



CONTRACT NO. MA-042-22010731

FOR

**ALINIQ INVENTORY MANAGEMENT
SYSTEM**

BETWEEN

**COUNTY OF ORANGE
(HEALTH CARE AGENCY)**

AND

ABBOTT LABORATORIES INC.

CONTRACT NO. MA-042-22010731
FOR
ALINIQ INVENTORY MANAGEMENT SYSTEM
WITH
ABBOTT LABORATORIES INC.

This Contract Number MA-042-22010731 ("Contract") is made and entered into this 1st day of April, 2022 ("Effective Date") between Abbott Laboratories Inc. ("Contractor"), with a place of business at 675 N. Field Dr. Bldg CP1-4, Lake Forest, IL 30045, and County of Orange, a political subdivision of the State of California ("County"), through its Health Care Agency with a place of business at 200 W. Santa Ana Blvd., Suite 650, Santa Ana, CA 92701-7506. Contractor and County may sometimes be referred to hereinafter individually as "Party" or collectively as "Parties".

ATTACHMENTS

This Contract is comprised of this document and the following Attachments, which are incorporated by reference into this Contract and constitute a part of this Contract:

Attachment A – Scope of Work
Attachment B – Compensation and Invoicing
Attachment C – Pricing
Attachment D - OCHCA Security Requirements and Guidelines for Application Vendors and Application Service Providers

RECITALS

WHEREAS, Contractor, through its AlinIQ™ ("**AlinIQ**") business, offers certain professional services, software, hardware and other informatics products relating to improving laboratory services and productivity; and

WHEREAS, Contractor and County are entering into this Contract for procurement of an on-premises AlinIQ Inventory Management System; and

WHEREAS, Contractor agrees to provide an on-premises AlinIQ Inventory Management System as further set forth in the Scope of Work, attached hereto as Attachment A; and

WHEREAS, County agrees to pay Contractor based on the schedule of fees set forth in Compensation and Invoicing, attached hereto as Attachment B; and

NOW, THEREFORE, the Parties, in consideration of the above recitals, and in consideration of the mutual covenants, benefits and promises contained herein, mutually agree as follows:

DEFINITIONS

a. "**Abbott Core Technology**" means: (a) the On-Premises Application; (b) the features, functions, documentation, technology, methodologies, products, software tools, hardware,

hardware designs, algorithms, templates, software (in source and object forms), architecture, class libraries, objects, manuals, and documentation created by or for, or licensed to, Contractor; (c) the updates, upgrades, improvements, enhancements, configurations, extensions, modifications and derivative works of the foregoing (a)-(c) (including Updates and Upgrades). The defined term Abbott Core Technology excludes Third Party Products, even if embedded within the Abbott Core Technology.

- b. **"Affiliates"** means any person or entity directly or indirectly Controlling, Controlled by, or under common Control with a Party, where **"Control"** means the legal power to direct or cause the direction of the general management of the company, partnership, or other legal entity through the ownership of more than fifty percent (50%) of the voting securities of the other entity.
- c. **"AlinIQ Software"** means software applications offered by Contractor and licensed to County pursuant to this Contract for the on-premises AlinIQ Inventory Management System. To the extent applicable, AlinIQ Software may include Third Party Products.
- d. **"Authorized Users"** means the user types authorized by Contractor for use of the On-Premises Application, as set forth in this Contract.
- e. **"Bankruptcy Event"** means: (a) a Party becomes insolvent; (b) voluntary or involuntary proceedings by or against a Party are instituted in bankruptcy or under any insolvency Law; (c) a receiver or custodian is appointed for a Party; (d) proceedings are instituted by or against a Party for corporate reorganization or the dissolution of such Party, which proceedings, if involuntary, shall not have been dismissed within thirty (30) calendar days after the date of filing; (e) a Party makes an assignment for the benefit of creditors; or (f) substantially all of the assets of a Party are seized or attached and not released within thirty (30) calendar days.
- f. **"Claim"** means any Third Party actual or threatened dispute, suit, claim, action, proceeding, demand or liability, which arise out of or relate to this Contract.
- g. **"Confidential Information"** means: (a) Abbott Core Technology (which is Confidential Information of Contractor); (b) County Data (which is Confidential Information of County); and (c) any information of a Party that is disclosed in writing or orally and is designated as Confidential at time of disclosure (and, for oral disclosures, summarized in writing within thirty (30) calendar days of initial disclosure and delivered in written summary form to the receiving Party). Confidential Information excludes any information that: (i) is or becomes generally known to the public through no fault or breach of this Contract by receiving Party; (ii) was already rightfully in receiving Party's possession, without restriction on use or disclosure, when receiving Party received it under this Contract; (iii) is independently developed by receiving Party without use of disclosing Party's Confidential Information, as evidenced by written records; or (iv) was or is rightfully obtained by receiving Party, without restriction on use or disclosure, from a Third Party not under a duty of confidentiality to disclosing Party.
- h. **"County Data"** has the meaning set forth in Paragraph 10, County Data.
- i. **"County Site"** means the specific County locations identified in Attachment A at which Contractor is to deliver the On-Premises Application to County.
 - 1) **"Main Site"** means a County Site with a principal control center for the On-Premises Application.
 - 2) **"Additional Site"** means a County Site using the On-Premises Application which is not a Main Site.
- j. **"Deliverable"** means anything that is created by or on behalf of Contractor for County in the performance of Professional Services.

- k. **"Documentation"** means the standard online documentation, manuals, user guides, specifications and other materials delivered by Contractor to County or otherwise made generally available to the public which relate to the On-Premises Application.
- l. **"DPA"** shall mean the Deputy Purchasing Agent assigned to this Contract.
- m. **"First Productive Use"** means the date that County first uses the On-Premises Application as a method of transmitting and/or processing data or information to review operational, financial, and/or other metrics in a laboratory, clinical care, or commercial setting or otherwise uses the On-Premises Application for commercial purposes; provided that if County has delayed the first use of the On-Premises Application for more than thirty (30) calendar days after the On-Premises Application is installed and first able to process data in a production environment in accordance with Attachment A, First Productive Use shall be deemed to have occurred thirty (30) calendar days after the On-Premises Application was installed and first able to process data in a production environment. The thirty (30) calendar days referenced in this paragraph is automatically extended for a period up to the duration of any delay in first use due to Contractor. If first use of the On-Premises Application does not occur within the thirty (30) calendar days referenced above, the Parties shall meet to discuss the cause of delay and shall cooperate in good faith to facilitate the completion of First Productive Use as soon as practicable.
- n. **"Hardware"** means all hardware products provided by Contractor to County as specified in Attachment A of this Contract, together with all replacement parts, additions and accessories incorporated therein or affixed thereto.
- o. **"Initial Contract Term"** means the term that commences on the First Productive Use date and continues in effect for five (5) years.
- p. **"Intellectual Property Rights"** means all intellectual property or other proprietary rights worldwide, including patents, copyrights, trademarks, moral rights, trade secrets, and any other intellectual or industrial property, including registrations, applications, renewals, and extensions of such rights.
- q. **"Losses"** means all damages, losses, liabilities, and costs, fees and expenses including reasonable attorneys' fees incurred by the indemnifying Party in its defense of the indemnified Parties that arise out of or relate to this Contract.
- r. **"Mandatory Upgrade"** means: (a) an Upgrade that is mandated by applicable regulatory agencies or by Law, or if Contractor reasonably believes the Upgrade is required or advisable due to (i) safety or performance issues relating to the AlinIQ Software, or (ii) recurring failure or high incidence of errors in the AlinIQ Software, or any part or component thereof; or (b) an Upgrade that is required to put the On-Premises Application at a County Site within the supported versions of the AlinIQ Software.
- s. **"On-Premises Application"** means the AlinIQ Software licensed by Contractor to County that is deployed on machines operated by County to provide the on-premises AlinIQ Inventory Management System. To the extent applicable, the On-Premises Application may include Third Party Products.
- t. **"On-Site"** means Professional Services or Support activities performed by a Resource Professional while physically present at a County Site.
- u. **"Professional Services"** means all AlinIQ Software-related professional services that may include, but shall not be limited to: installation and configuration of AlinIQ Software, advisory services, and County training. All Professional Services will be performed in accordance with this Contract. Professional Services do not include technical support.
- v. **"Remote"** means Professional Services or technical support activities provided by a Resource Professional while not physically present at a County Site.

- w. **“Resource Professional”** means any employee or Subcontractor authorized by Contractor to perform Professional Services or technical support activities.
- x. **“Subcontractor”** means any Third Party with whom Contractor contracts or arranges to provide a portion of the Services to be provided by Contractor and County has provided its express prior written consent pursuant to Paragraph 9, Subcontracting.
- y. **“Super Users”** means a designated Authorized User trained by Contractor to handle basic functionality, procedural questions, and repetitive issues for other Authorized Users. The Super User will be responsible to train County’s other Authorized Users to detect and fix minor issues with the AlinIQ Software. Prior to contacting Contractor’s Customer Support Center, County’s Authorized Users should request assistance from the Super User as well as other County-designated internal escalation methods, which may include but not be limited to: Software Documentation, County’s IT help desk, and County’s system administrator.
- z. **“Third Party”** means any person or party other than either or both of the Parties.
- aa. **“Third Party Products”** means any software application supplied by Contractor under this Contract which is not owned by Contractor and any Hardware product supplied by Contractor under this Contract which is not manufactured by Contractor.
- bb. **“Third Party Connection”** means any County source system (hardware and/or software) from which Contractor may receive data (uni-directional and/or bi-directional).
- cc. **“Update”** means any patch, fix, enhancement or modification made to a current version of AlinIQ Software, together with any Documentation related thereto, that is made available to County by or on behalf of Contractor; provided, however, Update shall exclude any enhancement or modification to a software application that is specifically requested by and unique to County.

ARTICLES

General Terms and Conditions:

- A. **Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. Any issue or dispute shall be discussed in good faith by the Parties. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394.
- B. **Entire Contract:** This Contract, inclusive of the scope of work in Attachment A, contains the entire contract between the Parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. All previous proposals, offers, discussions, preliminary understandings, and other communications relative to this Contract, oral or written, are hereby superseded, except to the extent that they have been incorporated into this Contract. Further, any other provision or other unilateral terms which may be issued by either Party before or during the term of this Contract, irrespective of whether any such provisions or terms may be affixed to or accompany the services being purchased, are hereby superseded and are not valid or binding on the other Party unless authorized by the other Party in writing in an amendment to this Contract.

Electronic acceptance of any additional terms, conditions or supplemental contracts by any County employee or agent, including but not limited to installers of software, shall not

be valid or binding on County unless accepted in writing by County's Purchasing Agent or designee via an amendment to this Contract. An Authorized User may be asked to accept a "click-wrap" agreement for use of the On-Premises Application. However, all automated end-user agreements (including, but not limited to, click-throughs, click-wrap, shrinkwrap, browse wrap and other non-negotiated terms and conditions provided with any of the services) and documentation provided with any of the services are specifically excluded and null and void. All terms and conditions in such agreements and documentation do not constitute a part or amendment of this Contract and shall have no force and effect and shall be non-binding on County, its employees, agents, and Authorized Users, even when access to or use of such service or documentation requires affirmative acceptance of such terms and conditions.

