

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT ("MSA") is entered into as of January 17, 2018 ("Effective Date") by and between Healthcare Resource Group, Inc. (HRG), and Tulare Regional Medical Center (CLIENT) (each a Party, and, collectively, the Parties).

RECITALS

- A. HRG is a Washington corporation with its corporate office located at 12610 East Mirabeau Parkway, Suite 800, Spokane Valley, Washington 99216.
- B. CLIENT is a California public entity with its corporate office located at 869 Cherry Avenue, Tulare, California 93274.

In consideration of the mutual promises and agreements contained herein and in associated Letter(s) of Understanding (LOU) specifying details of services HRG desires to provide CLIENT, and CLIENT desires to obtain from HRG.

ARTICLE I SERVICES

- 1.1 This MSA together with (i) the executed Business Associate Agreement (BAA) and (ii) the associated LOU(s) executed from time to time during the term of this MSA, which is (are) hereby incorporated by reference (collectively, the "AGREEMENT"), represents the terms and conditions of the Parties' contractual relationship and the services to be provided thereunder ("Services"). Terms not defined herein shall have the same meaning as set forth in the LOU(s). To the extent there is any conflict between the terms of the MSA and the terms of any LOU, the terms of the MSA control.

ARTICLE II TIMELY and PROFESSIONAL PERFORMANCE

- 2.1 HRG will use all reasonable efforts to provide Services within the timeframe stipulated in the associated LOU(s). HRG will exercise due professional care and competence in the performance of the Services. HRG will not be liable for failures or delays in the performance of Services that arise from causes beyond its control, including the untimely performance by CLIENT, its representatives, advisors or agents of its obligations under the AGREEMENT.

ARTICLE III CONFIDENTIALITY

- 3.1 Subject to the limitations set forth in Section 3.2, all information disclosed by CLIENT to HRG shall be deemed to be "Confidential Information" for all purposes of this AGREEMENT.
- 3.2 The term "Confidential Information" shall not include information that: (i) is now, or hereafter becomes, through no act or failure to act on the part of HRG, generally known or available in the public domain, (ii) is known by HRG at the time of receiving such information, (iii) is hereafter furnished to HRG by a third party, as a matter of right and without restriction on disclosure, (iv) is the subject of a written permission to disclose provided by CLIENT, or (v) is in response to a subpoena or order of a court or other governmental body of the United States or any political subdivision thereof or otherwise required by law to be disclosed, provided that HRG gives prompt written notice of such requirement prior to disclosure.
- 3.3 HRG shall maintain all Confidential Information in trust and confidence and may use such Confidential Information only to the extent required to provide Services under this AGREEMENT. HRG shall not disclose any Confidential Information for any other purpose or in any manner that would constitute a violation of any laws or regulations, including without limitation the export control laws of the United States. No rights or licenses to trademarks, inventions, copyrights, or patents are implied or granted under this AGREEMENT. Nothing in this AGREEMENT grants HRG the right to distribute or commercialize any Confidential Information.
- 3.4 HRG shall protect the Confidential Information received with the same degree of care used to protect its own Confidential Information from unauthorized use or disclosure, but in no event less than reasonable care.



ARTICLE IV
COMPENSATION

- 4.1 The full compensation payable to HRG by CLIENT for all Services shall be as set forth in the LOU(s).
- 4.2 Invoice terms are net 30. Interest shall accrue at eighteen percent (18%) annually or the maximum rate permitted by applicable law, whichever is less, on any unpaid balance.

ARTICLE V
TERM and TERMINATION

- 5.1 HRG and CLIENT shall have the right to terminate this AGREEMENT immediately if after HRG GoLive: (i) HRG or CLIENT shall declare bankruptcy, or (ii) if HRG or CLIENT has materially breached any covenants or conditions of the AGREEMENT and not cured such breach within the time period set forth in Section 5.3. In such event, HRG will cease providing Services hereunder except on work, mutually agreed upon in writing, necessary to carry out such termination. In the event of termination: (a) CLIENT shall pay HRG for Services provided and expenses incurred through the effective date of termination, (b) HRG will provide CLIENT with all finished reports that HRG has prepared pursuant to this AGREEMENT, and (c) neither Party shall be liable to the other for any damages that occur as a result of HRG's ceasing to render Services.
- 5.2 If HRG shall materially breach any of the covenants and conditions of this AGREEMENT or fail to perform or meet its responsibilities associated with this AGREEMENT, CLIENT shall notify HRG in writing as to the issues. HRG shall have thirty (30) days to correct the breach of covenants and conditions or correct performance and meet responsibilities. If HRG fails to do so, CLIENT shall have the right to terminate this AGREEMENT.
- 5.3 If CLIENT shall materially breach any of the covenants and conditions of this AGREEMENT or fail to perform or meet its responsibilities associated with this AGREEMENT, HRG shall notify CLIENT in writing as to the issues. CLIENT shall have thirty (30) days to correct the breach of covenants and conditions or correct performance and meet responsibilities. If CLIENT fails to do so, HRG shall have the right to terminate this AGREEMENT.
- 5.4 HRG reserves the right to terminate this AGREEMENT, in part or in full, if CLIENT's account balance ages beyond ninety (90) days past due. If HRG elects to suspend the AGREEMENT for nonpayment, HRG will not resume work until CLIENT's account is paid in full. If HRG elects to terminate the AGREEMENT for nonpayment, or as otherwise provided in this AGREEMENT, HRG's engagement will be deemed to have been completed upon written notification of termination, even if HRG has not completed the Services subject to this AGREEMENT. CLIENT will be obligated to compensate HRG for fees earned for Services rendered and to reimburse HRG for all out-of-pocket expenditures made through the date of termination. CLIENT acknowledges and agrees that in the event HRG suspends or terminates this AGREEMENT as a result of CLIENT's failure to pay on a timely basis for Services rendered by HRG as provided in this AGREEMENT, or if HRG terminates this AGREEMENT for any other reason, HRG shall not be liable to CLIENT for any damages that occur as a result of HRG's ceasing to render Services.

