

PROCESSING SERVICES AGREEMENT

(Medisoft/Lytec - Retail)

THIS PROCESSING SERVICES AGREEMENT, effective as of the date signed by McKesson below (the "Effective Date"), between McKesson Technologies Inc. ("McKesson"), and the customer identified below ("Customer") consists of this signature page and the exhibits listed below (collectively, the "Agreement").

Exhibits		
Α	Fees and Administration	
В	Service Descriptions	
С	Terms and Conditions	
D	Business Associate Agreement	
E	Automated Payment Authorization Form	

The initial term of this Agreement will commence on the Effective Date and will continue for a period of one year thereafter ("**Initial Term**"), unless earlier terminated as provided herein. At the end of the Initial Term or any renewal thereof (collectively, the "**Term**"), this Agreement will automatically renew for additional one year terms, unless either party gives written notice to the other party at least 90 days prior to the expiration of the then-current term of its decision not to renew.

This Agreement is executed by an authorized representative of each party.

MCKESSON TECHNOLOGIES INC.

Signature:	Signature:		
Name:			
Title:	Title:		
Date:	Date:		
	("Effective Date")		
Customer Address:	McKesson Address: 5995 Windward Parkway Alpharetta, Georgia 30005 Attn: General Counsel		

For McKesson Internal Use Only			
Customer Number			
Contract Number			

EXHIBIT A

FEES AND ADMINISTRATION

I. PROCESSING SERVICES FEES (Select From One Option Below):

Select	Description	Fee		
Subscription Pricing (Bundled)				
	EDI Bundled Services:	\$90 per Provider per month		
	 Electronic Claims (unlimited) 			
	 Electronic Remittance (unlimited) 			
	 Eligibility Verification (unlimited) 			
X	Paper Claims ⁽²⁾	\$0.55 per transaction		
Subscription Pricing				
	Electronic Claims (unlimited)	\$50 per Provider per month		
	Electronic Remittance (unlimited)	\$25 per Provider per month		
	Eligibility Verification (unlimited)	\$25 per Provider per month		
X	Paper Claims ⁽²⁾	\$0.55 per transaction		
Per Transaction Pricing ⁽¹⁾				
	Electronic Claims	\$0.40 per transaction		
	Electronic Remittance	\$0.20 per transaction		
	Eligibility Verification	\$0.20 per transaction		
X	Monthly Minimum per Submitter ID	\$30 per month		
X	Paper Claims ⁽²⁾	\$0.55 per transaction		

II. ADMINISTRATION:

Sold To:	Bill To:			
Address:	Address:			
Attention:	Attention:			
Telephone:	Telephone:			
Facsimile:	Facsimile:			
E-mail:	E-mail:			
Federal Tax ID:	Payment Option:			
Taxable: ☐ Yes ☐ No	(See Exhibit E: Automated Payment Authorization)			
VAR Name: 2K MEDICAL	VAR Customer No. 0000036410			
Practice Management System:	Lytec Other:			
Practice Management System Version Number:				
Number of Providers (attach additional pages as necessary):				
List Provider Names (First/Last):				
1)	5)			
2)	6)			
3)	7)			
4)	8)			

⁽¹⁾ McKesson will bill Customer the greater of (i) the number of transactions processed by McKesson during such month, multiplied by the applicable rate or (ii) the monthly minimum price indicated in the table above.

⁽²⁾ McKesson will process any claim submitted by Customer that cannot be processed electronically to the designated payor for the fee set forth herein, regardless of pricing option selected.

EXHIBIT B

PROCESSING SERVICES DESCRIPTIONS

Processing Service	Description		
Electronic Claims	This transaction allows a Customer to submit medical or institutional claims in a standard electronic format in a batch basis through McKesson's system for transmission to payors.		
Electronic Remittance	This transaction allows a Customer to receive an electronic explanation of a specific claim's adjudication by payor, including payment information on a specific claim.		
Electronic Eligibility Verification	This transaction allows a Customer to submit a real-time online request for verification of patient eligibility status.		
Paper Claims	A claim received by McKesson from a Customer that cannot be sent electronically to a designated payor will be processed and printed on paper in a standard format. McKesson will mail the processed paper transaction to the payer address designated in the paper transaction.		

EXHIBIT C

TERMS AND CONDITIONS

SECTION 1: DEFINITIONS

- "Confidential Information" means non-public information, including technical, marketing, financial, personnel, planning, and other information that is marked confidential or which the receiving party should reasonably know to be confidential, and will also include the terms of this Agreement. Confidential Information will not include: (a) information lawfully obtained or created by the receiving party independently of the disclosing party's Confidential Information without breach of any obligation of confidence, (b) information that enters the public domain without breach of any obligation of confidence, or (c) Protected Health Information or PHI (as defined in Exhibit D), the protection of which will be governed by Exhibit D.
- "Customer User" means all authorized users of the Processing Services.
- "Documentation" means user guides or operating manuals containing the functional specifications for the Products that McKesson provides to Customer, as may be reasonably modified from time to time by McKesson.
- "Force Majeure Event" means any cause beyond the reasonable control of a party that could not, by reasonable diligence, be avoided, including acts of God, acts of war, terrorism, riots, embargoes, acts of civil or military authorities, denial of or delays in processing of export license applications, fire, floods, earthquakes, accidents, strikes, or a fuel crisis.
- "Processing Services" means the Transaction processing services provided by McKesson that are selected by Customer in Exhibit A and described in Exhibit B.
- "Productive Use" means use of Processing Services to process live data.
- "Provider" means Physicians or Non-physician professionals who are employed by, or under contract, to provide health care services for Customer or its affiliates, whether full or part-time. "Physician" means an individual legally licensed to provide healthcare services to patients and includes a medical or dental doctor, optometrist, certified consulting psychologist, osteopath and chiropractor. "Non-physician professional" means an individual, who is licensed, certified or otherwise designated to assist physicians in providing healthcare services to patients and includes a nurse practitioner, physician assistant, therapist, technician and social worker.
- "McKesson Affiliates" means any U.S. entities that, now or in the future, are under common control with McKesson Technologies Inc. (but specifically excluding PST Services, Inc.) that license or sell Processing Services described in this Agreement to Customer in the U.S. during the Term.
- "Services Installation Date" means the earlier of (a) the date when the Processing Service is first available for Productive Use, or (b) the date specified in the applicable implementation plan when the Processing Service is intended to be available for Productive Use, except that such date will be extended for each day that the Processing Service is not available for Productive Use due to direct fault of McKesson.
- "Third Party Vendor" means a vendor other than McKesson from whom McKesson or Customer (with prior written approval from McKesson) obtains Third Party Product, Third Party Equipment or Third Party Software.
- "Transaction" means information received from Customer or its agent that is processed by McKesson, including a distinct claim, remit, information request, statement, collection letter, print image or other item.