- C. Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the Parties; no oral understanding or agreement not incorporated herein shall be binding on either of the Parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. Taxes:** The price stated in Attachment B does not include California state sales or use tax. Contractor has provided County with its California Board of Equalization permit number and sales permit number. County shall pay use tax directly to the State of California.
- E. Delivery:** County reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the Scope of Work. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Contractor's expense. Over shipments and under shipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County.
- F. Fees, Discounts, Audit:**
- 1) Fees.** Payment shall be made in accordance with the requirements in Attachment B, Compensation and Invoicing. Commencing on the first anniversary of the First Productive Use date, Contractor is permitted to increase any associated fees for Professional Services, maintenance and Support by an amount not to exceed the lesser of (i) four percent (4.0%) or (ii) the then-current National Consumer Price Index for Information Technology, Hardware and Services as published by the U.S. Bureau of Labor Statistics. Contractor shall notify County in writing at least thirty (30) calendar days before the effective date of any such increase.
 - 2) Discounts.**
 - a) Installation Incentive Discount.** If County begins installation of the On-Premises Application within seven (7) calendar days of the Effective Date of this Contract, Contractor shall provide County a two and a half percent (2.5%) discount off the monthly subscription fee stated in Attachment B, during the Initial Contract Term. The length of any delay in installation that is due to reasons caused by Contractor shall not be counted against the seven (7) calendar days referenced in this paragraph.
 - b) First Productive Use Incentive Discount.** If County's First Productive Use date of the On-Premises Application is within thirty (30) calendar days of the Effective Date of this Contract, Contractor shall provide County a two and a half percent (2.5%)

discount off the monthly subscription fee stated in Attachment B, during the Initial Contract Term. The length of any delay in First Productive Use that is due to reasons caused by Contractor shall not be counted against the thirty (30) calendar days referenced in this paragraph.

- c) **Discount Disclosure.** Any discounts, rebates or other price reductions (collectively referred to herein as “**Discounts**”) issued by Contractor constitute a discount under applicable Law (42 U.S.C. § 1320a-7b(b)(3)(A)). Contractor will provide detail pertaining to such discounts and the allocation of total net purchase dollars for Contractor Equipment, Service, Supplies and miscellaneous purchases upon County's request. County may have an obligation to report such discounts to any State or Federal program that provides reimbursement to County for the items to which the discount applies, and, if so, County shall fully and accurately report such discounts.
- 3) **Audit of Authorized Users.** Upon request and not more frequently than once annually, County will provide Contractor a certified report on County's compliance with the permitted number of Authorized Users allowed under this Contract. Where the actual number of users exceeds the permitted number of Authorized Users, County, at County's sole election shall, within thirty (30) business days: (a) reduce the actual number of users so as to be in compliance with the permitted number of Authorized Users; or (b) acquire the appropriate number of Authorized Users at the rate specified in the Contract so as to be in compliance with the permitted number of Authorized Users. The Parties agree that, for any non-compliance indicated by the certified report, County agrees to purchase additional use rights commensurate with County's actual use up to the date of the certified report, dating back to the start of such use, as the exclusive remedy for any such non-compliance.

G. Warranty:

- 1) **Goods Warranty.** Contractor expressly warrants that the goods covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended.
- 2) **Performance Warranty.** Contractor warrants that it will perform all Professional Services in a timely, professional and workmanlike manner, in accordance with all material requirements set forth in this Contract, with a level of care, skill, practice, and judgment consistent with generally recognized professional and industry standards and practices for similar services and it will devote adequate resources to meet Contractor's obligations under this Contract. Contractor further warrants Contractor personnel shall be competent and qualified to perform tasks to which they are assigned and Contractor has and will continue to have the unconditional and irrevocable right, power, and authority, including all permits and licenses required, to provide the services and to grant County all rights and licenses granted or required to be granted by it under this Contract. County shall provide notice to Contractor of any failure to comply with the warranties stated herein within thirty (30) calendar days of County's knowledge of the non-conforming Professional Services. On receipt of such notice, Contractor, at its sole discretion, will within thirty (30) calendar days re-perform the Professional Services in conformance with these warranty requirements or terminate the affected Professional Services, whereupon such termination Contractor shall refund any amounts paid by County for the nonconforming Professional Services. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors. The foregoing sets forth County's exclusive remedies (and Contractor's sole liability) for any breach of performance warranty.

- 3) Software Warranty. Contractor warrants that the AlinIQ Software provided by Contractor to County pursuant to this Contract will substantially conform to the specifications contained in the Documentation for twelve (12) months following delivery. The warranty shall not apply: (i) if the AlinIQ Software is not used in accordance with the Documentation; (ii) if the defect is caused by a modification or add-on (other than modifications or add-ons provided or consented to by Contractor), by County or Third Party software; or (iii) to any County unlicensed activities. Contractor does not warrant that the AlinIQ Software will operate uninterrupted or that it will be free from minor defects or errors that do not materially affect such performance, or that the applications contained in the AlinIQ Software are designed to meet all of County's business requirements. Provided County notifies Contractor in writing with a description of the AlinIQ Software's nonconformance within the warranty period and Contractor validates the existence of such nonconformance, validation not to be unreasonably withheld or delayed, Contractor shall, at its option: (a) repair or replace the nonconforming AlinIQ Software, or (b) refund the license fees paid for the applicable nonconforming AlinIQ Software in exchange for a return of such nonconforming AlinIQ Software. This is County's sole and exclusive remedy under this software warranty.
- 4) Third Party Products. Notwithstanding anything else contained in this Contract, Contractor supplies Third Party Products on an "AS IS" BASIS WITHOUT WARRANTIES OF ANY KIND. Third Party Products may carry their own warranties. If County purchases a Third Party Product from Contractor, Contractor will pass to County, to the extent that Contractor is legally permitted to do so, the benefit of any warranty given by the manufacturer or supplier of Third Party Product and will reasonably cooperate in enforcing them.
- 5) General.
- a) Contractor warrants that it has not and will not assign or otherwise enter into an agreement by which it purports to assign or transfer any right, title, or interest to any technology or intellectual property right that would conflict with its obligations under this Contract.
 - b) Contractor warrants that it will use its best efforts to ensure that no harmful code (e.g., computer viruses, worms, trap doors, time bombs, disabling code, or any similar malicious mechanism designed to interfere with the intended operation of, or cause damage to, computers, data, or software), malware, or similar items are introduced into County's computing and network environment, and that, where such items are transferred to County, Contractor shall reimburse County the actual cost incurred by County to remove or recover from such items, including the costs of persons employed by County.
 - c) Contractor warrants that it will not knowingly use the services of any ineligible person or Subcontractor for any purpose in the performance of this Contract.
 - d) Each Party hereby represents and warrants to the other that: (a) it has all requisite corporate power and authority (or if a Party is not a corporation, such Party represents and warrants that it has sufficient power and authority under its organizational documents or agreements) to enter into this Contract and to carry out the transactions contemplated hereby and (b) its entry into this Contract does not violate or constitute a material breach of any agreement to which it is a Party or otherwise bound.
 - e) All representations and warranties, including special warranties, specified herein, shall inure to County, its successors, assigns, customer agencies, and governmental users of the services.
- 6) Disclaimers.
- a) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR IN THIS CONTRACT, THE ABBOTT CORE TECHNOLOGY IS PROVIDED ON AN "AS IS" BASIS AND NO WARRANTIES, WHETHER EXPRESS, IMPLIED IN FACT OR BY

OPERATION OF LAW, STATUTORY OR OTHERWISE, ARE MADE WITH RESPECT THERETO OR OTHERWISE BY CONTRACTOR UNDER THIS CONTRACT, INCLUDING THE IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CONTRACTOR DOES NOT WARRANT THAT THE ABBOTT CORE TECHNOLOGY WILL MEET COUNTY'S REQUIREMENTS, BUT DOES WARRANT THAT THE SERVICES WILL CONFORM TO THE REQUIREMENTS OF THIS CONTRACT AND WILL PROVIDE ALL MATERIAL FUNCTIONALITY REQUIRED IN THIS CONTRACT, OR THAT THE USE OF THE ABBOTT CORE TECHNOLOGY WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE; HOWEVER, SUBJECT TO COUNTY'S COMPLIANCE WITH THIS CONTRACT, CONTRACTOR SHALL PROVIDE TO COUNTY COMMERCIALY REASONABLE CONTINUOUS AND UNINTERRUPTED ACCESS TO THE SERVICE AND SHALL NOT INTERFERE WITH COUNTY'S ACCESS TO AND USE OF THE SERVICE DURING THE TERM OF THIS CONTRACT.

- b) Contractor disclaims any liability for loss of data and data security breaches relating to or arising from (i) County's (or its third party contractors') computer environment or software; or (ii) other Abbott Core Technology operated on machines or in an environment under County's control, except to the extent such loss is unrelated to the machines or environment under County's control.

H. Intellectual Property:

- 1) Patent/Copyright Materials/Proprietary Infringement. Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials or any part thereof in the performance of this Contract. Contractor warrants that any materials (e.g., software, Documentation, specifications) or any part thereof, as modified by Contractor through services provided under this Contract, will not infringe upon or misappropriate any patent, copyright, trademark, trade secret, or any other proprietary right, of any third party. In the event any materials or any part thereof, as modified through the services provided under this Contract, is or becomes the subject of a claim of infringement or misappropriation of a patent, copyright, trademark, trade secret, or any other proprietary right, or is enjoined, Contractor at its option and own expense will with all reasonable speed and due diligence provide or otherwise secure for County modification of the system or its component parts so that they become non-infringing while performing in a substantially similar manner to the original system and meeting the requirements of this Contract. If Contractor notifies County that this option is not available on commercially reasonable terms, County will stop using the affected materials and terminate the applicable portions of the Contract and Contractor will refund to County any sums County has paid to Contractor for the affected services, less a reasonable offset for use.
- 2) Contractor's Rights. As between the Parties, Contractor and its licensors exclusively own all right, title, and interest in and to all Intellectual Property Rights in the Abbott Core Technology and the Third Party Products, notwithstanding anything in this Contract purportedly to the contrary. Except for the access and use rights, and licenses expressly granted in this Contract, Contractor, on behalf of itself and its licensors, reserves all rights in the Abbott Core Technology and Third Party Products and does not grant County any rights (express, implied, by estoppel, through exhaustion, or otherwise). Any Abbott Core Technology or Third Party Products delivered to County or to which County is given access shall not be deemed to have been sold, even if, for convenience, Contractor makes reference to words such as

