



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER GOVERNING BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 15.1
(ID # 12410)

MEETING DATE:
Tuesday, July 14, 2020

FROM: RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Approval of the Managed Privacy Services Renewal Order Form with FairWarning Services, LLC for monitoring services without seeking competitive bids, All Districts. [Total Cost Increase \$324,088; up to \$32,408 in additional compensation - 100% Hospital Enterprise Fund 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Managed Privacy Services Renewal Order Form with FairWarning Services, LLC for Monitoring Services without seeking competitive bids, to extend the period of performance effective July 28, 2020 through May 19, 2025, and increase the maximum compensation amount by \$324,088 from \$94,576 to \$418,664; and authorize the Chairman of the Board to sign the Renewal Order Form on behalf of the County; and
2. Authorize the Purchasing Agent in accordance with Ordinance no. 459, based on the availability of fiscal funding and as approved as County Counsel, to sign amendments that exercise the options of the related Master Purchase Agreement, including modifications of the compensation provisions that do not exceed the sum total of ten percent (10%) of the total cost of the Renewal Order Form.

ACTION: Policy

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Jeffries, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
 Nays: None
 Absent: None
 Date: July 14, 2020
 xc: RUHS-MC, Purchasing

Kecia R. Harper
 Clerk of the Board
 By: *[Signature]*
 Deputy

**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 55,896	\$ 67,048	\$ 324,088	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS:100% - Hospital Enterprise Fund 40050			Budget Adjustment:	No
			For Fiscal Year:	20/21-24/25

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Riverside University Health System (RUHS) is a member of the Loma Linda University Shared Services EHR Platform. RUHS has a continued duty to police RUHS users accessing the EPIC System as a Satellite Customer. To continuously monitor access to the EPIC system, RUHS-Corporate Compliance utilizes the FairWarning software that performs access checks and sends automated alerts when specific criteria are met. FairWarning will flag and alert RUHS Compliance staff of potential HIPAA violations or risks posed by unauthorized access to electronic medical records occurring in the EPIC patient system. The order form renewal will extend the period of performance for five years; effective July 28, 2020 through May 19, 2025 and add an additional \$324,088 to the agreement. The renewal will enable RUHS hospital continuous management of the automated alerts as the systems administrator. FairWarning has customized eight enforced policies based on the criteria provided to meet RUHS needs.

Impact on Residents and Businesses

RUHS Medical Center is constantly striving to improve its compliance services and ensure that patient privacy remains a priority. The ability to continuously monitor the EPIC system to mitigate unauthorized access to patient medical records can provide peace of mind to the patient community. The patient can rest assured that RUHS has taken all precautionary measures to ensure that patients' privacy remains of the utmost importance.

Additional Fiscal Information

	FY 19/20	FY 20/21	FY21/22	FY 22/23	FY 23/24	FY 24/25	Total
Previously Board Approved: 3/12/19 – 7/27/20	\$27,528	\$67,048					\$94,576
Renewal/ Amendment Request: 7/28/20 – 5/19/25		\$55,896	\$67,048	\$67,048	\$67,048	\$67,048	\$324,088

**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

Total	\$27,528	\$122,944	\$67,048	\$67,048	\$67,048	\$67,048	\$418,664
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Contract History and Price Reasonableness

On March 12, 2019, under Sole Source # 19-109, the Board approved Agenda Item 15.1 for the total contract amount of \$94,576. The Contract was for a 16-month term with the option to renew. Year one included the implementation fee of \$10,800 and a monitoring fee of \$16,750.67 for a total fee not to exceed \$27,528. Year two monitoring fee was \$67,048.00. The contract renewal effective July 28, 2020 through May 19, 2025 will increase the contract amount by \$324,088 for a total aggregate contract amount of \$418,644 for five years. The vendor has extended the same pricing of \$9.86 per unit for 6800 units. The pricing remains consistent throughout the five-year term of the agreement with no price increases.