SECTION 2: PROCESSING SERVICES

- 2.1 <u>Engagement</u>. McKesson will use commercially reasonable efforts to provide, and Customer will accept, the Processing Services.
- 2.2 <u>Modifications to Processing Services</u>. McKesson may modify or discontinue any Processing Services. Additionally, Customer acknowledges and agrees that future regulations or industry practices may affect performance of the Processing Services and require McKesson or Customer to generate additional or different information, to use different Transaction formats, to reprogram software and/or incur delays in processing Transactions. If any changes relate to a particular Transaction recipient and involve an unreasonable cost to either party to accommodate such Transaction recipient, then such party may discontinue Processing Services with respect to such Transaction recipient upon prior written notice to the other party.
- 2.3 <u>Transaction Standards</u>. McKesson warrants that the format for Transactions being purchased by Customer that are regulated by HIPAA will follow the HIPAA required formats for each such Transaction as defined in the Transactions and Codes Sets Final Rule and the associated Implementation Guides from X12N as adopted by the Secretary of Health and Human Services.

SECTION 3: PAYMENT

- 3.1 <u>Payment Terms.</u> Customer will authorize the initiation of either credit card payments or Automated Clearing House Debits on behalf of Customer by signing the Automated Payment Authorization attached as Exhibit E. Payments may be processed by McKesson or a McKesson Affiliate.
- 3.2 <u>Processing Services Fees</u>. Customer will pay McKesson the fees and charges set forth in Exhibit A for each Processing Service accessed by Customer commencing on the earlier of the Services Installation Date as defined herein, or 120 days after the Effective Date. If Customer is not able to submit Transactions 120 days after the Effective Date solely as a result of McKesson's delay, then Customer's sole remedy will be suspension of payment of the Processing Service fees until Customer is able to begin submitting Transactions. McKesson will invoice Customer monthly for fees and charges.
- 3.3 <u>Expenses.</u> Prices do not include packing, delivery, and insurance charges, or fees charged by communications common carriers or timesharing suppliers with respect to Processing Services, which will be separately invoiced and paid by Customer. Customer will reimburse McKesson for all other reasonable out-of-pocket expenses incurred in the course of providing the Processing Services, including travel and living expenses.
- 3.4 <u>Taxes</u>. All amounts payable under this Agreement are exclusive of sales, use, value-added, withholding, and other taxes and duties (except for taxes payable on McKesson net income). Customer will promptly pay, and indemnify McKesson against, all such taxes and duties, unless Customer provides McKesson satisfactory evidence of an applicable tax exemption prior to Effective Date.
- 3.5 <u>Late Payments.</u> McKesson may charge Customer interest on any overdue fees, charges, or expenses at a rate equal to the lesser of 1.5% per month or the highest rate permitted by law. Customer will reimburse McKesson for all reasonable costs and expenses incurred (including reasonable attorneys' fees) in collecting any overdue amounts. If Customer does not pay fees, charges, or expenses when due, then McKesson may require reasonable advance payments as a condition to providing Processing Services.
- 3.6 <u>Audit</u>. Upon reasonable advance notice and no more than twice per year, McKesson may conduct an audit to ensure that Customer is in compliance with this Agreement. Such audit will be conducted during regular business hours, and Customer will provide McKesson with reasonable access to all relevant equipment and records. If an audit reveals that Customer's use of Processing Services is in violation of this Agreement, then McKesson may invoice Customer for all such excess use based on McKesson's standard fee(s) in effect for the applicable Processing Services at the time the audit is completed, and Customer will pay any such invoice. If such excess use exceeds five percent of the licensed use, then Customer will also pay McKesson's reasonable costs of conducting the audit.

- 3.7 <u>Price Increases</u>. McKesson may increase its fees for Processing Services once every 12 months upon 60 days written notice to Customer. The amount of such increase will not exceed five percent. Price increases are effective as of the next annual, quarterly or monthly payment due date.
- 3.8 Pass-through and Access Fees. Customer will pay McKesson any fees or charges invoiced or paid by McKesson to an applicable Transaction recipient or other entity related to the processing of any Transaction, such as any network surcharges, government imposed access fees, fees resulting from changes in regulation or statute, postage, or access fees, and other similar fees assessed against McKesson and outside of McKesson's reasonable control. Upon written request, McKesson will make available to Customer documentation relating to these pass-through fees and charges in connection with the Processing Services.