- "sale" or "purchase" in any applicable documents. This section will survive any expiration, termination or cancellation of the Contract.
- 3) County Data. Subject to the terms and conditions of this Contract, County grants to Contractor and its Affiliates and their respective Subcontractors providing any portion of the Services the non-exclusive, nontransferable right to use County Data created or generated by County through County's use of the Abbott Core Technology solely to the extent necessary to (a) provide the Service to County, and (b) create, develop, test, add to, improve, update, upgrade, enhance, configure, create derivative works of the Service. Contractor shall take reasonable steps to anonymize any County Data prior to using it for purposes described in subsection (ii) herein.
 - 4) Feedback. Contractor encourages County to provide suggestions, proposals, ideas, recommendations, or other feedback regarding improvements to the Abbott Core Technology (collectively, "Feedback"). If County provides such Feedback, County assigns all right, title and interest in and to such Feedback to Contractor.
 - 5) Notices. Any copy of the Abbott Core Technology provided to County in accordance with the terms hereof shall contain the same copyright, trademark or other proprietary notices as those affixed to the Abbott Core Technology originally provided to County by Contractor. County must not remove, efface or obscure any proprietary notices that appear on the Abbott Core Technology provided to County by Contractor. County shall not at any time, either during the term of this Contract or thereafter, do anything that would adversely affect Contractor's rights in the Abbott Core Technology.
 - 6) Contractor's Rights. Nothing in this Contract shall be deemed to restrict or limit Contractor's right to provide products or services to any Third Party or to assign any employees or Subcontractors to perform similar services for any other party or to use any information related to the products or services (but not County Data) incidentally retained in the unaided memories of its employees and Subcontractors.
 - 7) Third Party Products. Third Party Products may be subject to the terms of the applicable Third Party terms. County agrees to comply with all such Third Party terms. Contractor will provide the applicable Third Party terms to County upon request. Abbott has no responsibility, obligation or liability for the Third Party Products except as set forth in this paragraph and Attachment A with regard to support for Third Party Products, if any.
 - 8) US Government. If County is a U.S. Government agency, department or other entity or any other entity seeking or applying rights similar to those customarily claimed by the U.S. government or acquired the license to the On-Premises Application or Deliverables pursuant to a U.S. government contract or with U.S. government funds, County's use, duplication, reproduction, release, modification, disclosure or transfer of the On-Premises Application and Deliverables is restricted in accordance with the limited or restricted rights as described in DFARS 252.227-7014(a)(1) (MAR 2011) (DOD commercial computer software definition), DFARS 227.7202-1 (DOD policy on commercial computer software), FAR 52.227-19 (DEC 2007) (commercial computer software clause for civilian agencies), DFARS 252.227-7015 (MAR 2011) (DOD technical data - commercial items clause); FAR 52.227-14 Alternates I, II, and III (JUN 1987) (civilian agency technical data and noncommercial computer software clause); and/or FAR 12.211 and FAR 12.212 (commercial item acquisitions), as applicable, or any successor or similar rules or legislation. Contractor shall ensure that each copy of the On-Premises Application and Deliverables used or possessed by or for the government is labeled to reflect the foregoing.
 - 9) Labels. County shall not remove any labels, symbols or serial numbers that are or may be affixed to any items provided by Contractor, except as required or approved by County in writing.

- I. **Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the Parties. Neither the performance of this Contract nor any portion thereof may be assigned by either Party without the express written consent of the other Party (such consent not to be unreasonably withheld). Any attempt by either Party to assign the performance or any portion thereof of this Contract without the express written consent of the other Party shall be invalid and shall constitute a breach of this Contract.
- J. **Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to penalties pursuant to Section 1741 of the California Labor Code.
- K. **Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- L. **Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.
- M. **Performance Warranty:** Intentionally Omitted.
- N. **Insurance Requirements:**

Contractor will need to comply with the following insurance requirements if making the deliveries to the County of Orange. No insurance is required if a common carrier makes deliveries to the County of Orange.

Prior to the provision of services under this Contract, Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy County that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with County during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage required by County from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the

entirety of this Contract for inspection by County representative(s) at any reasonable time.

If Contractor fails to maintain insurance as required herein for the full term of this Contract, County may terminate this Contract.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by Contractor shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers Compensation	Statutory
Employers Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims-made \$1,000,000 aggregate
Professional / Errors & Omissions	\$1,000,000 per claims-made \$1,000,000 aggregate

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01 or CG 00 02, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 or a form at least as broad adding the ***County of Orange its elected and appointed officials, officers, agents and employees*** as Additional Insureds, or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT***.
- 2) A primary non-contributing endorsement using ISO form CG 20 01, or a form at least as broad evidencing that Contractor's insurance is primary and any insurance or self-insurance maintained by the County of Orange is excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***County of Orange, its elected and appointed officials, officers, agents and employees*** or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT***.

All insurance policies required by this Contract, shall waive all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

Contractor shall notify County in writing within thirty (30) calendar days of any policy cancellation and ten (10) calendar days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which County may suspend or immediately terminate this Contract without penalty.

If Contractor's General Liability, Professional / Errors & Omissions and/or Network Security & Privacy Liability are "Claims-Made" policy(ies), Contractor must maintain coverage for two (2) years following the completion of the Contract.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the department address listed in Paragraph 19, Notices.

If Contractor fails to provide the insurance certificates and endorsements within seven (7) calendar days of notification by CEO/Purchasing or the agency/department purchasing division, County may immediately terminate this Contract without penalty.

County expressly retains the right, with agreement from Contractor, to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager, with agreement from Contractor, as appropriate to adequately protect County.

The procuring of such required policy or policies of insurance shall not be construed to limit or expand Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

- O. Changes:** Contractor shall make no changes in the work or perform any additional work without County's specific written approval via an amendment.
- P. Change of Ownership/Name, Litigation Status, Conflicts with County Interests:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and County agrees to an assignment of the Contract, the new owners shall be required under the terms of sale or other instruments of transfer to assume Contractor's duties and obligations contained in this Contract, and complete them to the satisfaction of County.

County reserves the right to immediately terminate the Contract in the event County determines that the assignee is not qualified or is otherwise unacceptable to County for the provision of services under the Contract.

In addition, Contractor has the duty to notify County in writing of any change in Contractor's status with respect to name changes that do not require an assignment of the Contract. Contractor shall notify County in writing if Contractor becomes a party to litigation that may reasonably affect Contractor's performance under the Contract and for any potential conflicts of interest between Contractor and County that may arise during the Contract term. Contractor must also provide an update to County of its status in these areas whenever requested by County.

Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with County interests. In addition to Contractor, this obligation shall apply to Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. Contractor's efforts shall include, but not be limited to establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers in the performance of their duties.

- Q. Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract to the extent such delay is caused by any act of God, war, civil disorder, employment strike, terrorist acts, fires, floods, natural disasters, water damage, riots, failures of or problems with the internet or a part of the internet, government acts or orders affecting transportation or ability to obtain materials, or other similar cause, beyond Contractor's reasonable control, provided Contractor gives prompt written notice of the cause of the delay to County, but no later than five (5) business days from the start of delay, and Contractor avails itself of any available remedies to end the delay and minimize the effects of such delay. In the event of such a delay, County may suspend its performance hereunder until such time as Contractor resumes performance; County otherwise may not suspend its performance hereunder as a result of a Force Majeure event. County may terminate this Contract by written notice to Contractor if the delay continues substantially uninterrupted for a period of thirty (30) calendar days or more. No Force Majeure event excuses Contractor's other obligations under this Contract.

Notwithstanding the foregoing or any provision of this Contract, in no event will the following be considered a Force Majeure event: (a) shutdowns, disruptions, or malfunctions of the Abbott Core Technology or any of Contractor's telecommunication or internet services other than as a result of general and widespread internet or telecommunication failures that are not limited to the Abbott Core Technology; (b) delay

or failure of any Contractor personnel (including Subcontractors) to perform any obligation of Contractor hereunder unless such delay or failure to perform is itself by reason of a Force Majeure event; and (c) financial difficulties of Contractor or any parent, subsidiary, affiliated or associated company of Contractor.

- R. Confidentiality:** The Parties agree, unless required by applicable Law (including California Public Records Act, California Government Code Sections 6250 *et seq.*), not to make each other's Confidential Information available in any form to any Third Party or to use each other's Confidential Information for any purpose, other than in connection with the performance of this Contract. Each Party agrees to take all reasonable steps to ensure that the other Party's Confidential Information is not disclosed or distributed by its employees or agents in breach of this Contract.
- S. Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all applicable standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws" or "Laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County.
- T. Freight:** Prior to County's express acceptance of delivery of products, Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
- U. Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- V. Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- W. Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party has been represented by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that it has not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.
- X. Employee Eligibility Verification:** Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 *et seq.*, as they currently exist and as they may be hereafter amended.

Contractor shall retain all such documentation for all covered employees for the period prescribed by the law.

- Y. Indemnification:** Contractor agrees to indemnify, defend with counsel approved in writing by County (such approval not to be unreasonably withheld, conditioned, or delayed), and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from and against any Claims of any kind or nature, including but not limited to personal injury or property damage, that does or is alleged to arise from or relate to the services, products or other performance provided by Contractor (including its employees, agents, officers, and Subcontractors) or Contractor's representations, warranties, covenants and obligations, pursuant to this Contract. Contractor shall not, without County's express prior written consent (not to be unreasonably withheld, conditioned, or delayed), settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any Claim ("Settlement") if such Settlement (i) does not include a full and unconditional release of County with respect to such claim, (ii) includes an admission of fault, culpability or failure to act by or on behalf of County, (iii) includes injunctive or other nonmonetary relief affecting County, or (iv) would impose liability on County, affect principles of government or public law, or impact the authority of County. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

County agrees to indemnify, defend, and hold Contractor, its elected and appointed officials, officers, employees, agents ("Contractor Indemnitees") harmless from and against any Claims that does or is alleged to arise from or relate to County's breach of its confidentiality obligations under this Contract, which does not include claims related to disclosure of information pursuant to the California Public Records Act, California Government Code Sections 6250 et seq. County shall not, without Contractor's express prior written consent (not to be unreasonably withheld, conditioned, or delayed) enter into a Settlement if such Settlement (i) does not include a full and unconditional release of Contractor with respect to such claim, (ii) includes an admission of fault, culpability or failure to act by or on behalf of Contractor, or (iii) includes injunctive or other nonmonetary relief affecting Contractor. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of Contractor or Contractor Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

- Z. Audits/Inspections:** Contractor agrees that County's Auditor-Controller or the Auditor-Controller's authorized representative shall have the right to review any records and supporting documentation directly pertaining to performance of this Contract. Contractor agrees to allow the auditor(s) access to such records during normal business hours and in such a manner so as to not unreasonably interfere with Contractor's normal business activities. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Further, Contractor agrees to include a similar right of County to audit records and interview staff in any subcontract related to performance of this Contract. County shall provide reasonable advance written notice of such audit(s) to Contractor.

- AA. Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding

for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty; provided, however, such termination under this Paragraph AA. only may occur after the first year of the Contract.

BB. Expenditure Limit: Expenditures shall not exceed the dollar limit on the Contract. County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless an amendment to cover those costs has been issued.

CC. LIMITATION OF LIABILITY: CONTRACTOR SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF REVENUE, LOSS OF DATA, LOSS OF USE, FAILURE TO REALIZE A SAVINGS, OR ANY OTHER PECUNIARY LOSS), EVEN IF CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY ARISING IN ONE GIVEN CALENDAR YEAR, WHETHER IN CONTRACT LAW, TORT LAW, WARRANTY, OR OTHERWISE, EXCEED AN AMOUNT EQUAL TO TWO TIMES THE AMOUNT PAID OR PAYABLE TO CONTRACTOR UNDER THIS CONTRACT IN THE TWELVE (12) MONTHS PRECEDING THE FIRST INCIDENT FOR WHICH LIABILITY AROSE UNDER THIS CONTRACT.

This limitation of liability shall not apply to claims arising out of: (a) Contractor's indemnification and defense obligations in this Contract; (b) Contractor's confidentiality obligations; (c) personal injury or damage to real or personal property; (d) Contractor's gross negligence, fraud or intentional misconduct; provided, however, that in no event shall Abbott's liability under this Contract exceed the aggregate amount of Two Million Dollars (\$2,000,000).

DD. No Third Party Beneficiaries: This Contract is an agreement by and between the Parties and is not intended to and does not confer any right, benefit or remedy upon any of the employees, agents, or contractors, of either Party or upon any other person or entity not a party hereto.