ATTACHMENT:

- A. FAIRWARNING MANAGED PRIVACY SERVICES RENEWAL ORDER FORM**
- B. SSJ #21-018 – FAIRWARNING SERVICES, LLC**



Gregory V. Priamos, Director County Counsel

7/1/2020



Gregory V. Priamos, Director County Counsel

7/1/2020



Order Form for FairWarning Services, LLC
 Order Form No.: 0060z00001zHFYFAA4
 Offer Valid through: July 27, 2020
 Proposed by: Nate Kuslansky
 Order Form Type: Renewal

RENEWAL ORDER FORM: MANAGED PRIVACY SERVICES

I. Background

The County of Riverside, a political subdivision of the State of California on behalf of Riverside University Health System – Medical Center (“Satellite Customer”) previously purchased certain FairWarning Managed Privacy Services according to Order Form No. RUHS.MPS-OF-7.16.2018, effective March 12, 2019, subject to all terms and conditions of the below-defined Related Master Agreement, and subject to certain Contract Specific Terms in Section V of Order Form No. RUHS.MPS-OF-7.16.2018 (“Contract Specific Terms”). The parties now wish to renew and extend the Managed Privacy Services for an additional renewal term as stated below (“Renewal Term”).

II. Terms and Conditions

Effective on the Renewal Start Date, the following Managed Privacy Services (“Renewal Services”) are hereby renewed and extended for the Renewal Term as follows and subject to the below terms & conditions:

Renewal Start Date:	7/28/2020
Renewal End Date:	5/19/2025
Related Master Agreement:	FairWarning Master Purchase Agreement US_V3.3_(LLUH - 2017) (“MPA”)
Contract Specific Terms:	Section V of Order Form No. RUHS.MPS-OF-7.16.2018
Payment Terms:	Net 45. Annual fees begin on Contract Renewal Effective Date with subsequent annual payments due on the anniversary of that date each year thereafter.
Billing Frequency:	Annual
Billing Method:	Email
Payment Method:	Check

III. Renewal Services

Yearly Subtotals	Amount
First Year	\$55,896.00
Second Year	\$67,048.00
Third Year	\$67,048.00
Fourth Year	\$67,048.00
Fifth Year	\$67,048.00

Total: \$324,088.00

Product Details

Year 1 of Renewal Term					
Product	Description	Line Item Description	Unit Price	QTY	Total Price
MGDSVC-A-YR1	MGDSVC-A-YR1	10 month prorate to co-term with software	\$8.22	6,800.00	\$55,896.00

Year 2 of Renewal Term					
Product	Description	Line Item Description	Unit Price	QTY	Total Price
MGDSVC-A-YR2	MGDSVC-A-YR2		\$9.86	6,800.00	\$67,048.00

Year 3 of Renewal Term					

JUL 14 2020 15.1

Product	Description	Line Item Description	Unit Price	QTY	Total Price
MGDSVC-A-YR3	MGDSVC-A-YR3		\$9.86	6,800.00	\$67,048.00

Year 4 of Renewal Term					
Product	Description	Line Item Description	Unit Price	QTY	Total Price
MGDSVC-A-YR4	MGDSVC-A-YR4		\$9.86	6,800.00	\$67,048.00

Year 5 of Renewal Term					
Product	Description	Line Item Description	Unit Price	QTY	Total Price
MGDSVC-A-YR5	MGDSVC-A-YR5		\$9.86	6,800.00	\$67,048.00

Prices shown above do not include any taxes that may apply. Any such taxes are the responsibility of Satellite Customer. This is not an invoice. If Satellite Customer is a tax-exempt organization, Satellite Customer must supply FairWarning with a valid tax exemption certificate authorized by the appropriate taxing authority as outlined in the relevant section of the Related Master Agreement.