SECTION 4: CUSTOMER OBLIGATIONS

- Use of Processing Services. Customer will: (a) cooperate fully with McKesson and provide 4.1 McKesson access to all appropriate Customer facilities, equipment and supporting documentation requested, as reasonably necessary for McKesson to carry out its obligations under this Agreement, (b) secure any authorizations necessary to receive the Processing Services, (c) use the Processing Services in accordance with any conditions of use set forth in the Documentation furnished by McKesson (electronically or otherwise) or specified from time to time by McKesson, (d) provide education, training, and first level customer support for the Processing Services to its facility(ies), (e) provide McKesson with necessary data in the proper format to enable McKesson to properly furnish the Processing Services. (f) comply with all applicable contractual obligations imposed by payors in order for McKesson to obtain such access to payors as may be necessary for performance of the Processing Services; provided, however, that McKesson will not be liable for any reimbursement decisions made by payors with respect to the Processing Services, (g) select operators who are qualified to operate the Processing Services, (h) convert its own data files to print image files for use with the Processing Services when necessary, (i) complete and return to McKesson all forms reasonably required by McKesson or by payors, (j) provide authorized signatures to McKesson and to the payors as required by applicable law, (k) consider and treat all information received through the Processing Services as confidential, (I) request information from McKesson only in connection with the Processing Services, and in connection with data that Customer is legally entitled to view and/or modify, (m) make or request modifications to the Processing Services or Customer data that comply with all applicable federal and state laws, rules, and regulations, and (n) use or access the Processing Services only in a way that does not adversely affect the performance or function of the Processing Services or interfere with the ability of other authorized parties to access the Processing Services.
- 4.2 <u>Failure to Comply.</u> Customer acknowledges and agrees that McKesson will not be liable for any delay in the performance of its obligations, where such delay is due to Customer's action or inaction. McKesson may suspend Customer's and its users' access to or use of the Processing Services, without credit, at any time if, in McKesson's sole discretion, the performance, integrity or security of the Processing Services is in danger of being compromised as a result of such access. In addition to other remedies available to McKesson hereunder, any breach of the foregoing may result in McKesson's immediate termination of the Agreement.
- 4.3 Permitted Access. Customer represents and warrants that only duly authorized representatives of Customer will be permitted to access the Processing Services and only for the uses described herein. Customer Users will be required to register and receive a login ID and password before accessing the Processing Services. After the initial registration, Customer will ensure that all additional users are authorized and receive login IDs and passwords. McKesson is entitled to rely upon the certification, statement, or electronic representation thereof, of Customer's representative in providing the Processing Services to Customer. Customer will not, except as otherwise agreed to in writing, either (a) allow any third party not under the control of Customer to obtain access to the Processing Services, or (b) allow use of the Processing Services in any manner which would allow the general public access or for the benefit of any third party.

- 4.4 <u>Delivery of Data</u>. Customer will deliver accurate and complete Transaction data to McKesson using a mutually agreeable format in accordance with the Documentation. Edits and eligibility determinations will only be made if Customer selects those Processing Services and McKesson will otherwise have no obligation to verify, check or otherwise inspect the information furnished by Customer, except to verify the number of records, the number of Transactions, and the total dollar amount of the Transactions. In addition to the foregoing, Customer will submit Transactions in accordance with applicable law. Payors, fiscal intermediaries, government entities and other third party information suppliers may require that Customer agree to comply with certain obligations as a condition of accessing their information. Customer will comply with such obligations as a condition of McKesson providing the Processing Services. Upon Customer's request, McKesson will make available to Customer such written materials as such third party may provide to McKesson.
- 4.5 <u>Data Records</u>. At Customer's expense, Customer will maintain all source documents for verification of Transaction data to any payor and be responsible for record keeping, security backup of transactions information and loss of data, unless such services are included herein.
- 4.6 <u>Re-Submission</u>. Both (a) Transactions rejected by a payor for any reason other than inappropriate format, and (b) Transactions rejected by McKesson must be corrected and resubmitted by Customer for processing at Customer's expense.

SECTION 5: GENERAL TERMS

5.1 Confidentiality and Proprietary Rights.

- 5.1.1 <u>Use and Disclosure of Confidential Information</u>. Each party may disclose to the other party Confidential Information. Except as expressly permitted by this Agreement, neither party will: (a) disclose the other party's Confidential Information except (i) to its employees or contractors who have a need to know and are bound by confidentiality terms no less restrictive than those contained in this Section 5.1, or (ii) to the extent required by law following prompt notice of such obligation to the other party, or (b) use the other party's Confidential Information for any purpose other than performing its obligations under this Agreement. Each party will use all reasonable care in handling and securing the other party's Confidential Information and will employ all security measures used for its own proprietary information of similar nature. Following the termination of this Agreement, each party will, upon written request, return or destroy all of the other party's tangible Confidential Information in its possession and will promptly certify in writing to the other party that it has done so.
- 5.1.2 <u>Period of Confidentiality</u>. The restrictions on use, disclosure and reproduction of Confidential Information set forth in Section 5.1 will, with respect to Confidential Information that constitutes a "trade secret" (as that term is defined under applicable law), be perpetual, and will, with respect to other Confidential Information, remain in full force and effect during the term of this Agreement and for three years following the termination of this Agreement.
- 5.1.3 <u>Injunctive Relief.</u> The parties agree that the breach, or threatened breach, of any provision of this Section 5.1 may cause irreparable harm without adequate remedy at law. Upon any such breach or threatened breach, a party will be entitled to injunctive relief to prevent the other party from commencing or continuing any action constituting such breach, without having to post a bond or other security and without having to prove the inadequacy of other available remedies. Nothing in this Section 5.1.3 will limit any other remedy available to either party.
- 5.1.4 Retained Rights. Customer's rights in the Products and Services will be limited to those expressly granted in this Agreement. McKesson and its suppliers reserve all intellectual property rights not expressly granted to Customer. All changes, modifications, improvements or new modules made or developed with regard to the Products or Services, whether or not (a) made or developed at Customer's request, (b) made or developed in cooperation with Customer, or (c) made or developed by Customer, will be solely owned by McKesson or its suppliers. Customer acknowledges that the Products contain trade secrets of McKesson, and Customer agrees not to take any step to derive a source code equivalent of the software (e.g., disassemble, decompile, or reverse engineer the Software) or to permit any third party to

do so. McKesson retains title to all material, originated or prepared for the Customer under this Agreement. Customer is granted a license to use such materials in accordance with this Agreement.