ARTICLE VI
INDEMNIFICATION and LIABILITY

- 6.1 CLIENT agrees that HRG's total liability for any and all damages whatsoever arising out of or in any way related to this AGREEMENT from any cause including, but not limited to, contract liability or HRG's negligence, errors, omissions, strict liability, breach of contract or breach of warranty shall not, in the aggregate, exceed the fees paid to HRG under this AGREEMENT. In no event will either Party be liable to the other for any special, indirect, incidental, or consequential damages in connection with or otherwise arising out of this AGREEMENT, even if advised of the possibility of such damages, and in no event shall either Party be liable for exemplary or punitive damages arising out of or related to this AGREEMENT.



- 6.2 CLIENT shall defend, indemnify and hold HRG, its directors, officers and employees harmless from and against all claims, demands, liabilities, damages, expenses (including attorney’s fees) for any injury or damages caused or asserted to have been caused by the acts of CLIENT.
- 6.3 HRG shall defend, indemnify and hold harmless CLIENT, its directors, officers and employees harmless from and against all claims, demands, liabilities, damages, expenses (including attorney’s fees) for any injury or damages caused or asserted to have been caused by the acts of HRG.

ARTICLE VII
INSURANCE

- 7.1 During the term of this MSA, HRG shall at all times maintain in full force and effect, the following policy or policies of insurance:
 - 7.1.1 Comprehensive General Liability insurance (including personal injury, bodily injury, property damage, owners and contractors protective liability, products liability and completed operations liability, and contractual liability coverage) in an amount not less than One Million Dollars (\$1,000,000) per occurrence and aggregate.
 - 7.1.2 Professional Liability insurance in an amount not less than One Million Dollars (\$1,000,000) per occurrence and aggregate.
 - 7.1.3 Workers’ Compensation insurance in such amount and form as required by law.

ARTICLE VIII
NOTICES

- 8.1 All notices hereunder shall be in writing and delivered: (i) personally or by email, (ii) by certified or registered mail with return receipt requested, or (iii) by overnight courier. Notice shall be deemed to have been duly given when: (i) delivered personally, (ii) when deposited in the United States mail with postage prepaid, or (iii) when deposited with the overnight courier. Notices shall be addressed as follows:

To HRG: <hr/> Healthcare Resource Group, Inc. <hr/> 12610 East Mirabeau Parkway, Suite 800 <hr/> Spokane Valley, Washington 99216 <hr/> Attn: Kris Ditzler, Chief Financial Officer <hr/> Email: kditzler@hrgpros.com <hr/>	To CLIENT: <hr/> Tulare Regional Medical Center <hr/> 869 Cherry Avenue <hr/> Tulare, California 93274 <hr/> Attn: <hr/> Email: <hr/>
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Or to such other persons or places as either Party may from time to time designate by notice pursuant to this Article.

ARTICLE IX
DISPUTE RESOLUTION

- 9.1 This AGREEMENT and any dispute between the Parties, including without limitation any dispute arising out of or related to this AGREEMENT (“Dispute”) shall be governed by the laws of the State of Washington, without giving effect to any conflicts of laws principles. If a Dispute arises and cannot be settled through negotiations, the Parties agree first to try in good faith to settle the Dispute by mediation using an agreed upon mediator. If the Parties are unable to agree on a mediator, the Parties shall petition the state court that would have jurisdiction over this matter if litigation were to ensue and request the appointment of a mediator, and such appointment shall be binding on the Parties. Each Party shall be responsible for its own mediation expenses, and shall share equally in the mediator’s fees and expenses. If a Dispute cannot be settled through mediation, each Party hereby irrevocably: (i) consents to the exclusive jurisdiction and venue of the appropriate



state or federal court located in Spokane County, State of Washington in connection with any Dispute or the enforcement of any right or obligation under the AGREEMENT, and (ii) waives its right to a jury trial. Each Party further agrees that any suit arising out of or related to a Dispute or to this AGREEMENT must be filed in a court of proper jurisdiction within one (1) year after the cause of action arises.