Additional Terms and Conditions:

1. **Scope of Contract:** This Contract specifies the contractual terms and conditions by which Contractor shall provide the AlinIQ Inventory Management System to County, as further detailed in Attachment A, Scope of Work.
2. **Term of Contract:** This Contract shall commence on April 1, 2022 through and including June 30, 2027 unless earlier terminated as provided for in this Contract.
3. **Breach of Contract:** The failure of either Party to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event, the non-breaching Party may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract, do any of the following:
 - a) Terminate the Contract immediately upon notice, subject to (b) below;
 - b) If the breach is curable, afford the breaching Party written notice of the breach and thirty (30) calendar days within which to cure the breach;

- c) If County is the non-breaching Party, discontinue payment to Contractor for and during the period in which Contractor is in breach for the amount related to such breach; and
 - d) Offset against any monies billed by the Contractor but yet unpaid by the County those monies disallowed pursuant to the above.
4. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title II of the Americans with Disabilities Act of 1990; and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
 5. **Conflict of Interest – County Personnel:** The County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest.
 6. **Project Manager:** Each Party shall appoint a Project Manager to direct its respective efforts in fulfilling its obligations under this Contract. Contractor's Project Manager shall be subject to approval by County and shall not be changed without the written consent of County's Project Manager, which consent shall not be unreasonably withheld.

Each Project Manager shall be assigned for the duration of the Contract and shall diligently pursue all work and services to meet the project time lines; provided, however, if any such Project Manager is no longer able to perform such function for whatever reason, the applicable Party shall appoint a replacement subject to written approval of the other Party, which shall not be unreasonably withheld. County's Project Manager shall have the right to require the removal and replacement of Contractor's Project Manager from providing services under this Contract. County's Project Manager shall notify Contractor in writing of such action. Contractor's Project Manager shall be removed and replaced within five (5) business days after written notice. County's Project Manager shall review and approve the appointment of the replacement, which approval shall not be unreasonably withheld. County is not required to provide any information, reason or rationale in the event it requires the removal of a Project Manager from providing further services under the Contract.

7. **Contractor's Records:** Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by Contractor in accordance with generally accepted accounting principles. These records shall be stored within California for a period of three (3) years after final payment is received from County.
8. **Conditions Affecting Work:** Contractor shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by Contractor to do so will not relieve Contractor from responsibility for successfully performing the work set forth in this Contract, without additional cost to County. County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by County are expressly stated in the Contract.
9. **Subcontracting:** No performance of this Contract or any portion thereof may be subcontracted by Contractor without County's express prior written consent. Any attempt by Contractor to subcontract any performance of this Contract without County's express

prior written consent shall be invalid and shall constitute a breach of this Contract. In the event that Contractor is authorized by County to subcontract, this Contract shall take precedence over the terms of the Contract between Contractor and subcontractor and shall incorporate by reference the terms of this Contract. County shall look to Contractor for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor must meet the approval of the County of Orange.

10. **County Data:** All materials, documents, data, reports, information, or other materials obtained from County data files or any County medium or furnished by or on behalf of County to Contractor in the performance of this Contract and created, generated or modified by County or by Contractor through the provision of services or use of the Abbott Core Technology, including all intellectual property rights in or pertaining to the same ("County Data") is owned solely and exclusively by County and remains at all times the property of County. County Data also includes user identification information and metadata which may contain County Data or from which County Data may be ascertainable. To the extent there is any uncertainty as to whether data constitutes County Data, the data in question must be treated as County Data. As between the Parties, County owns all right, title, and interest in, and all intellectual property rights in and to, all County Data.

County Data may not be used or copied for direct or indirect use by Contractor, except as required in connection with performance of Contractor's duties under this Contract or as specifically directed by County in writing. Contractor must keep and maintain County Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss, and Contractor may not otherwise use, disclose, modify, merge with other data, commercially exploit, make available or make any other use of County Data or take, or refrain from taking, any other action that might, in any manner or form, adversely affect or jeopardize the integrity, security, or confidentiality of County Data, except as expressly permitted herein or as expressly directed by County in writing. All County Data, including copies, must be promptly returned or delivered to County upon expiration or earlier termination of this Contract pursuant to Paragraph 21, Termination. In addition, Contractor must provide County, upon request, a copy of any County Data, reports and other documents or materials created by or obtained from County being stored by Contractor under this Contract.

11. **Non-Exclusivity:** Except to the extent it would impact County's performance of its obligations under this Contract, nothing herein shall prevent County from providing for itself or obtaining from any third party, at any time during the term or thereafter, the services, or any type of products or services in any way analogous, similar, or comparable to the services, as applicable, or any other products or services.

12. **Disputes – Contract:**

A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Contractor's Project Manager and the County's Project Manager, such matter shall be brought to the attention of the County Deputy Purchasing Agent by way of the following process:

1. Contractor shall submit to the department assigned Deputy Purchasing Agent a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this Contract, unless County, on its own initiative, has already rendered such a final decision.

2. Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which Contractor believes County is liable.
- B. Pending the final resolution of any dispute arising under, related to, or involving this Contract, Contractor agrees to diligently proceed with the performance of this Contract, including the delivery of goods and/or provision of services. Contractor's failure to diligently proceed shall be considered a material breach of this Contract.

Any final decision of County shall be expressly identified as such, shall be in writing, and shall be signed by the County Deputy Purchasing Agent or his designee. If County fails to render a decision within ninety (90) calendar days after receipt of Contractor's demand, it shall be deemed a final decision adverse to Contractor's contentions. Nothing in this section shall be construed (1) as affecting County's right to terminate the Contract as stated in Paragraph 21, Termination, or (2) as affecting either Party's right to pursue any remedies available to it under this Contract or by applicable Law.
13. **Drug-Free Workplace:** Contractor hereby certifies compliance with California Government Code Section 8355 in matters relating to providing a drug-free workplace. Contractor acknowledges that it is subject to Government Code Section 8356 should Contractor fail to be or to remain in compliance with Section 8355.
14. **Promotional/Advertisement:** County owns all rights to the name, trademarks, logos and symbols of County. The use and/or reproduction of County's name, trademark, logo and/or symbols for any purpose, including commercial advertisement, promotional purposes, announcements, displays or press releases, without County's express prior written consent is expressly prohibited. No use or reproduction may state or imply that County endorses Contractor's products or services.
15. **Emergency/Declared Disaster Requirements:** In the event of an emergency or if Orange County is declared a disaster area by County, state or federal government, this Contract may be subjected to unusual usage. Except to the extent of a delay in performance covered by Paragraph Q, Force Majeure, Contractor shall service County during such an emergency or declared disaster under the same terms and conditions that apply during non-emergency/disaster conditions, including the same pricing set forth in this Contract, regardless of the circumstances. If Contractor is unable to supply the goods/services under the terms of the Contract, then Contractor shall provide an explanation of such disruption and the steps Contractor is undertaking to mitigate the disruption. If Contractor is unable to supply the goods/services at the same pricing, then Contractor shall provide proof of an increase in supply costs and a copy of the invoice for the goods/services from Contractor's supplier(s). Additional profit margin as a result of supplying goods/services during an emergency or a declared disaster is not permitted. Emergency purchase order numbers will be assigned during the emergency or declared disaster. All applicable invoices from Contractor shall show both the emergency purchase order number and the Contract number. County shall not be excused from its payment obligations under Attachment B, Paragraph 6, solely due to the event of an emergency or if Orange County is declared a disaster area.
16. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s)

identified by Contractor as project manager and key personnel, prior to submission to County. Contractor agrees that County review is discretionary and Contractor shall not assume that County will discover errors and/or omissions. If County discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should County or others discover errors or omissions in the reports, files or other written documents submitted by Contractor after County approval thereof, County approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between County and Contractor, and the reports, files or documents will be returned to Contractor for correction.

17. **Equal Employment Opportunity:** Contractor shall comply with U.S. Executive Order 11246 entitled, "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 30) and applicable State of California regulations as may now exist or be amended in the future. Contractor shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

Regarding handicapped persons, Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. Contractor agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.

Regarding Americans with disabilities, Contractor agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

18. **News/Information Release:** Neither Party shall issue any news releases or public announcement using the other Party's name or marks or refer to the other Party, in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from the other Party. For approval from County, such approval will go through the County's Project Manager. For approval from Contractor, such approval will go through Contractor's Legal and Public Affairs departments.
19. **Notices:** Any and all notices, requests, demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing to the personnel set forth below except through the course of the Parties' Project Managers' routine exchange of information and cooperation during the terms of the work and services. Contractor will provide a courtesy copy to the assigned DPA. Any written communications shall be deemed to have been duly given upon (a) actual in-person delivery, if delivery is by direct hand, (b) one day after confirmed electronic mail

transmission, if a courtesy copy is mailed the same day; or (c) upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate Party at the address stated herein or such other address as the Parties hereto may designate by written notice from time to time in the manner aforesaid.

For Contractor: Name: Abbott AlinIQ IMS
 Attention: Devin DiRocco
 Address: 675 N. Field Dr Bldg CP1-4
 Lake Forest, IL 30045
 Telephone: 657-357-7103
 E-mail: Devin.Dirocco@abbott.com

For County: Name: County of Orange HCA/Procurement and Contract
 Services
 Attention: Jessica Gardea
 Address: 200 W Santa Ana Blvd Ste 650
 Santa Ana, CA 92701
 Telephone: (714) 834-3152
 E-mail: Jgardea@ochca.com

CC: Name: County of Orange HCA
 Attention: Lydia Mikhail
 Address: 1729 W. 17th St.
 Santa Ana, CA 92706
 Telephone: 714-834-8378
 E-mail: LMikhail@ochca.com

20. **Precedence:** The Contract documents consist of this Contract and its Attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, the Attachments.
21. **Termination:** In addition to any other remedies or rights it may have by law, County may terminate this Contract without penalty for convenience upon thirty (30) calendar days notice; provided, however, such termination for convenience only may occur after the first year of the Contract. In addition, either Party has the right to immediately terminate this Contract without penalty for cause, provided that, if the breach is curable, the Party shall provide the other Party thirty (30) calendar days in which to cure the breach. Cause includes, but is not limited to, any material breach of contract; a Bankruptcy Event; any misrepresentation or fraud; the violation of any applicable laws or regulations; any change of ownership without prior written approval; any conduct by Contractor that may expose County to liability or endanger the value, integrity, or security of County software, systems, items, and other resources, County Data, or County's facilities or personnel; or assignment or delegation of the rights or duties under this Contract without County's express prior written consent. Exercise by the non-breaching Party of its right to terminate the Contract shall relieve such non-breaching Party of all further obligation, except for undisputed obligations that have accrued prior to such termination for cause. The rights, obligations, and conditions, that by their express terms or nature and context are intended to survive the termination or expiration of this Contract, survive any termination or expiration of this Contract.

Upon receipt of a termination notice from County, Contractor shall stop work under this Contract on the date and to the extent specified in the termination notice. Contractor shall complete performance of such part of the work that have not been terminated by the termination notice, if any. Contractor may submit to County a termination claim. Such claim shall be submitted promptly, but in no event later than thirty (30) calendar days from the effective date of the termination, unless one or more extensions in writing are granted by County upon written request of Contractor. Upon termination and submission of a termination claim, County agrees to pay Contractor for all services performed under this Contract prior to termination which meet the requirements of the Contract and subject to Paragraph 3, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. County agrees to pay Contractor within thirty (30) calendar days of submission of any undisputed portions of a claim, in accordance with Attachment B. Upon termination or other expiration of this Contract, each Party shall assist the other Party in transferring all assets, tangible and intangible, as may be necessary for the orderly, non-disruptive business continuation of each Party. Each Party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of this Contract and Contractor shall return all County Data to County in the file format specified by County within thirty (30) calendar days of the Contract's date of termination or expiration.