5.2 <u>Intellectual Property Infringement.</u>

- 5.2.1 <u>Duty to Defend</u>. McKesson will defend, indemnify, and hold Customer harmless from any action or other proceeding brought against Customer to the extent that it is based on a claim that (a) the use of Processing Services (other than Third Party Software) delivered under this Agreement infringes any U.S. copyright or U.S. patent or (b) the Processing Services (other than Third Party Software) incorporates any misappropriated trade secrets. McKesson will pay costs and damages finally awarded against Customer as a result thereof; provided, that Customer (i) notifies McKesson of the claim within ten business days, (ii) provides McKesson with all reasonably requested cooperation, information and assistance, and (iii) gives McKesson sole authority to defend and settle the claim.
- 5.2.2 <u>Exclusions</u>. McKesson will have no obligations under Section 5.2.1 with respect to claims arising from: (a) Processing Services modifications that were not performed by McKesson or authorized by McKesson in writing, (b) custom interfaces, file conversions, or other programming for which McKesson does not exclusively develop the specifications or instructions, (c) use of any Processing Services in combination with products or services not provided by McKesson, if use of the Processing Services alone would not result in liability under Section 5.2.1, or (d) any use of the Processing Services not authorized by this Agreement or the Documentation.
- 5.2.3 Infringement Remedies. If a claim of infringement or misappropriation for which Customer is entitled to be indemnified under Section 5.2.1 arises, then McKesson may, at its sole option and expense: (a) obtain for Customer the right to continue using such Processing Services, (b) replace or modify such Processing Services to avoid such a claim, provided that the replaced or modified Processing Services is substantially equivalent in function to the affected Processing Services, or (c) take possession of the affected Processing Services and terminate Customer's rights and McKesson's obligations under this Agreement with respect to such Processing Services.
- 5.2.4 <u>Exclusive Remedy.</u> THE FOREGOING ARE MCKESSON'S SOLE AND EXCLUSIVE OBLIGATIONS, AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES, WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT OR TRADE SECRET MISAPPROPRIATION.

5.3 Limitation of Liability.

- 5.3.1 <u>Total Damages</u>. MCKESSON'S TOTAL CUMULATIVE LIABILITY UNDER, IN CONNECTION WITH, OR RELATED TO THIS AGREEMENT WILL BE LIMITED TO THE TOTAL FEES PAID (LESS ANY REFUNDS OR CREDITS) BY CUSTOMER TO MCKESSON UNDER THE AGREEMENT FOR THE SERVICE GIVING RISE TO THE CLAIM DURING THE 12-MONTH PERIOD PRECEDING THE DATE OF THE CLAIM, AS APPLICABLE, WHETHER BASED ON BREACH OF CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY, OR OTHERWISE.
- 5.3.2 Exclusion of Damages. IN NO EVENT WILL MCKESSON BE LIABLE TO CUSTOMER UNDER, IN CONNECTION WITH, OR RELATED TO THIS AGREEMENT FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR LOSS OF GOODWILL, WHETHER BASED ON BREACH OF CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT MCKESSON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.
- 5.3.3 Processing Services Liability Limitation. DUE TO THE NATURE OF THE PROCESSING SERVICES, CUSTOMER ACKNOWLEDGES AND AGREES THAT (A) IN NO EVENT WILL MCKESSON BE LIABLE FOR ANY LOSS, DAMAGE, COST OR EXPENSE ARISING FROM THE INACCURACY, INVALIDITY, INCOMPLETENESS, ERROR, OMISSION, MISDELIVERY, OR OTHER FAULT OF CUSTOMER, ANY PAYOR, OR ANY THIRD PARTY AND RELATING TO ANY INFORMATION OR TRANSACTION PROVIDED TO OR PROCESSED BY MCKESSON, AND (B) IN NO EVENT WILL MCKESSON BE LIABLE FOR ANY CLAIM, LOSS CORRECTION, DAMAGE OR EXPENSE CAUSED

BY MCKESSON'S PERFORMANCE OF THE PROCESSING SERVICES OR FAILURE TO PERFORM SUCH PROCESSING SERVICES WHICH IS NOT REPORTED WITHIN 12 MONTHS OF SUCH PERFORMANCE OR FAILURE TO PERFORM.

- 5.3.4 <u>Material Consideration</u>. THE PARTIES ACKNOWLEDGE THAT THE FOREGOING LIMITATIONS ARE A MATERIAL CONDITION FOR THEIR ENTRY INTO THIS Agreement.
- 5.3.5 <u>Internet Disclaimer</u>. CERTAIN PRODUCTS AND SERVICES PROVIDED BY MCKESSON UTILIZE THE INTERNET. MCKESSON DOES NOT WARRANT THAT SUCH SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR COMPLETELY SECURE. MCKESSON DOES NOT AND CANNOT CONTROL THE FLOW OF DATA TO OR FROM MCKESSON'S OR CUSTOMER'S NETWORK AND OTHER PORTIONS OF THE INTERNET. SUCH FLOW DEPENDS IN LARGE PART ON THE INTERNET SERVICES PROVIDED OR CONTROLLED BY THIRD PARTIES. ACTIONS OR INACTIONS OF SUCH THIRD PARTIES CAN IMPAIR OR DISRUPT CUSTOMER'S CONNECTIONS TO THE INTERNET (OR PORTIONS THEREOF). ACCORDINGLY, MCKESSON DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATED TO SUCH EVENTS.