ARTICLE X
MISCELLANEOUS

- 10.1 **Legal Compliance.** CLIENT and HRG shall comply with all applicable federal, state and local laws, regulations, ordinances and orders with respect to the performance of the Services hereunder.
- 10.2 **Independent Contractors.** The Parties intend that HRG shall be an independent contractor with and to CLIENT under this AGREEMENT and not an employee of CLIENT. Nor shall CLIENT be considered a partner or joint venture with HRG for purposes of State law, notwithstanding the use of the word “partner,” “business partner,” or “OutPartnering™” in referring to the Parties’ relationship.
- 10.3 **Legal Understanding, Effect and Interpretation.** This AGREEMENT is the product of negotiation and compromise and shall not be interpreted particularly for or against either Party because that Party’s legal representative drafted the AGREEMENT or any portion of it. Any ambiguity found in the AGREEMENT shall not be construed for or against either of the Parties to this AGREEMENT. Both Parties further represent and certify that each understands the contents of this AGREEMENT, executed it under its own free will and choosing, and either retained legal counsel, or had the opportunity to do so and voluntarily declined, in connection with the drafting and execution of this AGREEMENT
- 10.4 **Modifications.** No provision of this AGREEMENT may be waived, changed, modified, or the termination or discharge thereof agreed to except by the mutual written agreement of CLIENT and HRG.
- 10.5 **Existing Agreements.** HRG warrants and represents that there are no agreements to which HRG is a party that would prevent timely and complete performance of the terms and conditions of this AGREEMENT, and HRG agrees not to enter into any such agreement during the pendency of this AGREEMENT. HRG shall devote HRG’s best efforts to performing the Services required by and in accordance with this AGREEMENT.
- 10.6 **Force Majeure.** HRG will not be penalized if performance by HRG of any obligation under this AGREEMENT is prevented, restricted or interfered with by causes beyond HRG’s control including, without limitation, failure or malfunction of CLIENT supplied systems or system access, acts of God, explosions, vandalism, storms, fires, floods or other catastrophes, power failures, national emergencies, insurrections, riots, wars, acts of terrorism, strikes, lockouts, boycotts, work stoppages or other labor difficulties, or any law, order, regulation or other actions of any governmental authority, agency, instrumentality, or of any civil or military authority.
- 10.7 **Severability.** The invalidity or unenforceability of any provision of this AGREEMENT will not affect the validity or enforceability of any other provisions of the AGREEMENT, and this AGREEMENT must be enforced in all respects as if the invalid or unenforceable provisions were omitted, subject to the following provision. If any particular provision of this AGREEMENT is held by a court competent jurisdiction to be unreasonable, unlawful, or otherwise unenforceable, such provision will be modified to the extent necessary for such provision to be legally enforceable to the fullest extent permitted by applicable law.
- 10.8 **Attorney’s Fees.** If any dispute or lawsuit arises out of or under this AGREEMENT including, without limitation, any dispute or lawsuit involving the interpretation, performance, or enforcement of this AGREEMENT, the prevailing Party shall be entitled to an award of their reasonable attorneys’ fees and costs, which includes all fees and costs incurred pre-lawsuit, pre-trial, trial, and through any appeal.
- 10.9 **Headings.** All captions, section, and item heading contained in this AGREEMENT are for convenience only and shall not affect the meaning, construction or interpretation of any term, provision or condition of this AGREEMENT.
- 10.10 **Non-waiver.** No waiver of any breach of this AGREEMENT shall be construed to be a waiver as to any succeeding breaches and the non-breaching Party reserves all rights to proceed against the breaching Party for future breaches.



- 10.11 General Assignment. Neither Party may transfer or assign its rights or delegate its obligations under this AGREEMENT to a third party, except that HRG may transfer its rights and obligations under this AGREEMENT, without the CLIENT'S prior consent, to a successor in interest or affiliated entity pursuant to a merger, consolidation, change of control, reorganization or sale of all or substantially all of the assets of HRG.
- 10.12 Counterparts. This MSA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimiles of signed copies hereof shall be deemed to be originals.
- 10.13 Electronic Signature. As it is applicable to this Agreement and any pursuant Agreements, the parties agree to and adopt the terms and conditions of the Washington Electronic Authentication Act, 19.34 RCW, including but not limited to the provisions governing electronic signatures. As such, this Agreement is "signed" if it includes a digital signature, symbol and/or action that is adopted or performed by either Party or Party's electronic agent with the present intent to authenticate or manifest assent to the Agreement.

IN WITNESS WHEREOF, the Parties have executed this MSA on the date first set forth above.

Healthcare Resource Group, Inc.

Tulare Regional Medical Center

CLIENT's Legal Name

Kris Ditzler, Chief Financial Officer

Authorized Representative's Printed Name and Title

Authorized Representative's Printed Name and Title

Authorized Representative's Signature

Authorized Representative's Signature

Date

Date