IV. Renewal


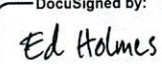
Extension of Renewal: The Renewal Term shall end on 5/19/2025. Renewals shall extend for successive additional terms of one (1) year each (each a 'Renewal Extension Term') by written amendment signed by the authorized representatives of both parties. Absent said amendment, the Renewal Term shall expire on 5/19/2025, and FairWarning shall cease to provide the services outlined in the Related Master Agreement.


Further Implementation of Enforced Policies: To the extent Satellite Customer has not completed implementation of the maximum number of Enforced Policies offered under its initial Order Form ("EP Limit"), FairWarning's Managed Privacy Services team will, at Satellite Customer's request, continue during the Renewal Term to implement Enforced Policies from the menu of available Enforced Policies. These Policies will be implemented per advance written agreement of the parties after consultation regarding Satellite Customer's use and adoption of the MPS Purchased Services. Satellite Customer requests for additional Enforced Policies (i.e., beyond the EP Limit) will be considered on a case-by-case basis and must be contracted for by separate addendum to Satellite Customer's existing Order Form/Renewal Order Form.

V. Additional Terms

Conflicts in Terms: In the event of any conflict between the terms of this Renewal Order Form and the terms of the Related Master Agreement, the terms of this Renewal Order Form shall control. All other terms and conditions of the Related Master Agreement and the Contract Specific Terms that are not specifically clarified or amended herein shall remain in full force and effect.

This Renewal Order Form is issued pursuant to and is subject to all terms and conditions of the Related Master Agreement and the Contract Specific Terms identified above, and any attached exhibits are hereby incorporated by this reference. Satellite Customer acknowledges having reviewed, understands and accepts the Related Master Agreement and the Contract Specific Terms and all terms and conditions thereof. Subject to any contrary provisions in the Related Master Agreement, subscriptions, licenses, and maintenance and support commitments are non-cancelable before the end of the Renewal Term.

The County of Riverside, a political subdivision of the State of California on behalf of Riverside University Health System – Medical Center	FairWarning Services, LLC
By: 	By:  B0AE778B4D5B4C2...
Name: V. Manual Perez	Name: Ed Holmes
Title: Chairman, Board of Supervisors	Title: Chief Executive Officer
Date: JUL 14 2020	Date: 6/3/2020

ATTEST:
KECIA R. HARPER, Clerk
 By: 

APPROVED AS TO FORM:
 Gregory P. Priamos, County Counsel

By: 
 Susanna Oh
 Deputy County Counsel

Exhibit A - Change of Scope Adjustments to Fees

Satellite Customer represents and warrants the accuracy of the below fact(s) ("Base Statistics") as of the Renewal Date. Satellite Customer understands that these statistics reflect, in part, the underlying assumptions for the scope of the engagement. Any changes in these statistics will be used to calculate Change of Scope Adjustments to Support & Maintenance Fees (if any).

Number of Employees: 6,800

The below-identified license, subscription, and software maintenance fees to be paid annually by Satellite Customer under this Renewal Order Form ("Applicable Fees") were quoted and agreed to based in part upon certain assumptions, which are identified as "Base Statistics" above and Satellite Customer represents and warrants the accuracy of those Base Statistics relating to Satellite Customer and its affiliates as of the Renewal Order Date. Satellite Customer acknowledges and expressly agrees that in the event that one or more of the Base Statistics increases or decreases by more than ten percent (10%) during the term of this Renewal Order Form (including any further Renewal Terms) as determined in accordance with the below methodology, (i) FairWarning shall have the right to increase or decrease the Applicable Fees by a corresponding percentage, and (ii) Satellite Customer shall promptly remit payment as is prescribed below.