5.4 Term and Termination.

- 5.4.1 <u>Term.</u> The term for this Agreement is set forth on the signature page.
- 5.4.2 <u>Suspension/Termination of Processing Services for Non-Payment</u>. If Customer fails to pay any fees or other charges when due hereunder for a period of seven days after McKesson's written notice to Customer of such failure, then McKesson may take any or all of the following actions at McKesson's sole discretion: (a) immediately terminate this Agreement, (b) withhold services under any other contract between Customer and McKesson until that non-payment is cured, and (c) upon termination of this Agreement pursuant to this Section 5.4.2, refrain from providing any transition assistance to Customer and accelerate any remaining payments due hereunder for the remainder of the Term, which amounts will become immediately due and payable by Customer.
- 5.4.3 <u>Termination</u>. A party may terminate the Agreement immediately upon notice to the other party if the other party: (a) materially breaches the Agreement and fails to remedy, or fails to commence reasonable efforts to remedy, such breach within 60 days after receiving notice of the breach from the terminating party, (b) infringes the terminating party's intellectual property rights and fails to remedy, or fails to commence reasonable efforts to remedy, such breach within ten days after receiving notice of the breach from the terminating party, (c) materially breaches the Agreement in a manner that cannot be remedied, or (d) commences dissolution proceedings or ceases to operate in the ordinary course of business.
- 5.4.4 <u>Orderly Transition</u>. Except in the event of termination relating to Customer's material breach or infringement of McKesson's intellectual property rights, for a period of up to six months following termination or expiration of the Agreement: (a) each Product license will continue, together with Customer's obligation to pay fees, (b) McKesson will cooperate with Customer in an orderly transition, and (c) Customer will pay McKesson fees for any Processing Services that McKesson performs for Customer during such period at the Prevailing Rate(s). Except as expressly set forth in this Section, McKesson is relieved of its obligation to provide Processing Services to Customer immediately upon termination of this Agreement.
- 5.4.5 <u>Obligations upon Termination or Expiration</u>. At the end of any transition period under Section 5.4.4, or the termination or expiration of this Agreement if no transition period applies, Customer will promptly cease using the Processing Services.
- 5.4.6 <u>Survival of Provisions</u>. Those provisions of this Agreement that, by their nature, are intended to survive termination or expiration of this Agreement will remain in full force and effect, including, without limitation, the following Sections of this Agreement: 3 (Payment), 5.1 (Confidentiality and Proprietary Rights), 5.2 (Intellectual Property Infringement), 5.3 (Limitation of Liability), 5.4.4 (Orderly

- Transition), 5.4.5 (Obligations upon Termination), 5.4.6 (Survival of Provisions), 5.5 (Books and Records), 5.7 (Discount Reporting) and 5.8 5.20 (Governing Law Entire Agreement).
- Books and Records. The parties agree to make available, upon the written request of the Secretary of Health and Human Services, the Comptroller General, or their representatives, this Agreement and such books, documents, and records as may be necessary to verify the nature and extent of the costs of Processing Services rendered hereunder to the full extent required by the Centers for Medicare and Medicaid Services implementing Section 952 of the Omnibus Reconciliation Act of 1980, 42 U.S.C. Section 1395x(v)(1)(1).
- 5.6 Business Associate. The parties agree to the obligations set forth on Exhibit D.
- 5.7 <u>Discount Reporting</u>. This Agreement may contain a discount that Customer is required to report in its cost reports or another appropriate manner under applicable federal and state anti-kickback laws, including 42 U.S.C. Sec. 1320a-7b(b)(3)(A) and the regulations found at 42 C.F.R. Sec. 1001.952(h). Customer will be responsible for reporting, disclosing and maintaining appropriate records with respect to the discount and making those records available under Medicare, Medicaid or other applicable government health care programs.
- 5.8 <u>Governing Law.</u> This Agreement is governed by and will be construed in accordance with the laws of the State of Georgia, exclusive of its rules governing choice of law and conflict of laws and any version of the Uniform Commercial Code. Each party agrees that exclusive venue for all actions, relating in any manner to this Agreement will be in a federal or state court of competent jurisdiction located in Fulton County, Georgia. Any action relating to this Agreement, other than collection of outstanding payments, must be commenced within one year after the date upon which the cause of action accrued.
- Assignment and Subcontracts. Customer will not assign this Agreement without the prior written consent of McKesson, which will not be unreasonably withheld. McKesson may, upon notice to Customer, assign this Agreement to any affiliate or to any entity resulting from the transfer of all or substantially all of McKesson's assets or capital stock or from any other corporate reorganization. McKesson may subcontract its obligations under this Agreement.
- 5.10 <u>Severability</u>. If any part of a provision of this Agreement is found illegal or unenforceable, it will be enforced to the maximum extent permissible, and the legality and enforceability of the remainder of that provision and all other provisions of this Agreement will not be affected.
- Notices. All notices relating to the parties' legal rights and remedies under this Agreement will be provided in writing and will reference this Agreement. Such notices will be deemed given if sent by: (a) postage prepaid registered or certified U.S. Post mail, then five working days after sending; or (b) commercial courier, then at the time of receipt confirmed by the recipient to the courier on delivery. All notices to a party will be sent to its address set forth on the cover page hereto, or to such other address as may be designated by that party by notice to the sending party.
- 5.12 <u>Waiver</u>. Failure to exercise or enforce any right under this Agreement will not act as a waiver of such right.
- 5.13 <u>Force Majeure</u>. Except for the obligation to pay money, a party will not be liable to the other party for any failure or delay caused by a Force Majeure Event, whether or not such matters were foreseeable, and such failure or delay will not constitute a material breach of this Agreement.
- 5.14 <u>Amendment</u>. This Agreement may be modified, or any rights under it waived, only by a written document executed by the authorized representatives of both parties
- 5.15 <u>No Third Party Beneficiaries</u>. Nothing in this Agreement will confer any right, remedy, or obligation upon anyone other than Customer and McKesson.