22. **Usage:** No guarantee is given by County to Contractor regarding usage of this Contract. Usage figures, if provided, are approximations. Contractor agrees to supply services and/or commodities requested, as needed by the County of Orange, at rates/prices listed in the Contract, regardless of quantity requested.
23. **Usage Reports:** Contractor shall submit usage reports on an annual basis to the assigned Deputy Purchasing Agent of the County of Orange user department. The usage report shall be in a format specified by the user agency/department and shall be submitted ninety (90) calendar days prior to the expiration date of the contract term, or any subsequent renewal term, if applicable.
24. **Contractor Screening:** Throughout the term of this Contract, Contractor shall not be listed on any state or federal exclusionary rosters, listed below. County may screen Contractor on a monthly basis to ensure Contractor is not listed on the exclusionary rosters, listed below. If Contractor or its employee(s) are found to be included on any of the rosters indicated below, Contractor shall be deemed in default of its obligation under this Paragraph and shall constitute a cause for County to exercise its right to terminate this Contract immediately. County, in its sole discretion, may afford Contractor an opportunity to cure said default within a reasonable time.
 - a. United States Department of Health and Human Services, Office of Inspector General (OIG) List of Excluded Individuals & Entities (LEIE) (<http://exclusions.oig.hhs.gov>).
 - b. General Services Administration (GSA) System for Award Management (SAM) Excluded Parties List (<http://sam.gov>).
 - c. State of California Department of Health Care Services Medi-Cal Suspended and Ineligible Provider List (County Health Care Agency Internal Database).
25. **Debarment:** Contractor certifies in writing that neither Contractor nor its employee(s) are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in a contractual transaction by any state or federal department or

agency. County has the right to terminate this Contract for cause pursuant to paragraph 21, Termination, if Contractor is or becomes the subject of any debarment or pending debarment, declared ineligible or any voluntary exclusion from participation by any state or federal department or agency.

26. **Lobbying:** On the best information and belief, Contractor certifies no federal appropriated funds have been paid or will be paid by, or on behalf of, the Contractor to any person influencing or attempting to influence an officer or employee of Congress; or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative contract.
27. **California Public Records Act:** Contractor and County agree and acknowledge that all information and documents related to the award and performance of this Contract are subject to disclosure requirements pursuant to the California Public Records Act, California Government Code Section 6250 et seq.
28. **Publication:** No copies of sketches, schedules, written documents, computer-based data, photographs, maps or graphs, including graphic artwork, resulting from performance or prepared in connection with this Contract, are to be released by Contractor and/or anyone acting under the supervision of Contractor to any person, partnership, company, corporation, or agency, without County's express prior written consent, except as necessary for the performance of all aspects of this Contract. All press releases, including graphic display information to be published in newspapers, magazines, etc., are to be administered only by County unless otherwise agreed to by County.
29. **Gratuities:** Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by Contractor or any agent or representative of Contractor to any officer or employee of County with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, County shall have the right to terminate the Contract for cause pursuant to Paragraph 21, Termination, of this Contract, either in whole or in part, and any loss or damage sustained by County in procuring on the open market any goods or services which Contractor agreed to supply shall be borne and paid for by Contractor. The rights and remedies of County provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.
30. **Parking for Delivery Services:** County shall not provide free parking for delivery services.
31. **Software – Acceptance:**

Contractor must deliver the AlinIQ Software in conformity with the requirements of this Contract, including all Contractor's functional and non-functional specifications in effect on the Effective Date, which if not attached are incorporated by reference and constitute a part of this Contract. County has thirty (30) calendar days following installation of the AlinIQ Software to verify that the AlinIQ Software conforms to the requirements and give Contractor written notice that the AlinIQ Software fails to conform to the functional and performance specifications. Contractor shall, upon receipt of such notice, investigate the reported deficiencies. County shall be deemed to have accepted each software product unless County provides written notice of failure to conform with specifications within the thirty (30) calendar days. The right of the Parties shall be governed by the following:

1. If it is found that the AlinIQ Software fails to conform to the specifications and Contractor is unable to remedy the deficiency within thirty (30) calendar days of County's written notice, County shall return all material furnished under this Contract and this Contract shall be terminated.
2. If it is found that the AlinIQ Software fails to conform to the specifications and Contractor, within thirty (30) calendar days of County's written notice, corrects the deficiencies in the AlinIQ Software, County will provide Contractor with written acknowledgement of County's acceptance of the AlinIQ Software within thirty (30) calendar days.
3. If it is found that the AlinIQ Software does, in fact, conform to the specifications, County shall reimburse Contractor for the time and material cost of the investigation at the rates specified in this Contract.

County's acceptance of the AlinIQ Software is contingent upon the AlinIQ Software conforming to Contractor's function and performance specifications and Contractor delivering adequate users manuals within thirty (30) calendar days from the installation date. Acceptance does not waive any warranty rights County might have at law or by express reservation in this Contract.

32. Software – Acceptance Testing:

Acceptance testing may be required as specified for all Contractor-supplied software as specified and listed in this Contract, including all software initially installed. Included in this paragraph are improved versions, including new releases, of this software, any such software which has been modified by Contractor to satisfy County requirements, and any substitute software provided by Contractor in lieu thereof, unless the Contract provides otherwise. The purpose of the acceptance test is to ensure that the software operates in substantial accord with Contractor's technical specifications that must be provided to County by Contractor.

33. Software – Documentation:

Contractor agrees to provide to County the County-designated number of all manuals and other associated printed materials and updated versions thereof, which are necessary or useful to County in its use of the equipment or software provided hereunder. County will designate the number of copies for production use and the number of copies for disaster recovery purposes and will provide this information to Contractor.

If additional copies of such documentation are required, Contractor will provide such manuals at the request of County. The requesting department shall be billed for the manuals and any associated costs thereto by invoice. Contractor agrees to provide such additional manuals at prices not in excess of charges made by Contractor to its best customers for similar publications.

Contractor further agrees that County may reproduce such manuals for its own use in maintaining the equipment or software provided hereunder. County agrees to include Contractor's copyright notice on any such documentation reproduced in accordance with copyright instructions to be provided by Contractor.

34. Software – Maintenance and Support:

- a. The correction of any residual errors in any software products which may be discovered by Contractor or by County will be considered maintenance. Such maintenance will be performed by Contractor without additional charge for the duration of this Contract. Suspected errors discovered by County in the software products will be handled by the following procedure:
 1. A listing of the output and a copy of the evidential input data in machine-readable format will be submitted to Contractor along with a completed copy of the appropriate Contractor information form and, if appropriate, a listing of the contents of the memory of the CPU at the time the error was noted.
 2. Errors in the software product as verified by Contractor will be corrected by providing a new copy of said software product or a new copy of the affected portions in machine-readable format.

Contractor shall be available to assist County in isolating and correcting error conditions caused by County's particular hardware or operating system at rates specified in this Contract. If Contractor is called upon by the state to correct an error caused by County's negligence, modification by County, County-supplied data, or machine or operator failure or due to any other cause not inherent in the original software products, Contractor reserves the right to charge County for such service on a time and material basis at rates in accordance with the Contract.

- b. Contractor shall provide the maintenance and Support included in County's subscription to the AlinIQ Software and/or Hardware. If County requests additional functionality (e.g., connections, software modules), additional County Sites or other additional support services, a new or amended support plan, including updated subscription fees, must be created and signed by the Parties via an amendment.
- c. Unless otherwise expressly stipulated in this Contract, Support includes: (a) access to Contractor's Customer Support Center ("**CSC**") for Remote support (including telephone support); (b) access to Contractor's Diagnostics My Lab Customer Portal to retrieve technical documents; (c) access to ongoing Mandatory Upgrades as released by Contractor; and (d) AlinIQ Integrated Platform and Business Performance Application Updates (excluding new functionality not previously licensed).
- d. Contractor shall use commercially reasonable efforts to provide technical Support to diagnose and address issues occurring in routine use by County that: (a) materially and adversely interfere with County's use of the AlinIQ Software and/or Hardware; and (b) result from a failure of AlinIQ Software and/or Hardware to conform in any material respect to this Contract. Support does not include ongoing training of County personnel, new interfaces, changes to existing interfaces, implementation of new products or modules, or work outputs delivered during separately contracted Professional Services.
- e. During the Contract term, County must upgrade to a supported version of the AlinIQ Software and/or Hardware in order to assure proper product functionality and maintain compatibility with other Abbott Core Technology. During the Contract term, Mandatory Upgrades shall be provided to County at no additional fee. With respect to any Mandatory Upgrade, Contractor shall determine at its sole discretion the version of the AlinIQ Software and/or Hardware. Contractor reserves the right to charge for: (i) all other Upgrades; and (ii) any Updates that are new functionality not previously subscribed by County, but for no more than the amount charged other customers for the Upgrades and Updates. Professional Services required for implementation of Upgrades (except Mandatory Upgrades) and Updates will be charged separately in

- accordance with the rates set forth in this Contract and pursuant to an amendment. In no event will Contractor be responsible for any costs or expenses related to changes that are required to non-Contractor provided technologies as a result of an Update or Upgrade.
- f. During the Contract term, Updates and Upgrades may be automatic and involve times of unavailability for County. Contractor shall make commercially reasonable efforts to minimize times of unavailability and to inform County in advance of such Updates or Upgrades. Contractor has the right to require that County accept any Mandatory Upgrade, which shall be at no cost to County. If County refuses to accept a Mandatory Upgrade, Contractor shall be released from all obligations and liabilities with regard to the AlinIQ Software or Hardware to which the unaccepted Mandatory Upgrade applies until County accepts such Mandatory Upgrade. Subject to the foregoing provision related to Mandatory Upgrade, Contractor shall provide Support for the then-current version of the On-Premises Application (the “**Current Version**”) and the two (2) versions immediately prior to the Current Version (the “**Prior Releases**”). Contractor’s obligation to support any version preceding the Prior Releases shall terminate twelve (12) months after the first commercial release of a new Current Version.
 - g. Except for a Mandatory Upgrade, and to the extent that the AlinIQ Software or Hardware offered by Contractor to County pursuant to this Contract enters legacy status or end-of-life status, County may either (a) continue running the legacy or end-of-life version of the Software and/or Hardware; provided that such current version is a Prior Release or (b) Update to the Current Version at an additional cost.

35. **Software – Right to Copy or Modify:**

Any software product provided by Contractor in machine-readable format may be copied, in whole or in part, in printed or machine-readable format for use by County with the designated CPU to perform one-time benchmark tests, for archival or emergency restart purposes, to replace a worn copy, to understand the contents of such machine-readable material, or to modify the software product as provided below. Such consent shall not be unreasonably withheld by Contractor. The original and any copies of the software product, in whole or in part, which are made hereunder shall be the property of Contractor.

County may transport or transmit a copy of the original of any software product to another County location for backup use when required by CPU malfunction, provided the copy or the original is destroyed or returned to the designated location when the malfunction is corrected.

36. **PRIVACY AND SECURITY**

County shall be responsible for providing Contractor with user authorizations and passwords to access its systems as necessary under Attachment A. County shall not grant Contractor access to County systems or information (of County or any Third Party) unless such access is essential for Contractor’s performance under Attachment A.