Items included in Applicable Fees: FairWarning Managed Privacy annual monitoring services

Methodology

Measurement Dates & Periods: Commencing on the date which is six (6) months after the Contract Effective Date and continuing thereafter in twelve (12) month intervals (each, a "Measurement Date"), FairWarning will review the corresponding Base Statistics data as is then available on Satellite Customer's primary web site and, if necessary, any other publicly-available information sources. For the facilities for which the services and software are provided under this Renewal Order Form (the "Purchased Services"), if the then-current value of any one of the Base Statistics has increased by more than ten percent (10%) during the period between the (i) Contract Effective Date and the then-current Measurement Date (the "Term Measurement Period") and (ii) during the period between the preceding Measurement Date and the Measurement Date at issue (the "Interval Measurement Period"), FairWarning shall notify Satellite Customer of the percentage increase for the applicable statistics and provide Satellite Customer with a supplemental invoice that reflects the corresponding percentage increase in the Applicable Fees. If the Measurement Date at issue is the first Measurement Date, then the Interval Measurement Period shall be the Term Measurement Period.

Pricing Adjustments: In the event that any one (1) or more of the Base Statistics has increased as of the Measurement Date at issue by more than ten percent (10%) during the Term Measurement Period, then the Applicable Fees to be paid by Satellite Customer for the next annual subscription period commencing after the Measurement Date at issue (and each subsequent annual subscription period thereafter unless and until adjusted again pursuant to this provision) shall be increased to an amount equal to the Applicable Fees in effect at the commencement of the Term increased in proportion to the highest percentage increase in any of the Base Statistics during the Term Measurement Period, plus an adjustment for any prior annual increases. Licensor shall notify Satellite Customer in writing of any increase so calculated within sixty (60) days of the applicable Measurement Date. In the event that the average percentage change in the Base Statistics during any Interval Measurement Period is a decrease (the "Average Decrease") of more than ten percent (10%), then the Applicable Fees to be paid by Satellite Customer for the next annual subscription period commencing after the Measurement Date at issue shall be decreased to an amount equal to the Applicable Fees in effect at the commencement of the Interval Measurement Period decreased in proportion to the Average Decrease; provided, however, that in no event may the Applicable Fees be reduced to an amount which is less than the Applicable Fees in effect at the commencement of the term of this Agreement (i.e., the original subscription fees listed above on this Order Form).

Example (for illustrative purposes only):

- (1) If the Contract Effective Date is May 1, 2015, then the first Measurement Date will be November 1, 2015, and another Measurement Date will occur each November 1 thereafter during the term of this Order Form, including any Renewal Terms. For the facilities for which the Purchased Services are provided, if the Base Statistics equal 530 licensed beds and 4,000 employees, and the corresponding statistics for Satellite Customer's use of the Purchased Services on the first Measurement Date equal 565 and 4,100, then there shall be no adjustment in the Applicable Fees on the first Measurement Date because the percentage increase over the corresponding Base Statistics during the Term Measurement Period would have been only 35 (or 6.6%) for the number of licensed beds and 100 (or 2.5%) for the number of employees, both less than 10%.
- (2) If on the second Measurement Date, the corresponding statistics equal 594 licensed beds and 4,300 employees (increases of 12% and 7.5%, respectively, in comparison with the Base Statistics), then the Applicable Fees shall, as of the second Measurement Date, be increased to a total of 112% of what such fees were as of the Contract Effective Date, with such percentage increase remaining in effect until another adjustment (if any) is made in accordance herewith.
- (3) If on the third Measurement Date, the corresponding statistics equal 594 and 5,000 employees (increases of 12% and 25%, respectively, in comparison with the Base Statistics), then the Applicable Fees shall, as of the third Measurement Date, be increased to a total of 125% of what such fees were as of the Contract Effective Date, with such percentage increase remaining in effect until another adjustment (if any) is made in accordance herewith.
- (4) If on the fourth Measurement Date, the corresponding statistics equal 546 and 4,300 (decreases of 8% and 14%, respectively, in comparison with the prior Measurement Date, for an Average Decrease of 11%), then the Applicable Fees shall, as of the fourth Measurement Date, be decreased by 11% of what such fees were as of the last Measurement Date, with such percentage decrease remaining in effect until another adjustment (if any) is made in accordance herewith.



