by HITECH, if Business Associate commits or discovers a breach involving unsecured protected health information, Business Associate shall notify Covered Entity in accordance with the provisions in HITECH.
- C. To the extent Business Associate is responsible for a breach involving unsecured protected health information, Business Associate shall reimburse Covered Entity for direct costs, such as postage, printing and media fees, that Covered Entity expends to meet its notification obligations under HITECH. If the breach was discovered by Covered Entity through its own investigation, as opposed to Business Associate self-reporting, then Business Associate shall also reimburse Covered Entity for reasonable investigative costs to the extent of Business Associate's culpability. In addition, prior to Covered Entity sending out notification to individuals affected by that breach, Business Associate and Covered Entity shall meet and agree on: (a) a mitigation plan for those affected individuals, and (b) allocation of costs related to that plan. Business Associate's obligation to reimburse or assume costs under this section is limited to Business Associate's comparative liability for the breach which gave rise to those costs and is subject to the Remedies section in the Underlying Agreement.

6. Miscellaneous.

- A. The parties intend that any ambiguities, or any conflict between the terms of this BAA and the Underlying Agreement, be resolved in favor of permitting the parties to comply with the HIPAA Regulations. If the HIPAA Regulations are materially amended, the parties agree to amend this BAA solely as needed for the parties to comply with the HIPAA Regulations.

- B. This BAA does not confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

Exhibit B
Payments
Quote 173514

Equipment to be covered

Catalog Number	Product Description
8010936	4 DRX-1 DETECTOR WIRELESS CH 1&2
1021229	2 CARESTREAM DRX-1 SYSTEM
1040161	1 DRX 2530C DETECTOR
1019397	2 DRX-REVOLUTION MOBILE X-RAY SYSTEM
1019496	2 DRX-1C DETECTOR FOR DRX-REVOLUTION

SERVICE PLAN:

Smart Care Select, A Parts Replacement & Telephone Support Plan

- Telephone & Remote Support: 24 hrs./day, 7 days/week.
- On-site coverage: at request of SMMC Biomedical engineer, delivered at Carestream preferred rates
- On-site coverage period: not applicable
- Standard parts: coverage includes X-ray tube replacement
- Preventative maintenance: delivered at Carestream preferred rates at request of Biomedical personnel

Year	List Price	Discount	Net Price
Warranty Year	\$0.00	\$0.00	\$0.00
Year 1	\$84,107.66	\$43,309.72	\$40,797.94
Year 2	\$84,107.66	\$43,309.72	\$40,797.94
Year 3	\$84,107.66	\$43,309.72	\$40,797.94
Year 4	\$84,107.66	\$43,309.72	\$40,797.94
Net Price			\$163,191.76

SOFTWARE REFRESH:

The Software Refresh coverage plan is for the Carestream Health digital capture products in this agreement and is associated by Carestream Health K number (or serial number) during the plan term. Basic Software Refresh plan provides software release upgrades to the current release for no license fee. Premium Software Refresh plan provides software release upgrades to the current release as well as associated PC hardware and installation at no fee, in order to operate the release. Please see attached Terms and Conditions for a detailed description of Carestream Health Software Refresh Program.

Year	Description	Annual Net
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		Price
Warranty Year	Standard Deductible Accident Protection	\$0.00
Year 1	Standard Deductible Accident Protection	\$3000.00
Year 2	Standard Deductible Accident Protection	\$3000.00
Year 3	Standard Deductible Accident Protection	\$3000.00
Year 4	Standard Deductible Accident Protection	\$3000.00
Net Price		\$12,000.00

STANDARD DEDUCTIBLE ACCIDENT PROTECTION:

The DRX detector Standard Accident Protection Plan is for the plan term (4 years post-warranty; warranty year is covered in equipment purchase order) and is associated by manufacturer serial number of each individual detector. The Standard Accident Protection Plan purchased covers each DRX detector for the corresponding plan term. During the plan term, should the DRX detector be damaged by circumstances consistent with those allowed in the service terms and conditions, the plan allows for the purchase of a replacement detector at the cost of \$5,000 per incident in addition to standard deductible accident protection premium paid. Carestream Health will allow no more than 7 detector replacements to be purchased under this coverage annually.

Year	Description	List Price	Discount	Annual Net Price
Warranty Year	Standard Deductible Accident Protection	\$35000.00	\$14000.00	\$21000.00
Year 1	Standard Deductible Accident Protection	\$35,000.00	\$14,000.00	\$21,000.00
Year 2	Standard Deductible Accident Protection	\$35,000.00	\$14,000.00	\$21,000.00
Year 3	Standard Deductible Accident Protection	\$35,000.00	\$14,000.00	\$21,000.00
Year 4	Standard Deductible Accident Protection	\$35,000.00	\$14,000.00	\$21,000.00
Net Price				\$105,000.00

Detector Replacement Contingency fund for the term of the agreement.

The Standard Deductible Accident Protection Plan will allow annual replacement of up to seven (7) detectors at \$5,000 plus tax per event (\$35,000 annually for five (5) years). In the event it is necessary to replace additional detectors, the cost will be \$35,000 per replacement, and it is anticipated a minimum of two replacements will be needed during 5 year term period. We are requesting contingency funding of \$255,000 for detector replacement.

Note: As outline above, replacement detectors purchased under the Standard Deductible Accident Protection plan are \$5,000 each per incident. If the number of replacements exceeds the number that Carestream Health determines is reasonable, the parties will confer and agree upon a replacement cost for detectors above the number that have already been replaced.

In consideration of the services provided by Contractor in Exhibit A and subject to the terms of the Agreement, County shall pay Contractor based on the following fee schedule and terms:

SUMMARY OF ANNUAL SERVICE CHARGES:

Year	Annual Charges
Warranty Year	\$21,000.00
Year 1	\$64,797.94
Year 2	\$64,797.94
Year 3	\$64,797.94
Year 4	\$64,797.94
Sub-total: Annual Service Charges	\$280,191.76
Contingency total	\$255,008.24
Amount not to exceed for the term of this agreement.	\$535,200.00

Note: The table above summarizes the base total annual costs listed on the first three pages of this Exhibit/Quote for a total of five (5) years of service. Section 3 of the Agreement lists the total not to exceed amount, which includes a large contingency amount for additional detectors and services requested in writing pursuant to Exhibits A & B of the Agreement. Contractor shall not charge County for additional amounts above \$280,191.76 listed on this page except as authorized in writing by the County.