37. **Access and Use Rights; Restrictions; Provision of Professional Services; Hardware:**

- a. On-Premises Application. Subject to the terms of this Contract, Contractor grants County a limited, personal, worldwide, non-sublicensable, non-transferable (except as set forth in Paragraph I, Assignment), non-exclusive, royalty-free license during the term set forth in this Contract to install and execute the On-Premises Application and any embedded Third Party Products on machines operated by or for County, solely for County’s internal business purposes in accordance with this Contract and solely during

the term set forth in this Contract. The license, which is site-specific, is extended to any contractors, subcontractors, outsourcing vendors, consultants and others who have a need to use the AlinIQ Software for the benefit of County at each such site for which County has subscribed to the On-Premises Application and any embedded Third Party Products on machines operated by or for County. County will not otherwise access or use the On-Premises Application and any embedded Third Party Products in a manner that exceeds County's authorized access and use rights as set forth in this Contract. The license granted under this Paragraph is governed by the terms and conditions of this Contract alone and not any separate license agreement or other similar agreement. All automated end-user license agreements (including, but not limited to, click-throughs, shrinkwrap, or browse wrap) and other non-negotiated terms and conditions provided with the AlinIQ Software are specifically excluded and null and void. All such terms and conditions do not constitute a part or amendment of this Contract and are non-binding on County, its employees, agents, and other Authorized Users, even if access to or use of the AlinIQ Software requires affirmative acceptance of such terms and conditions. For any automated end-user license agreement that requires the end user to manifest his or her assent to terms and conditions by clicking an "agree" or other affirmative button on a dialog box or pop-up window as part of the installation process or use of the AlinIQ Software, clicking does not represent acknowledgement or agreement to any terms and conditions contained in those agreements. The sole purpose of the automated end-user license agreement is to operate as the mechanism for the installation of the AlinIQ Software.

- b. Deliverables. Subject to the terms of this Contract, Contractor grants County a limited, personal, worldwide, non-sublicensable, non-transferable (except as set forth in Paragraph I, Assignment), non-exclusive, royalty-free license during the term set forth in this Contract to use the Deliverables solely for County's internal business purposes and solely in relation to County's use of the On-Premises Application. County will not otherwise access or use the Deliverables in a manner that exceeds County's authorized access and use rights as set forth in this Contract.
- c. Authorized Users. County may provide access and use rights to the On-Premises Application and Deliverables to Authorized Users to the extent permitted by this Contract. County's full-time employees are automatically deemed Authorized Users even if not mentioned in this Contract; provided that the number of Authorized Users who have access may still be limited by the terms of this Contract. County is wholly responsible for the acts and omissions of the Authorized Users. No Authorized User shall have the right to take any legal action against Contractor under this Contract. User access credentials issued to access or utilize the On-Premises Application and Deliverables cannot be shared or used by more than one individual at a time.
- d. Restrictions. With respect to the Abbott Core Technology and any Third Party Products, County will not (and will not permit others on behalf of County to): (a) use it in excess of contractual usage limits (as set forth in this Contract), or in a manner that circumvents usage limits or technological access control measures; (b) license, sublicense, sell, re-sell, rent, lease, transfer, distribute, time share, or otherwise make any of it available for access by a Third Party, except as may otherwise be expressly stated in this Contract; (c) access it for the purpose of developing or operating products or services for Third Parties in competition with the Abbott Core Technology; (d) disassemble, reverse engineer, or decompile it; (e) copy, create derivative works based on, or otherwise modify it, except as may be otherwise expressly stated in this Contract; (f) remove or modify a copyright or other proprietary rights notice in it; (g) use it to reproduce, distribute, display, transmit, or use material protected by copyright or other Intellectual Property Rights (including the rights of publicity) without first obtaining permission of the owner; (h) use it to create, use, send, store, or run viruses

- or other harmful computer code, files, scripts, agents, or other programs, or otherwise engage in a malicious act or disrupt its security, integrity, or operation; or (i) access or disable any Contractor or Third Party data, software, or network. County agrees that it will use the On-Premises Application, Deliverables and Third Party Products only for the purposes and benefit of its own business, and not directly or indirectly for the use or benefit of any Third Party. County may not use, copy, sublicense, allow the use by others or transfer the On-Premises Application, Deliverables and Third Party Products in whole or in part, except as expressly agreed by Contractor in writing.
- e. Modifications. Contractor is permitted to modify the Abbott Core Technology at any time, for any reason; provided that Contractor shall in no event materially degrade the overall functionality of the Abbott Core Technology during the term of this Contract.
 - f. Professional Services. County may at any time request Contractor to provide Professional Services pursuant to the process outlined in this paragraph. County's Project Manager shall submit a written request to Contractor's Project Manager that specifies the desired services to the same degree of specificity as in the original Scope of Work. For the Professional Services that are not subject to an additional charge pursuant to Attachment A, the Parties may enter into one or more scope of works ("SOW") subject to the terms and conditions of this Contract. The SOWs shall be executed by an authorized representative of each Party and shall, upon full execution thereof, be deemed to be a part of this Contract and governed by the provisions in this Contract. For the Professional Services that are subject to an additional charge pursuant to Attachment A, Contractor shall, not more than ten (10) business days (or other mutually agreed upon period) after receiving the written request, provide a firm proposal that specifies the additional costs for the Professional Services. Contractor shall provide the requested Professional Services for the cost stated in the proposal and subject to the terms and conditions of this Contract pursuant to an amendment.
 - g. No Future Functionality Commitments. County agrees that its purchases are not contingent upon the delivery of any future functionality or features nor dependent upon any oral or written comments made by Contractor, including any roadmaps with respect to future functionality or features.
 - h. AlinIQ Software. To use the AlinIQ Software, County is responsible for: (a) ensuring its information technology environment meets the system requirements to run the AlinIQ Software, (b) populating the AlinIQ Software with County Data, including any information technology back office support to generate such data, and (c) manually uploading County Data files into AlinIQ Software, as applicable. County shall ensure that all data loaded into AlinIQ Software is in compliance with such AlinIQ Software's Documentation and County's organizational policies.
 - i. Access. County agrees to allow Contractor and/or its Subcontractor(s) access to its premises and Remote access to its systems and data as reasonably necessary to perform Contractor's obligations hereunder.
 - j. County Super Users. County is responsible for designating a specific contact persons at County as a Super Users who will function as (a) the primary contact for Contractor regarding the system on a day-to-day basis and (b) the most knowledgeable User of the system, and (c) the individual responsible for the system utilization at a County Site.
 - k. Database Support for On-Premises Applications. Contractor is not responsible for database maintenance for On-Premises Applications. All activities related to system maintenance, including backup, archive and data integrity are the responsibility of County. In addition, County is not permitted to alter any database's schema in any manner unless explicitly directed to do so by Contractor. County may use any suitable,

Third Party utility and program to read and analyze the content of production databases; however, support of the utilities and programs must be provided by the third party organizations. If County requests Contractor to perform support required to troubleshoot an error resulting from misuse or modification of any database's schema or downtime/performance issues caused by these tools, such support will be subject to the Professional Services rate set forth in this Contract.

- l. County Network.** County is responsible for its own network security. County remains responsible for problems arising from County's network or County's peripherals used to support network communication (routers, hubs, Ethernet cables, etc.).
- m. Non-Contractor Software.** County is responsible for the installation and support of anti-virus software and operating system patches when approved by Contractor. In no event shall Contractor be liable for any damage or loss incurred in connection with or arising from County or Third Party software. The support does not cover errors in the AlinIQ Software, determined by Contractor to be caused by any misuse or modification of the AlinIQ Software, disaster, power failures, network outages, viruses, or any other software or product not provided by Contractor. County should promptly inform Contractor of any major modifications that in any way may affect the AlinIQ Software, including, but not limited to Third Party Products, interface engines, network modifications and/or system changes. If County requests Contractor to perform support in connection with such modification, such services will be subject to the Professional Services rate set forth in this Contract.
- n. Data Connections.** – Intentionally deleted.

(SIGNATURE PAGE FOLLOWS)

CONTRACT SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have executed this Contract No. MA-042-22010731 the date set forth opposite their signatures. If the company is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, President, or any Vice President; 2) the second signature must be that of the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company. This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same Contract.

Contractor: Abbott Laboratories Inc.

Joseph Radtke

Manager Strategic Pricing

Print Name

Title

DocuSigned by:



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2/4/2022 | 10:37 AM CST

Date

Print Name

Title

Signature

Date

County of Orange, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

Deputy Purchasing Agent

Print Name

Title

Signature

Date

APPROVED AS TO FORMOffice of the County Counsel
County of Orange, California

DocuSigned by:



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2/8/2022

Signature

Date

ATTACHMENT A

SCOPE OF WORK

This SOW describes the rights and responsibilities of each Party in relation to the AlinIQ Software, Hardware, and Professional Services for the AlinIQ Inventory Management System ("IMS").

1. Software Licensed to County

County shall receive the following AlinIQ Software licenses throughout the Initial Contract Term for the AlinIQ IMS:

Refer to Attachment C - Pricing

2. Hardware

Hardware specifications shall follow the AlinIQ Site Implementation Minimum Requirements document, as provided by Contractor and in effect on the Effective Date. The following Hardware is being provided by Contractor under this Contract for the AlinIQ IMS.

Refer to Attachment C - Pricing

3. Professional Services

Up to 80 hours of Professional Services are provided under this Contract in connection with the purchase of AlinIQ Software without additional charge. These 80 hours of Professional Services include the time for project management and to implement AlinIQ. These 80 hours of Professional Services do not include post installation support, which shall be available to County via Contractor's Customer Support Center at no additional charge. If Professional Services needed for installation and configuration are projected to exceed these 80 hours by greater than ten percent (10%), Contractor shall notify County orally or in writing and provide an updated estimate. Professional Services outside of standard implementation services are available for an additional fee and will require an amendment to this Contract as provided by Paragraph 37, Access and Use Rights; Restrictions; Provision of Professional Services; Hardware.

4. Implementation Details

Any customizations to the AlinIQ Software are OUT OF SCOPE of this Contract.

5. Configuration Details

a) Design and Preparation Requirements:

- Contractor shall assist County to complete the Data Collection Worksheet ("DCW") in connection with the purchase of the AlinIQ Software.
- Contractor shall complete pre-site surveys and workflow analysis, as required and appropriate for the implementation scope defined in this Attachment A.
- Contractor to identify the County number to use in installation.

b) County to provide reasonable access to its facilities where AlinIQ Software shall be implemented and deployed for use.

c) Configuration Requirements:

- If County has purchased IMS Software server from Contractor, Contractor to configure and prepare said server. If County has agreed to provide IMS Software server, County to do so promptly upon execution of this Contract.
- County to provide remote access to the IMS Software server to necessary Contractor personnel.
- Contractor to install and configure AlinIQ Software on server.
- If purchased by County, Contractor to provide handheld kit and accessories.

- Contractor to setup, install and configure RFID/ Barcode Handheld & install a RFID Printer to connect with AlinIQ Software.
- County to provide minimum and maximum inventory levels for product allocation if available. At the time of initial installation, default minimum & maximum inventory levels are pre-populated.
- County to provide user list if available. At the time of initial installation default roles are populated in the system.
- County to provide product list by cost center and location if available. At the time of initial installation default product list by cost center and locations are pre-populated.
- County to ensure designated individuals are available in a timely manner to participate in or perform activities, in accordance with the mutually agreed upon project schedule.

6. Implementation Timeline

County will actively collaborate with Contractor to develop a work plan, the implementation of which will ensure the successful installation of the On Premises Application by the target date as mutually accepted by both County and Contractor. If the installation of the On Premises Application is delayed due to reasons caused by Contractor, County shall notify Contractor in writing and Contractor shall cure such delay within a reasonable time, but no more than ninety (90) calendar days or other time mutually agreed upon by the Parties. If Contractor fails to complete the installation by the end of this period solely due to Contractor's default, County may terminate this Contract in its entirety and receive a refund of the full annual fee actually paid to Contractor in accordance with this Contract.