Exhibit B: Managed Privacy Services - Service Level Agreements (SLAs)

- 1) Enforced Policies triggered between 9 am Mon and 12 pm Fri, Eastern Time, will be reviewed within 24 hours.
- 2) Enforced Policies triggered between 12 pm Fri and 9 am Mon, Eastern Time, will be reviewed by 5 pm Tuesday.
- 3) Any Investigations into potential inappropriate Access will be completed and documented by the FairWarning® Managed Services Staff within 3-5 business days, contingent upon Satellite Customer's management response to Validation Request within 2 days.
- 4) Notification of Satellite Customer representative by FairWarning® Managed Services Staff upon completion of any Investigations into inappropriate Access.
- 5) Completion of Access Reviews within 7 business days.
- 6) Implementation of the number of Enforced Policies that were purchased in your initial order form ("EP Limit").
- 7) In the event of a widespread natural disaster or similar emergency effecting FairWarning® or the Satellite Customer, SLAs may be negatively impacted.

Holiday Hours: Each year, the below holidays will be exempt (i.e., not included in the calculations) for the response times listed above. The FairWarning MPS team will perform their scheduled review of the alerts the next business day after the holiday. If a holiday falls on a weekend, FairWarning MPS personnel will have either the Friday before or the following Monday off instead. FairWarning will notify Satellite Customers in advance each calendar year regarding the exact timing of the holidays being observed.

- New Year's Day
- Martin Luther King, Jr. Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving
- Day After Thanksgiving
- Christmas Eve
- Christmas
- New Year's Eve



Date: June 1, 2020
From: Lakisha Reese
To: Board of Supervisors/Purchasing Agent
Via: Michelle DeSpain, 951-486-4469 Ext # 64469
Subject: Single Source Procurement; Request for Electronic Health Monitoring System

The below information is provided in support of my Department requesting approval for a sole or single source. (*Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole or single source.*)

1. Supplier being requested: Fair Warning

2. Vendor ID: 226367

3. x Single Source Sole Source

(Single Source - is a purchase of a commodity or service without obtaining competitive bids although more than one source is available)

(Sole Source - is a purchase of a commodity or service that is proprietary or no other vendor is qualified or willing to meet the county specified requirements)

4. Have you previously requested and received approval for a sole or single source request for this vendor for your department? (If yes, please provide the approved sole or single source number).

x Yes No
SSJ# 19-109

5.. Was the request approved for a different project?

Yes x No

6. Supply/Service being requested:

(If this request is for professional services, attach the service agreement to this sole source request. The Purchasing Agent, or designee, is the signing authority for agreements unless the service is exempted by Ordinance 459, Board delegated authority or by State law. All



insurance requirements must be met prior to work commencement. See the Risk Management website for vendor insurance requirements.)

The Renewal of the Managed Privacy Services (MPS) Order form with Fair Warning Services, LLC. Fair Warning will continue to provide the RUHS with the services of flagging and alerting RUHS Compliance staff of potential HIPAA violations occurring in the EPIC patient system within the hospital. This monitoring system ensures patient privacy remains a priority and is continuously protected.

The Riverside University Health System (RUHS) continuously strives to improve its compliance services by proactively addressing risks posed by unauthorized access to electronic medical records. Stemming from the HIPAA Privacy Rule that limits disclosure of health information to the minimum necessary for treatment, payment or operations,

7. Unique features of the supply/service being requested from this supplier. *(If this sole source request is due to proprietary software or machinery, or hardware, provide a supporting letter from the manufacturer. If this is a single source request provide an explanation of how this provides the best value for the County by selecting this vendor.)*

RUHS is a member of the Loma Linda University Shared Services EHR Platform. RUHS has a continued duty to police RUHS users accessing the EPIC System as a Satellite Customer. To continuously monitor access to the EPIC system, RUHS-Corporate Compliance utilizes the Fair Warning software that performs access checks and sends automated alerts when specific criteria are met. The Proposed renewal will continue to allow RUHS to remain a Loma Linda University (LLU) affiliate and to retain administrative control over the automated alerts. Fair Warning customized eight enforced policies based on the criteria provided to Meet the needs of RUHS.