- 5.16 <u>Relationship of Parties</u>. Each party is an independent contractor of the other party. This Agreement will not be construed as constituting a relationship of employment, agency, partnership, joint venture or any other form of legal association. Neither party has any power to bind the other party or to assume or to create any obligation or responsibility on behalf of the other party or in the other party's name.
- 5.17 <u>Non-solicitation of Employees</u>. Neither party will directly or indirectly solicit for employment any employee of the other party during the Term and for a period of one year thereafter without the written consent of the other party. This prohibition will not apply if an employee answers a party's notice of a job listing or opening, advertisement or similar general publication of a job search or availability for employment.
- 5.18 <u>Publicity</u>. The parties may publicly announce that they have entered into this Agreement and describe their relationship in general terms, excluding financial terms. Neither party will make any other public announcement or press release regarding this Agreement or any activities performed hereunder without the prior written consent of the other party.
- 5.19 <u>Construction of Agreement</u>. This Agreement will not be presumptively construed for or against either party. Section titles are for convenience only. As used in this Agreement, "will" means "shall," and "include" means "includes without limitation." The parties may execute this Agreement in one or more counterparts, each of which will be deemed an original and one and the same instrument.
- 5.20 <u>Entire Agreement</u>. This Agreement, is the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding and replacing all prior agreements, communications, and understandings (written and oral) regarding its subject matter. Terms and conditions on or attached to Customer purchase orders will be of no force or effect, even if acknowledged or accepted by McKesson.

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EXHIBIT D

BUSINESS ASSOCIATE AGREEMENT

SECTION 1: : DEFINITIONS

- "Breach" shall have the same meaning given to such term in 42 U.S.C. § 17921(1) and 45 C.F.R. § 164.402.
- "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
- "Electronic Health Record" shall have same meaning given to such term in 42 U.S.C. § 17921(5).
- "Electronic Protected Health Information" or "Electronic PHI" shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. § 160.103, as applied to the information that McKesson creates, receives, maintains or transmits from or on behalf of Customer.
- "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 162 and Part 164, Subparts A and E.
- "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, as applied to the information created or received by McKesson from or on behalf of Customer.
- "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
- "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.
- "Security Incident" shall have the meaning given to such term in 45 C.F.R. § 164.304, but shall not include, (a) unsuccessful attempts to penetrate computer networks or servers maintained by McKesson and (b) immaterial incidents that occur on a routine basis, such as general "pinging" or "denial of service" attacks.
- "Security Rule" shall mean the Security Standards at 45 C.F.R. Parts 160 and 162 and Part 164, Subparts A and C.
- "Unsecured PHI" shall have the same meaning given to such term under 42 U.S.C. § 17931(h), and guidance promulgated thereunder.
- <u>Capitalized Terms</u>. Capitalized terms used in this BAA and not otherwise defined herein shall have the meanings set forth in the Privacy Rule, the Security Rule, and the HITECH Act, which definitions are incorporated in this BAA by reference.

SECTION 2: PERMITTED USES AND DISCLOSURES OF PHI

2.1 <u>Uses and Disclosures of PHI Pursuant to Agreement</u>. Except as otherwise limited in this BAA, McKesson may use or disclose PHI to perform functions, activities or services for, or on behalf of,

Customer as specified in the Agreement, provided that such use or disclosure would not violate the Privacy Rule if done by Customer.

- 2.2 <u>Permitted Uses of PHI by McKesson</u>. Except as otherwise limited in this BAA, McKesson may use PHI for the proper management and administration of McKesson or to carry out the legal responsibilities of McKesson.
- 2.3 Permitted Disclosures of PHI by McKesson. Except as otherwise limited in this BAA, McKesson may disclose PHI for the proper management and administration of McKesson, provided that the disclosures are Required by Law, or McKesson obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person (which purpose must be consistent with the limitations imposed upon McKesson pursuant to this BAA), and that the person agrees to notify McKesson of any instances of which it is aware in which the confidentiality of the information has been breached. McKesson may use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).
- 2.4 <u>Data Aggregation</u>. Except as otherwise limited in this BAA, McKesson may use PHI to provide Data Aggregation services as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B), including use of PHI for statistical compilations, reports, research and all other purposes allowed under applicable law.
- 2.5 <u>De-identified Data</u>. McKesson may create de-identified PHI in accordance with the standards set forth in 45 C.F.R. § 164.514(b) and may use or disclose such de-identified data for any purpose.
- 2.6 <u>Disclosure Pursuant to Authorization</u>. Without limiting the generality of the foregoing, McKesson reserves the right at its sole discretion to disclose an Individual's PHI in response to and in accordance with a valid authorization executed by such individual that meets the requirements set forth in the Privacy Rule.

SECTION 3: OBLIGATIONS OF MCKESSON

3.1 Appropriate Safeguards.

- 3.1.1 <u>Privacy of PHI</u>. McKesson will develop, implement, maintain, and use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by the Agreement and this BAA. The safeguards must reasonably protect PHI from any intentional or unintentional use or disclosure in violation of the Privacy Rule and this BAA, and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this BAA.
- 3.1.2. <u>Security of PHI</u>. McKesson will develop, implement, maintain, and use appropriate administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of Electronic PHI, as required by the Security Rule. Commencing on February 17, 2010, McKesson will comply with the provisions of 45 C.F.R. §§ 164.308, 164.310, 164.312 and 164.316 relating to implementation of administrative, physical and technical safeguards with respect to Electronic PHI in the same manner that such provisions apply to a HIPAA covered entity. McKesson will also comply with any additional security requirements contained in the HITECH Act that are applicable to a business associate.
- 3.2 Reporting of Improper Use or Disclosure, Security Incident or Breach. McKesson will report to Customer any use or disclosure of PHI not provided for by the Agreement of which it becomes aware. McKesson will report to Customer any Security Incident of which it becomes aware. McKesson will notify Customer of any Breach of Unsecured PHI as soon as practicable, and no later than 30 days after discovery of such Breach. McKesson's notification to Customer of a Breach will include: (a) the identification of each individual whose Unsecured PHI has been, or is reasonably believed by McKesson to have been, accessed, acquired or disclosed during the Breach; and (b) any particulars regarding the

Breach that Customer would need to include in its notification, as such particulars are identified in 42 U.S.C. § 17932 and 45 C.F.R. § 164.404.