7. Verification of Professional Services by Abbott

Following performance of the Professional Services described in this Attachment A, Contractor shall perform verification of the AlinIQ Software. Verification shall be based on the scope defined herein. In the event County fails to complete validation in a timely manner, such delay by County will not negatively impact the completion of Contractor's Professional Services under this Contract. Provision of Professional Services will be considered complete upon submission and County acceptance (such acceptance not to be unreasonably withheld, conditioned, or delayed) of all required Deliverables as stated herein.

8. Project Installation Sites

County may grant access to the following County site(s) for installation of AlinIQ Software and performance of Professional Services per Contract:

Refer to Attachment C - Pricing

9. Resources and Responsibilities: Refer to Attachment C – Pricing

10. Application Technology Requirements

A. Technology Requirements

1. The system shall be an On-premise model to suit Orange County Public Health Laboratory.
2. The system shall have the ability to support all browsers at their current version levels.
3. The system shall be compatible with the current version of

Microsoft Office products.

4. The system shall have a user login authentication process with SSO.
5. The handheld scanners shall integrate with Health Care Agency's Microsoft Active Directory for user authentication.
6. The system shall have a high degree of usability and user-friendliness in terms of navigation, data-entry, reviewing data and running reports.
7. The system shall provide safeguards for referential integrity of all data.
8. All communications must be encrypted in-transit through the use of standard security protocols: SSH, SFTP, SCP, HTTPs. Data at rest must be encrypted.
9. Conformity and Support

The system shall fully conform with and support the following HCA IT infrastructure and environment requirements. HCA has standardized its use of virtualization technology, whenever possible, for all new systems:
10. Server Environment
 - a. Industry-standard server operating system running on VMWare vSphere Version 6.7 or 7.0
 - b. X86 64 compatible processor from Intel.
 - c. Operating system (Windows): Microsoft Windows 2019 or newer.
 - d. Network adapters running at 1GB Full-Duplex (minimum requirement).
 - e. Hewlett Packard (HPE) is HCA/IT server hardware vendor.
 - f. Citrix XenApp 7.15 LTSR is HCA/IT preferred application delivery software
11. Operating Environment
 - g. Full support of standard networking technologies: DNS,

DHCP, NTP, NetBIOS, TCP/IP.

- h. SQL 2019 (Preferred) -compliant relational or post-relational database management software: Microsoft SQL, Oracle, and MySQL.
- i. Web services hosted by Microsoft IIS, Apache, .Net or HTML 5.

12. Client Environment

- a. X86 64 compatible processor from Intel or AMD.
- b. Microsoft Windows 10 and newer.
- c. Microsoft Edge or Google Chrome 79 and newer.
- d. McAfee Virus Scan Enterprise.
- e. McAfee Disk Encryption.
- f. Network adapter running at 1GB Full-Duplex [minimum requirement).

B. Support and Maintenance Procedures

Contractor shall be responsible for establishing support and maintenance procedures for the system. Contractor shall provide the necessary documentation and procedures to support HCA's use of the system on a 24/7 basis. Contractor shall follow standard multi-tier support framework in terms of classifying and resolving issues based on severity and mutually acceptable service level expectations.

C. Documentation Requirements

Contractor must provide all relevant documentation for the system both for users and any necessary system maintenance and operations.

D. Project Management

- 1. Contractor shall provide a Project Charter and a consolidated project plan to County for written approval, after execution of the Contract, which identifies all Contractor and HCA tasks and responsibilities. The approved project plan shall be the basis for all project activities and can be amended in accordance with Contractor and HCA agreed upon change management process.
- 2. Contractor and HCA shall be responsible for establishing a project organization to manage and deliver the services defined in this Scope of Work. After execution of the Contract,

Contractor shall provide a project organization chart describing the project charter which shall be in place for the duration of this Contract. Contractor shall designate a Contractor Project Manager who shall have the authority to commit Contractor resources necessary to satisfy all contractual requirements.

3. Contractor shall identify all relevant assumptions made in the development of the project charter and the project plan, and upon which the estimates have been calculated must be clearly documented.
4. Change management – Contractor shall include a description of the change control management process that will be used to manage changes either requested by the County or mitigate any deviation from the plan.
5. Contractor shall develop performance metrics and deliver monthly written project status reports summarizing key activities, comparing plan vs. actual and identifying any issues and provide resolutions for the preceding reporting period. Provide monthly project status report at monthly project management meetings. This report shall be the basis for advising HCA on project progress and to identify issues that need to be resolved. The reporting frequency can increase during times where additional communication is needed or required.
6. Contractor shall utilize a comprehensive methodology for ongoing project risk management which addresses such issues as technical risk, resource issues, scheduling problems, and HCA readiness. Define escalation procedures to address extended and unresolved problems. Notification and emergency procedures shall be established in the event of system failure. The escalation procedures shall require approval of County Project Manager. The escalation procedures shall include, but not be limited to the following:
 - i. Conditions warranting changes to the core team or requiring additional resources in meeting the milestones and/or resolving a problem/issue.
 - ii. Time durations between escalating to next level of

support.

- iii. A diagram depicting the various levels of response.
- iv. The names, titles, and phone numbers of personnel responsible for response at the various levels of support.

- 7. Implementation of AlinIQ IMS within OCHCA Active Directory environment must include LDAP (Lightweight Directory Access Protocol) integration.

E. Conduct Joint Application Design to Confirm Requirements

- 1. Contractor shall lead and conduct Joint Application Design (JAD) or similar facilitated requirements and analysis design sessions with stakeholders which may be identified by HCA. The purpose of these JADs is to confine and update HCA view of Public Health Services (PHS) functional requirements, features and capabilities, technology requirements and interface requirements, and to provide Contractor an opportunity to perfect its understanding of HCA environment and programs. The JADs shall also document high level workflow within PHS to identify potential changes in PHS workflow design or in HCA workflow, policies, and procedures.
- 2. Contractor shall document the updated PHS, interface and other requirements and document the results of its JAD sessions using a structured analysis and design methodology as approved by HCA IT. The resulting document shall be presented in a walkthrough and must be approved by HCA.

F. Development, Testing & Training Environments

County shall approve Contractor's training plan if it varies from the proposed plan below. Initially staff members shall require "classroom led" hands on training; Super Users shall provide training to staff on an as needed basis after full implementation. Contractor shall provide web-accessible written and video trainings, as requested by County. Contractor shall update all training material to stay current with any version changes.

a. End Users

End Users are the largest group in need of training. They are further broken down into more specific groups based upon their job function, logon group, and access rights. This would be included at an additional charge.

b. Super Users Training

A "Super Users" will be a staff member with good overall working knowledge of computers and EHS that will assist system users with general computer and application problems and will be able to generally distinguish between hardware, operating system, network, and application errors. If Level Zero (0) is unable to resolve the problem, it will be referred to the Level One (1) Service Desk.

c. Software Support

Software Support staff shall be trained at the level of both super users and service desk staff in addition to some selected aspects of the administrative level training. Software support staff must be able to recognize core issues, versus issues that can be cured with a work around. Software Support shall be charged with testing of new releases and updates.

d. User Application Specific Training

With the implementation of a new system, it becomes necessary for all potential users to be trained on the use of that application. Their level of training shall correspond to the access rights granted to the user's group.

e. Ad Hoc Reporting Training

When the system is chosen it shall have the ability to do Ad Hoc reporting. Many of the reports that the staff may need shall be incorporated into the application and made available simply by selecting them. Since the new system shall have a built-in report generator, some staff members shall have access to use the Ad Hoc reporting tools. For these users, it shall be necessary to provide training in the use of the Ad Hoc report generator.

G. Develop Technical Specifications Document

1. Contractor shall develop a Technical Specifications Document which identifies the changes necessary to existing system code to provide any new or modified functionality.

H. User Acceptance Testing

Contractor shall conduct a User Acceptance Test to ensure that HCA users are able to successfully use the system and that all modified workflows, policies, and procedures are consistent with it. Contractor shall develop test scripts and data for this test and shall be responsible for final approval of user acceptance test recommendations.

I. Post-Implementation Hypercare Process

Once application is fully installed and configured at County location(s), Contractor will guide County through a 6 week instructor led program to enable County to fully utilize the application and all Abbott hardware associated with the application. During this program, Contractor will remotely lead weekly training and application function examples intended to support the knowledge transfer. Contractor will also assess the individual super users competency within the critical areas needed for success with the application. As part of the general user training, Contractor will support super users in the development of their general user training program and delivery. The time associated with these activities is up to 16hrs. Additionally, Contractor will provide quick reference guides (QRG) for the County to leverage moving forward.

Done	Task Name	Priority
	Week 1	
<input type="checkbox"/>	System build verification "External List"	↓
<input type="checkbox"/>	Hypercare Client team identified	!
<input type="checkbox"/>	ASN receipt (First Tagged Abbott Products Arrive)	↓
<input type="checkbox"/>	3rd Party Tagging for product(s) identified for tracking during Hypercare	↓
<input type="checkbox"/>	Consuming Starts	↓
<input type="checkbox"/>	1st Physical Inventory Completed	↓
<input type="checkbox"/>	Quarantine Management	↓
<input type="checkbox"/>	Cost Center Valuation Report	↓
<input type="checkbox"/>	Inventory Location Accuracy Report	!
<input type="checkbox"/>	Inventory stock Accuracy Check Report	↓
<input type="checkbox"/>	Inventory Expired Cleanup	!
<input type="checkbox"/>	IMS Call w/ Abbott to review Weekly Activities	!

No material adjustments made to the Scope of Work will be authorized without prior written approval of County. Non-material adjustments may be made with the written approval of the County assigned Deputy Purchasing Agent.

ATTACHMENT B**COMPENSATION AND INVOICING**

1. **Compensation:** This is a fixed price Contract not to exceed the amount of \$350,000 for the Contract Term, subject to Paragraph F. (Fees, Discounts, Audit) of the Contract.

Contractor agrees to accept the specified compensation as set forth in this Contract as full payment for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by Contractor of all its duties and obligations hereunder. Contractor shall only be compensated as set forth herein for work performed in accordance with the Scope of Work.

2. **Fees and Charges:** County will pay the following fees in accordance with the provisions of this Contract.

Refer to Attachment C

In addition to the rates provided in Attachment C, if applicable, County shall pay Abbott for reasonable travel and living expenses, including travel time, listed in Attachment C.

3. **Price Increase/Decreases:** No price increases will be permitted until after the first anniversary of the Effective Date. Following the first anniversary of the Effective Date, and on an annual basis thereafter, Contractor may increase Product prices by an amount that shall not exceed the lesser of (i) four percent (4.0%) and (ii) the then-current National Consumer Price Index – Medical (“CPI-M”). County requires documented proof of cost increases on Contracts prior to any price adjustment. A minimum of thirty (30) calendar days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. All price decreases will automatically be extended to County. County may enforce, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Adjustments increasing Contractor’s profit will not be allowed.
4. **Firm Discount and Pricing Structure:** Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to the County during the term of this Contract not otherwise specified and provided for within this Contract.
5. **Contractor’s Expense:** Contractor is responsible for all costs related to photo copying, telephone communications and fax communications while on County sites during the performance of work and services under this Contract.
6. **Payment Terms:** The Annual Fees shall start upon First Productive Use of the On-Premises Application. Contractor may begin submitting monthly invoices for the Annual Fees stated in this Attachment B thirty (30) calendar days after First Productive Use. Contractor shall submit invoices for Hardware purchases after shipment and County’s receipt and acceptance of such Hardware. Contractor shall ship all Hardware under this Contract with shipping charges prepaid and added to each invoice. Contractor shall

submit invoices for Professional Services after performance of such services and County's acceptance of such services.