8. Reasons why my department requires these unique features from the vendor and what benefit will accrue to the county:

Fair Warning will flag and alert RUHS Compliance staff of potential HIPAA violations occurring in the EPIC patient system within the hospital. This monitoring system ensures patient privacy remains a priority and is continuously protected.

RUHS Medical Center is constantly striving to improve its compliance services and ensure that patient privacy remain a priority. The ability to continuously monitor the EPIC system to mitigate unauthorized access to patient medical records can provide peace of mind to the patient community. The patient can rest assured that RUHS has taken all precautionary measures to ensure that the patients privacy remain of the utmost importance. The HIPAA Privacy Rule limits disclosure of health information to the minimum necessary for treatment, payment or operations, RUHS has a policy of providing its workforce access to patient protected health information based on a need-to-know to perform their job duties at RUHS. To monitor workforce access to the EPIC system, RUHS-Corporate Compliance utilizes the Fair Warning software that performs regular access checks and sends automated alerts when certain criteria are met.



9. Period of Performance: From: July 28, 2020 to May 19, 2025
(total number of years)

Is this an annually renewable contract? No Yes
Is this a fixed-term agreement: No Yes

(A fixed-term agreement is set for a specific amount of time; it is not renewed annually. Ensure multi-year fixed-term agreements include a cancellation, non-appropriation of funds, or refund clause. If there is no clause(s) to that effect, then the agreement must be submitted to the Board for approval. No exemptions shall apply.)

10. Identify all costs for this requested purchase. In addition, please include any single or sole source amounts previously approved and related to this project and vendor in the section designated below for current and future fiscal years. You do not need to include previous fiscal year amounts. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained. (Note: ongoing costs may include but are not limited to subscriptions, licenses, maintenance, support, etc.)

Sole Source Request #19-109 was approved for the amount of \$94,576. The costs associated with the amendment include monitoring fees for 6,800 RUHS employees at a unit price of \$8.22 for the first year and a \$9.86 for years two through five. The total cost breakdown is as provided below.

First Year: \$55,896 (10 month prorated)
Second Year: \$67,048
Third Year: \$67,048
Fourth Year: \$67,048
Fifth Year: \$67,048

There are no ongoing costs associated for this amendment.

Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
\$ 55,896	\$ 67,048	\$ 418,664	\$ 0

11. Price Reasonableness: *(Explain why this price is reasonable or cost effective – were you provided government discounted pricing? Is this rate/fee comparable to industry standards?)*
The contract renewal is for a 5 year term with the option to renew annually thereafter upon written amendment signed by both parties. The fees included in this cost contain the monitoring fees.



Because RUHS is a member of the Loma Linda University Shared Services EHR Platform, special prices were extended to RUHS. LLU hosts the software, there are no additional fees and no ongoing operational commitment for the County. The total cost of the amendment for five years is \$324,088.00.

The vendor has extended the same pricing of \$9.86 per unit for 6800 units. The pricing remains consistent throughout the five-year term of the agreement with no price increases.

12. Projected Board of Supervisor Date (if applicable): July 7, 2020

(Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)



DocuSigned by:
Jennifer Crickshank
Department Head Signature
(or designee)

Jennifer Crickshank
Print Name

6/22/20
Date

The section below is to be completed by the Purchasing Agent or designee.

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Condition/s:

Not to exceed:

One-time \$ _____

Annual Amount \$ _____ / per fiscal year through _____ (date)
(If Annual Amount Varies each FY)

FY 20/21: \$ 55,846

FY 21/22: \$ 67,048

FY 22/23: \$ 67,048

FY 23/24: \$ 67,048

24/25 67,048

FY _____: \$ _____

[Signature] 6/25/20 21-018