- 3.3 <u>McKesson's Agents</u>. McKesson will ensure that any agent or subcontractor to whom it provides PHI received from, or created or received by McKesson on behalf of Customer, agrees to restrictions and conditions that are substantially similar to those that apply through this BAA to McKesson with respect to such PHI. McKesson will ensure that any agent, including a subcontractor, to whom it provides Electronic PHI agrees to implement reasonable and appropriate safeguards to protect such information.
- Access to PHI. The parties do not intend for McKesson to maintain any PHI in a Designated Record Set for Customer. To the extent McKesson possesses PHI in a Designated Record Set, McKesson agrees to make such information available to Customer pursuant to 45 C.F.R. § 164.524 and 42 U.S.C. § 17935(e)(1), as applicable, within ten business days of McKesson's receipt of a written request from Customer; provided, however, that McKesson is not required to provide such access where the PHI contained in a Designated Record Set is duplicative of the PHI contained in a Designated Record Set possessed by Customer. If an Individual makes a request for access pursuant to 45 C.F.R. § 164.524 directly to McKesson, or inquires about his or her right to access, McKesson will direct the Individual to Customer.
- 3.5 Amendment of PHI. The parties do not intend for McKesson to maintain any PHI in a Designated Record Set for Customer. To the extent McKesson possesses PHI in a Designated Record Set, McKesson agrees to make such information available to Customer for amendment pursuant to 45 C.F.R. § 164.526 within 20 business days of McKesson's receipt of a written request from Customer. If an Individual submits a written request for amendment pursuant to 45 C.F.R. § 164.526 directly to McKesson, or inquires about his or her right to amendment, McKesson will direct the Individual to Customer.
- 3.6 <u>Documentation of Disclosures</u>. McKesson agrees to document such disclosures of PHI and information related to such disclosures as would be required for Customer to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528, and 42 U.S.C. § 17935(c), as applicable. McKesson will document, at a minimum, the following information ("Disclosure Information"): (a) the date of the disclosure; (b) the name and, if known, the address of the recipient of the PHI; (c) a brief description of the PHI disclosed; (d) the purpose of the disclosure that includes an explanation of the basis for such disclosure; and (e) any additional information required under the HITECH Act and any implementing regulations.
- 3.7 <u>Accounting of Disclosures.</u> McKesson agrees to provide to Customer, within 20 business days of McKesson's receipt of a written request from Customer, information collected in accordance with Section 3.6 of this BAA, to permit Customer to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528, and 42 U.S.C. § 17935(c), as applicable.
- 3.8 <u>Governmental Access to Records.</u> McKesson will make its internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by McKesson on behalf of, Customer available to the Secretary for purposes of the Secretary determining Customer's compliance with the Privacy Rule and the Security Rule.
- 3.9 <u>Mitigation</u>. To the extent practicable, McKesson will cooperate with Customer's efforts to mitigate a harmful effect that is known to McKesson of a use or disclosure of PHI not provided for in this BAA.
- 3.10 <u>Minimum Necessary</u>. McKesson will request, use and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure, in accordance with 42 U.S.C. § 17935(b) and regulations promulgated thereunder.
- 3.11 <u>Limitation on Marketing</u>. McKesson may use and disclose PHI for marketing purposes only as expressly directed by Customer, and in accordance with 42 U.S.C. § 17936(a). McKesson will not use or disclose PHI for fundraising purposes.

- 3.12 <u>Limitation on Sale of Electronic Health Records and PHI</u>. McKesson will comply with the prohibition on the sale of Electronic Health Records and PHI set forth in 42 U.S.C. § 17935(d).
- 3.13 <u>HITECH Act Applicability</u>. McKesson acknowledges that enactment of the HITECH Act amended certain provisions of HIPAA in ways that now directly regulate, or will on future dates directly regulate, McKesson under the Privacy Rule and Security Rule. To the extent not referenced or incorporated herein, requirements applicable to McKesson under the HITECH Act are hereby incorporated by reference into this BAA. McKesson agrees to comply with applicable requirements imposed under the HITECH Act, as of the effective date of each such requirement.

SECTION 4: OBLIGATIONS OF CUSTOMER

- 4.1 <u>Notice of Privacy Practices.</u> Customer will notify McKesson of any limitation(s) in its notice of privacy practices in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect McKesson's use or disclosure of PHI. Customer will provide such notice no later than 15 days prior to the effective date of the limitation.
- 4.2 <u>Notification of Changes Regarding Individual Permission</u>. Customer will notify McKesson of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect McKesson's use or disclosure of PHI. Customer will provide such notice no later than 15 days prior to the effective date of the change. Customer will obtain any consent or authorization that may be required by the Privacy Rule, or applicable state law, prior to furnishing McKesson with PHI.
- Notification of Restrictions to Use or Disclosure of PHI. Customer will notify McKesson of any restriction to the use or disclosure of PHI that Customer has agreed to in accordance with 45 C.F.R. § 164.522 or 42 U.S.C. § 17935(a), to the extent that such restriction may affect McKesson's use or disclosure of PHI. Customer will provide such notice no later than 15 days prior to the effective date of the restriction. If McKesson reasonably believes that any restriction agreed to by Customer pursuant to this Section may materially impair McKesson's ability to perform its obligations under the Agreement or this BAA, the parties will mutually agree upon any necessary modification of McKesson's obligations under such agreements.
- 4.4 <u>Permissible Requests by Customer.</u> Customer will not request McKesson to use or disclose PHI in any manner that would not be permissible under the Privacy Rule, the Security Rule or the HITECH Act if done by Customer, except as permitted pursuant to the provisions of Sections 2.2, 2.3, 2.4, 2.5 and 2.6 of this BAA.