Contractor shall submit invoices to the user department ship-to address below, unless otherwise directed in this Contract. Payment will be net thirty (30) calendar days after receipt of an invoice in a format acceptable to County and verified and approved by the department and subject to routine processing requirements.

Billing shall cover services and/or goods not previously invoiced. Contractor shall reimburse County for any monies paid to Contractor for goods or services not provided or when goods or services do not meet the Contract requirements.

Payments made by County shall not preclude the right of County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.

7. **Taxpayer ID Number:** Contractor shall include its taxpayer ID number on all invoices submitted to County for payment to ensure compliance with IRS requirements and to expedite payment processing.
8. **Payment – Invoicing Instructions:** Contractor must provide an invoice on Contractor's letterhead for goods delivered and/or services rendered. In the case of goods, Contractor must leave an invoice with each delivery. Each invoice must have a unique number and must include the following information:
 - a. Contractor's name and address
 - b. Contractor's remittance address
 - c. Contractor's Taxpayer ID Number
 - d. Name of County Department
 - e. Delivery/service address
 - f. Master Agreement (MA) **MA-042-22010731**
 - g. Department's Account Number, if applicable
 - h. Date of invoice
 - i. Product/service description, quantity, and prices
 - j. Sales tax, if applicable
 - k. Freight/delivery charges, if applicable
 - l. Total

The responsibility for providing acceptable invoices to County for payment rests with Contractor. Incomplete or incorrect invoices are not acceptable and shall be returned to Contractor.

Invoice and support documentation are to be emailed to HCAAP@ochca.com OR forwarded to:

Orange County Health Care Agency
Accounts Payable
PO Box 689
Santa Ana, CA 92702

9. **Payment (Electronic Funds Transfer)**
County offers Contractor the option of receiving payment directly to its bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT shall also receive an Electronic Remittance Advice with the payment details via

e-mail. An e-mail address shall need to be provided to County via an EFT Authorization Form. Contractor may request a form from the department representative listed in the Contract.

Attachment C

Pricing



Price Exhibit



AlinIQ Inventory Management System -Multi Site

Customer	Public Health Department Santa Ana
Main Site Address	1729 W. 17 th Street, Bldg. D Santa Ana, Ca 92706
OCHCA Water Lab Address	600 Shellmaker Rd. Newport Beach, Ca. 92660
Sales Rep, Territory	Rion Nolan, Devin DiRocco, West Coast
Customer Point of Contact	Dr. Megan Crumpler
Initial Contract Term	5 years + 2 Months

AlinIQ Inventory Management System- Main Site

Description	List Number	Quantity	Type	One Time Payment	Payment Method	Site	Ownership
Unlimited Number of Users		Unlimited	Software	\$0	Purchase	Public Health Department Santa Ana	Public Health Department Santa Ana
Extra Handheld Devices	02P53-23	2	Hardware	\$204,000			
Handheld Bundle	02P53-23	4	Hardware				
Zebra ZT410 RFID Printer	04S06-01	1	Hardware				
RFID Tag Roll	05P50-01	1	Disposable				
AlinIQ IMS Base Software	05P24-01	1	Software				
AlinIQ IMS Installation and Implementation	02P53-11	1	Consulting				
AlinIQ IMS Workflow Consulting	02P53-14	1	Consulting				

Annual Maintenance and Support- Main Site

Description	List Number	Quantity	Type	Annual Fee Year 1	Annual Fee Year 2	Annual Fee Year 3	Annual Fee Year 4	Annual Fee Year 5
AlinIQ IMS License and Maintenance Support	01DN9-01	1	Support	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440

AlinIQ Inventory Management System- OCHCA Water Lab

Description	List Number	Quantity	Type	One Time Payment	Payment Method	Site	Ownership
Unlimited Number of Users		Unlimited	Software	\$0	Purchase	Public Health Department Santa Ana	Public Health Department Santa Ana
Handheld Bundle	02P53-23	2	Hardware	\$48,000			
Zebra ZT410 RFID Printer	04S06-01	1	Hardware				
RFID Tag Roll	05P50-01	1	Disposable				
AlinIQ IMS Base Software	05P24-01	1	Software				
AlinIQ IMS Installation and Implementation	02P53-11	1	Consulting				
AlinIQ IMS Workflow Consulting	02P53-14	1	Consulting				

Annual Maintenance and Support- OCHCA Water Lab

Description	List Number	Quantity	Type	Annual Fee Year 1	Annual Fee Year 2	Annual Fee Year 3	Annual Fee Year 4	Annual Fee Year 5
AlinIQ IMS License and Maintenance Support	01DN9-01	1	Support	\$600	\$600	\$600	\$600	\$600

Additional Hardware

Description	List Number	Quantity	Type	One Time Payment	Payment Method	Site	Ownership
Consumption Pads		4	Hardware	\$72,000	Purchase	Public Health Department Santa Ana	Public Health Department Santa Ana

Consumables

Description	List Number	Estimated Kit Volume	Type	Price per Kit	Payment Method	Site	Ownership
RFID Tag Roll	05P50-01	1	Disposable	\$2,800	Purchase	Public Health Department Santa Ana	Public Health Department Santa Ana

Total Product Cost	\$326,800
Total Maintenance and Service Cost- Year 1	\$2,040
Total First Year Cost	\$328,840

Attachment D

OCHCA Security Requirements and Guidelines for Application Vendors and Application Service Providers



County of Orange
Health Care
Agency

Security Requirements and Guidelines for Application Vendors and Application Service Providers

04/2018

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1 Overview

Security Requirements and Guidelines for Application Vendors and Application Service Providers

This document provides a high-level overview of application security related guidelines and requirements set forth by the Orange County Health Care Agency (OCHCA), and applies to both software vendors for County-implemented applications and application service providers who provide hosted services.

These requirements and guidelines are consistent with regulatory privacy and security requirements and guidelines as well as supportive of OCHCA's position and practices on risk management in terms of appropriately safeguarding OCHCA's information assets.

The sections below are comprehensive and may apply in whole or in part based on specific implementation and scope of work. The expectation is that vendors will comply with relevant sections, as necessary. This information will be reviewed, validated and documented by OCHCA Security prior to any contract being finalized.

Vendors are required to comply with all existing legal and regulatory requirements as they relate to OCHCA's systems and data. Example of regulations, rules and laws include, but are not limited to, the Health Insurance Portability and Accountability Act (HIPAA), Senate Bill 1386, Payment Card Industry (PCI) Data Security Standards, and Sarbanes-Oxley (SOX). Vendors must also commit to ensuring compliance with all future local, state and federal laws and regulations related to privacy and security as they pertain to the application or service.

2 General Security Requirements

- The application must run on an operating system that is consistently and currently supported by the operating systems vendor. Applications under maintenance are expected to always be current in regards to the current version of the relevant operating system.
- For applications hosted by OCHCA, OCHCA will routinely apply patches to both the operating system and subsystems as updated releases are available from the operating system vendor and or any third party vendors. The vendors must keep their software current and compatible with such updated releases in order for the application to operate in this environment.
- Vendors must provide timely updates to address any applicable security vulnerabilities found in the application.
- OCHCA utilizes a variety of proactive, generally available, monitoring tools to assess and manage the health and performance of the application server, network connectivity, power etc. The application must function appropriately while the monitoring tools are actively running.
- All application services must run as a true service and not require a user to be logged into the application for these services to continue to be active. OCHCA will provide an account with the appropriate security level to logon as a service, and an account with the appropriate administrative rights to administer the application. The account password must periodically expire, as per OCHCA policies and procedures.
- In order for the application to run on OCHCA server and network resources, the application must not require the end users to have administrative rights on the server or subsystems.

3 Encryption

- All data transmissions must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced Encryption Standard (AES), with a 128bit key or higher. Encryption can be end to end at the network level. This requirement pertains to any regulated data in motion such as website access and file transfers.
- All electronic files, where applicable, that contain OCHCA data must be encrypted when stored on any removable media or portable device (USB drives, CD/DVD, mobile phones, backup tapes). The encryption must be a FIPS 140-2 certified algorithm, such as Advanced Encryption Standard (AES), with a 128bit key or higher.
- All encryption methods used for data storage and transmission must be disclosed by the vendors.

4 Network Application Documentation

- Vendors must provide documentation related to the configuration of the application including methods of secure implementation and port requirements.

5 Access Management

- Application/system must control access to and within the system at multiple levels (e.g. per user, per user role, per area, per section of the chart) through a consistent mechanism of identification and authentication of all users in accordance with the 'Role Based Access Control' (RBAC) standard.
- Application/system must support measures to define, attach, modify and remove access rights for all classes of users.
- Application/system must support measures to enable and restrict access to the whole and/or sections of the technology solution in accordance with prevailing consent and access rules.
- Application must have the ability to create unique user accounts.

6 Password Management

AlinIQ IMS implementation includes LDAP integration and OCHCA will manage Password Management controls.

7 Audit Capabilities

Auditing and logging capabilities will permit HCA to identify, and possibly reverse, unauthorized or unintended changes to application.

Auditing and Logging functionality will include the following:

EVENT TYPE	IMS SCREEN	EVENT TRIGGERS
User Logon History	User Management	Login, Logout, Login Fail, Create New User, Change Password / Status
Role Change History	Role Management	Create / Edit / Delete User Role, Add / Remove Console Access
Service Group Event History	Sites	Create Service Group
Alert Event History	Alert Configuration	Create / Delete User Alerts
RFID Reader / EPC Event History	Device Configuration	Add / Subscribe / Unsubscribe ALE Reports, Reader EPC Events
Supplier History, Product Catalog Updates	Supplier Manager	Add / Edit / Delete Supplier, Add / Replace Product
Shipment Item Event History	Shipments	Shipment Status Change, Item Read / Reject Status
Purchase Order Event History	Purchase Orders	Purchase Order Status Change, Line Item Add / Update / Status Change
Item Event History	Inventory Stock / Inventory Event History	Item specific events - Shipped / Receive / Consume / Location Change / Lot Change / Quarantine / Damage / Reject / Print Tag / Undo
Item Exception History	Inventory Exceptions	Item Event Exceptions / Flags
EDI / Manager Service Event History	Communication Events	EDI / ERP / Alert session events
ERP Inbound/Outbound/Transaction Log History	ERP Interface Transactions	ERP Inbound / Outbound / Transaction events
Quarantine Event History	Quarantine Control / Product Allocations	Quarantine specific events (add / checkout / release/ fail)

8 Protection from Malicious Code

- For cloud hosted solutions, vendors must utilize antivirus/antispyware software on servers and monitor to prevent malicious code which may lead to a compromise of OCHCA's data.
- For local hosted solutions, vendors must ensure that the application appropriately supports the use of antivirus/antispyware software.

9 Remote Support Functionality

- Provider must conform to OCHCA Vendor Remote Access Policy.

10 HCA Data Usage

- During the course of any implementation and subsequent support and life cycle management, any OCHCA data that the vendors have access to in any manner shall be considered confidential unless otherwise designated in writing.
- Vendors must not use or disclose OCHCA's data other than as permitted or as required by contract or law.
- The vendors must agree to use appropriate safeguards to prevent the unauthorized use or disclosure of OCHCA's data during any time that the data is stored or transported in any manner by vendors.
- After the end of any appropriate use of OCHCA's data within the vendors' possession, such data must be returned to OCHCA or securely destroyed unless otherwise permitted by contract or law.