SECTION 5: TERM AND TERMINATION

- 5.1 <u>Term.</u> The term of this BAA will commence as of the Effective Date, and will terminate when all of the PHI provided by Customer to McKesson, or created or received by McKesson on behalf of Customer, is destroyed or returned to Customer or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with Section 5.3.
- 5.2 <u>Termination for Cause</u>. Upon either party's knowledge of a material breach by the other party of this BAA, such party will provide written notice to the breaching party detailing the nature of the breach and providing an opportunity to cure the breach within 30 business days. Upon the expiration of such 30 day cure period, the non-breaching party may terminate this BAA and, at its election, the Agreement, if cure is not possible.

5.3 <u>Effect of Termination</u>.

5.3.1 Except as provided in Section 5.3.2, upon termination of the Agreement or this BAA for any reason, McKesson will return or destroy all PHI received from Customer, or created or received by

McKesson on behalf of Customer, and will retain no copies of the PHI. This provision will apply to PHI that is in the possession of subcontractors or agents of McKesson.

5.3.2 If it is infeasible for McKesson to return or destroy the PHI upon termination of the Agreement or this BAA, McKesson will: (a) extend the protections of this BAA to such PHI; (b) limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as McKesson maintains such PHI; and (c) never disclose such PHI to another McKesson client or third party unless such information has been de-identified in accordance with the standards set forth in 45 C.F.R. § 164.514(b).

SECTION 6: SURVIVAL

The respective rights and obligations of McKesson under Section 5.3 of this BAA will survive the termination of the BAA and the Agreement.

SECTION 7: EFFECT OF BAA

In the event of any inconsistency between the provisions of this BAA and the Agreement, the provisions of the BAA will control. In the event of inconsistency between the provisions of this BAA and mandatory provisions of the Privacy Rule, the Security Rule or the HITECH Act, as amended, or their interpretation by any court or regulatory agency with authority over McKesson or Customer, such interpretation will control; provided, however, that if any relevant provision of the Privacy Rule, the Security Rule or the HITECH Act is amended in a manner that changes the obligations of McKesson or Customer that are embodied in terms of this BAA, then the parties agree to negotiate in good faith appropriate non-financial terms or amendments to this BAA to give effect to such revised obligations. Where provisions of the BAA are different from those mandated in the Privacy Rule, the Security Rule, or the HITECH Act, but are nonetheless permitted by such rules as interpreted by courts or agencies, the provisions of the BAA will control.

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EXHIBIT E

AUTOMATED PAYMENT AUTHORIZATION FORM

Customer must fax this completed Automated Payment Authorization form to McKesson at (770) 237-4313, Attn: Cash Applications, or mail it to McKesson at: McKesson, Cash Applications, ATHQ0400, 5995 Windward Parkway, Alpharetta, GA, 30005. If Customer has any questions, please contact McKesson at: (800) 894-0333. (Select One Option).

Option 1: Authorization Agreement for Automated Clearing House Debits

Customer Name:						
Billing Address:						
depository named be current and accurate	uthorizes McKesson to initiate debit elelow ("Depository") to debit the same to ACH information. Customer shall procKesson via fax or mail as set forth about	o such ac vide repla	count. Customer	agrees to provide at all times		
Depository Name:		Transit	/ABA Number:			
Branch:		Bank Account Number:				
City, State, Zip:						
This authority is to remain in full force and effect until McKesson and Depository has received written notification from me of termination of this authorization in such time and in such manner as to afford McKesson and Depository a reasonable opportunity to act on it. I have the right to stop payment of a debit entry by written notification to McKesson and Depository, and provision of acceptable replacement payment information, at such time as to afford McKesson and Depository a reasonable opportunity to act on it prior to charging my account. After the account has been charged, I have the right to have the amount of the erroneous debit immediately credited to my account by Depository provided I send written notice of such debit entry in error to McKesson and Depository within 15 days following the issuance of the account statement or 45 days after posting, whichever occurs first. This agreement is subject to all terms and conditions shown above.						
Signature:	Т	itle:				
Print Name:	С	Date:				
Option 2: Credit Ca	rd Authorization					
Customer hereby authorizes McKesson to initiate charges to the credit card account indicated below. Customer agrees to provide at all times current and accurate credit card information. Customer shall provide replacement information, in writing, within 30 days of change directly to McKesson via fax or mail as set forth above.						
Customer Name:	Ту	pe of Acc		☐ Master Card can Express ☐ Other:		
Address:	Ac	count Nu	mber:			
Cardholder Name:	Ex	xpiration D	Date:			
Billing Address:						
This authority is to remain in full force and effect until McKesson has received written notification from me of termination of this authorization in such time and in such manner as to afford McKesson a reasonable opportunity to act on it. I have the right to stop payment of a credit card charge by written notification to McKesson, and provision of acceptable replacement payment information, at such time as to afford McKesson a reasonable opportunity to act on it prior to charging my credit card account. This agreement is subject to all terms and conditions shown above. I agree to pay the above total according to the terms and conditions of the card issue agreement.						
Signature:	Т	ītle:				

Date:

Print Name: