



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



ITEM: 18.4  
(ID # 27332)

MEETING DATE:

Tuesday, April 01, 2025

FROM : RUHS-MEDICAL CENTER

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Approve the Equipment Use and Sensor Supply Agreement with Masimo Americas, Inc., to provide Pulse Oximetry equipment, sensors and accessories for 5 years effective upon signature through May 31, 2030, All Districts. [Total Cost \$4,581,125; Annual Cost \$916,225; up to \$91,622 in Additional Compensation Annually, 100% - Hospital Enterprise Fund 40050]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Equipment Use and Sensor Supply Agreement with Masimo Americas, Inc., for the provision of Pulse Oximetry equipment, sensors, and accessories, for an annual amount of \$916,225 for a total of \$4,581,125; for 5 years through May 31, 2030, and authorize the Chair of the Board to sign the Agreement on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based upon the availability of funding and as approved as to form by County Counsel, to sign amendments including modifications to the scope of services that stay within the intent of the Agreement; and to sign amendments to the compensation provisions that do not exceed the total sum of ten percent (10%) of the total annual cost of the agreement; and
3. Authorize the Purchasing Agent to issue Purchase Orders for goods and/or services that do not exceed the total contract amount.

**ACTION:**Policy

*Jennifer Cruikshank*  
Jennifer Cruikshank, Chief Executive Officer – Health System 3/17/2025

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**MINUTES OF THE GOVERNING BOARD**

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

Ayes: Medina, Spiegel, and Perez  
Nays: None  
Absent: Washington and Gutierrez  
Date: April 1, 2025  
xc: RUHS-MC

Kimberly A. Rector  
Clerk of the Board

By: *[Signature]*  
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$305,409	\$916,225	\$4,581,125	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> 100% - Hospital Enterprise Fund - 40050			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 24/25 – 29/30	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The requested Board action seeks approval for an Equipment Use and Sensor Supply Agreement with Masimo Americas, Inc. (Masimo), under which Masimo will provide Pulse Oximetry capital equipment and accessories at no cost. In exchange, Riverside University Health System – Medical Center's (RUHS-MC) commits to purchasing a specified volume of Masimo's consumable SpO2 sensors annually. As part of this agreement, Masimo will upgrade RUHS-MC's aging and outdated equipment at no cost, including installation, training, and ongoing support.

Pulse oximetry technology is essential for monitoring patients' oxygen saturation levels, a critical function in acute care settings such as emergency departments, intensive care units, and surgical suites. Reliable and accurate monitoring is vital for patient safety, particularly for those with respiratory conditions, undergoing anesthesia, or requiring continuous observation. By upgrading to Masimo's advanced equipment, RUHS-MC will enhance its ability to provide high-quality patient care while ensuring compatibility with the latest sensor technology.

**Impact on Residents and Businesses**

These products are a component of RUHS-MC's system of care aimed at improving the health and safety of its patients and the community.

**Contract History and Price Reasonableness**

On June 17, 2014 (Agenda Item 3.54) the Board of Supervisors (Board) approved a Deferred Equipment Agreement with Masimo, to provide Pulse Oximetry equipment, sensors, and accessories to RUHS-MC for a 62-month term at a total cost of \$2,835,738.

When the originally purchased equipment reached the end of its service life, RUHS-MC procured new equipment in 2020 through COVID-19 Emergency Procurement to ensure RUHS-MC could continue providing a safe and secure environment for both public and employee health. Since 2017, RUHS has leveraged Masimo's Vizient Group Purchasing Organization supplier agreement to acquire oximetry sensors, accessories, and equipment.



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Masimo is offering a pricing structure that provides RUHS-MC with more value compared to rates available through the Vizient GPO agreement. Under this agreement, RUHS-MC will receive new equipment from Masimo, valued at \$597,897, at no upfront cost. Additionally, the commitment to purchase Masimo's upgraded SpO2 oximetry sensors will reduce RUHS-MC's annual spending on consumable supplies by \$90,000. Over the term of the agreement, RUHS-MC is projected to save approximately \$2,091,271 on equipment, consumable supplies and accessories.

The Agreement requires Board approval as the compensation provision exceeds the Purchasing Agent's authority and \$750,000 threshold for contracting with a single vendor for medical equipment and products per Resolution 2024-127.

**ATTACHMENTS:**

**Attachment A:** Equipment Use and Sensor Supply Agreement between County of Riverside and Masimo Americas, Inc.

*Melissa Curtis*  
Melissa Curtis, Deputy Director of Purchasing and Fleet

3/17/2025

*Jacqueline Ruiz*  
Jacqueline Ruiz, Principal Analyst

3/25/2025

*Gregg Gu*  
Gregg Gu, Chief of Deputy County Counsel

3/17/2025

**Equipment Use and Sensor Supply Agreement**  
**between**  
**The County of Riverside and Masimo Americas, Inc.**

This Agreement including its Schedules (collectively, this "Agreement") is entered on the last date of execution (the "Effective Date") by and between Masimo Americas, Inc., a Delaware corporation, with its principal place of business at 52 Discovery, Irvine, California 92618 ("Masimo") and the County of Riverside, a political subdivision of the state of California on behalf of Riverside University Health System – Medical Center, with its principal place of business at 26520 Cactus Avenue, Moreno Valley, California 92555 ("RUHS-MC").

Whereas, Masimo and RUHS-MC, formerly referred to as Riverside County Regional Medical Center, have previously entered into a prior agreement ("Contract #14US0598"), under which Masimo agreed to provide equipment at no upfront cost to RUHS-MC in exchange for RUHS-MC's commitment to its required pulse oximetry sensors annually over the term of Contract #14US0598. RUHS-MC has completed all of its obligations under Contract #14US0598, and the parties acknowledge Contract #14US0598 is fulfilled. Pursuant to Schedule B, Section B1.1 (Use) of Contract #14US0598, the equipment provided under Contract #14US0598 has transferred to RUHS-MC;

Whereas, RUHS-MC and Masimo desire to enter into this Agreement where RUHS-MC will be provided the use of equipment listed on Schedule A ("Equipment") at no upfront cost but be subject to a commitment over the term of the Agreement whereby RUHS-MC agrees to obtain at least the amount of sensors listed on Schedule A ("Sensors") specified in the attached schedules; and

Whereas, Masimo shall license to RUHS-MC and RUHS-MC shall obtain from Masimo, under the terms and conditions of this Agreement, all of RUHS-MC's requirements of pulse oximetry Equipment, Sensors, and accessories ("Products") during the Term, as defined herein;

Now, therefore, for good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

**1. Deferred Equipment Plan.**

- 1.1 Description. Masimo offers this acquisition to permit the conversion to Masimo technology and sensor standardization. Masimo will provide the use of specified Equipment at no upfront cost in return for a commitment to obtain Sensors based upon the quantity and mix of Equipment as listed in Schedule A. Payments over the annual period are set forth in Schedules A and are referred to as the "Annual Minimum Sensor Commitment". Masimo shall license to RUHS-MC and RUHS-MC shall obtain from Masimo, under the terms and conditions of this Agreement, all of RUHS-MC's requirements of pulse oximetry Products during the Term, as defined herein. Additionally, in support of best environmental practices, Masimo shall: (i) provide RUHS-MC with Sensor collection containers for all adhesive Sensors which were obtained and used pursuant to this Agreement and (ii) train RUHS-MC's personnel the procedures for handling and collection of the Sensors so that RUHS-MC can return them to Masimo. In consideration of the preceding (i) and (ii), RUHS-MC shall return all Masimo used adhesive and Rainbow optical Sensors to Masimo.
- 1.2 Safe Harbor. The terms and conditions of this Agreement are permitted under the discount safe harbor of 42 C.F.R. § 1001.952(h) which is a statutory exception to the anti-kickback law specifically where the offer and acceptance are part of an arm's length transaction and two conditions are met, namely that (i) the discount must be fixed and disclosed in writing to RUHS-MC at the time of the transaction and (ii) RUHS-MC must disclose the arrangement to the government if requested; and a discount arrangement where Masimo gives away or reduces the price of one Product in connection with the acquisition of another are explicitly permitted under 64 Fed. Reg. 63530.

**2 Term.**

- 2.1 Term. The term of this Agreement shall be sixty-two (62) months inclusive of the period of time for installation ("Term"), starting from the Effective Date.



- 2.2 Annual Periods. The Term shall include an installation period ("Installation Period") of two (2) months and be divided into five (5) Annual Periods, where the first Annual Period is fourteen (14) months from the Effective Date and each subsequent Annual Period consists of twelve (12) months.

### **3 Service, Installation and Training.**

- 3.1 Initial Installation and Training. Masimo provides Product training with initial installation.
- 3.2 Schedule. RUHS-MC and Masimo shall use commercially reasonable efforts to develop a schedule that allows Masimo to install the Equipment and train RUHS-MC's personnel within the Installation Period. In the event RUHS-MC requests that installation and training occurs beyond the Installation Period, RUHS-MC's Annual Minimum Sensor Commitment shall remain in effect pursuant to the Agreement Term.
- 3.3 Delays. The Term of this Agreement shall not be extended for RUHS-MC delays. RUHS-MC shall be obligated to obtain their first year's Annual Minimum Sensor Commitment within the first Annual Period, unless delays are caused by Masimo.
- 3.4 Post-Installation Support. If RUHS-MC experiences difficulty using the Equipment or Sensors, RUHS-MC should call Masimo's telephone support number, which is located on Masimo's website at <http://www.masimo.com>. Telephone support is provided to RUHS-MC twenty-four (24) hours per day, seven (7) days per week.

### **4 Purchase Orders.**

- 4.1 Initial Order. RUHS-MC shall issue a no charge Purchase Order for the Equipment in Schedule A, Section A1.2 and a Purchase Order for the first month's Sensor requirements in Schedule A, Section A1.3 within fourteen (14) days after the Effective Date.
- 4.1.a Initial Purchase Order for Services. Within fourteen (14) days after the Effective Date, RUHS-MC will submit an initial purchase order to Masimo for the services listed in Schedule A, Section A1.4.
- 4.2 Subsequent Orders. RUHS-MC shall order Products by submitting a Purchase Order to Masimo referencing this Agreement. Subsequent Sensor requirements shall be ordered by RUHS-MC issuing a Purchase Order ten (10) days prior to the date that RUHS-MC requires the Sensors at its facility.
- 4.2.a Subsequent Purchase Orders for Services. RUHS-MC agrees to submit annual purchase orders to Masimo for the services listed in Schedule A, Section A1.4 for each Annual Period during the Term.
- 4.3 Itemization. Each Purchase Order shall set forth the model numbers and description of the Products, quantity, shipping instructions, unit and total price, Purchase Order number, delivery date, and shipping location.
- 4.4 Acceptance. No Purchase Order shall be binding unless acknowledged and accepted in writing by Masimo. No Supplemental Terms. No terms in any Purchase Order shall amend or supplement the terms of this Agreement.
- 4.5 EDI. The parties agree at such time that RUHS-MC has Electronic Data Interface ("EDI") capabilities, all Sensor purchase orders placed directly through Masimo must be made using EDI standards.

### **5 Shipment and Risk of Loss.**

- 5.1 Shipping. Shipment and Risk of Loss of the Equipment under this Agreement is FCA shipment destination upon receipt. Shipment and Risk of Loss of the Sensors under this Agreement is FCA shipment origin, freight prepaid and add, in accordance with the most recent version of INCOTERMS.
- 5.2 Partial Deliveries. RUHS-MC will not accept partial deliveries.

### **6 Payment.**

- 6.1 Timing. Masimo shall invoice RUHS-MC upon shipment of the Products. Payment terms are net thirty (30) calendar days from invoice date. In the event of repeated late payments (two or more), in addition to any other right Masimo may have, Masimo shall also have the right to suspend performance, withhold shipments, demand alternative payment methods (including cash in advance), or exercise any other rights it may have under this Agreement, or at law.
- 6.2 Payments. All payments required by this Agreement are stated and shall be made in United States dollars. Payment may be made only by check or by electronic funds transfer (EFT) via automated clearing house (ACH), or by wire transfer. Each party will provide a duly executed IRS Form W-9 or IRS Form W-8, as applicable, and any required banking information to effect payment, and bear its own bank service charges. If Payment is made by check, it shall be sent to Masimo at the return address printed on Masimo's invoice.

and shall be deemed made only upon receipt by Masimo at that address. Maximum payments authorized by RUHS-MC to Masimo shall not exceed \$916,225 annually including all expenses, plus any applicable taxes. RUHS-MC is not responsible for any fees or costs incurred above or beyond the authorized contracted amount (except for any applicable taxes) and shall have no obligation to purchase any specified amount of services or products, except as authorized by RUHS-MC in writing, including RUHS-MC purchase orders received by Masimo. Unless otherwise specifically stated in Schedule A, RUHS-MC shall not be responsible for payment of any of Masimo's expenses related to this Agreement. RUHS-MC's obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of RUHS-MC funding from which payment can be made. Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of RUHS-MC shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that Customer can provide evidence (ie public record) that such funds are not forthcoming for any reason, RUHS-MC shall immediately notify Masimo in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

6.3 Taxes. RUHS-MC shall pay all sales, use, property, excise, or similar taxes, except on Masimo's income, levied upon the sale, use, or ownership of the Products.

6.4 CPI. Masimo agrees to hold the pricing firm for the first year of this Agreement. Price increases in subsequent years of this Agreement will be limited to the increase in the All Urban Consumer - Medical Care Consumer Price Index in the preceding calendar year.

## **7 Nondisclosure.**

7.1 Confidentiality. RUHS-MC and Masimo shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/sales/purchasing actions; RUHS-MC and Masimo information or data which is not subject to public disclosure; RUHS-MC and Masimo operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of a public announcement.

7.2 The parties shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The parties shall not use such information for any purpose other than carrying out their respective obligations under this Agreement. Each party shall promptly transmit to the other party all third-party requests for disclosure of such information. Each party shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the other party, any such information to anyone other than that party. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

7.3 Press Release. Neither party will issue a press release announcing the existence and general content of this Agreement.

## **8 Termination.**

8.1 Termination for Convenience. Termination for convenience is not permitted by either party, provided however that no legal liability No legal liability on the part of the RUHS-MC shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, RUHS-MC shall immediately notify Masimo in writing; and this Agreement shall be deemed terminated, have no further force.

8.2 Termination for Material Breach. In the event of a breach of a material obligation of this Agreement by either party, the other party will provide written notice including all supporting documentation of the breach. If the breach is not cured within thirty (30) days of receipt of such notice or twenty (20) days in the event of breach of payment obligations, the notifying party shall be entitled, in addition to all other remedies available to such party, to terminate this Agreement for cause and without penalty by providing written notice in accordance with this Agreement.



- 8.3 **Effect.** Termination of this Agreement for material breach shall be without prejudice to all accrued rights and remedies the parties may have, and shall not affect any continuing rights and obligations the parties may have under this Agreement. RUHS-MC shall pay any outstanding balances due Masimo for services performed or products delivered prior to termination, except for those, if any, that are related to Masimo's breach.
- 8.4 **Remedy.** Upon any termination by Masimo for RUHS-MC's uncured material breach, Masimo may seek remedies as are available to it at law and in equity.
- 8.5 **Software.** Upon termination, RUHS-MC will promptly discontinue use and destroy or return all copies of the Licensed Software including any software parameters ("Software Parameters") in its possession or control (including any master copies) and within thirty (30) days certify to Masimo that all such copies have been destroyed.
- 8.6 **Inspection of Service; Quality Control/Assurance** All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by RUHS-MC or other regulatory agencies at all times. Masimo shall provide adequate cooperation to any inspector or other RUHS-MC representative to permit him/her to determine the Masimo's conformity with the terms of this Agreement. If any services performed or products provided by Masimo are not in conformance with the terms of this Agreement, RUHS-MC shall have the right to require Masimo to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to RUHS-MC. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; RUHS-MC shall have the right to require Masimo immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement and reimburse RUHS-MC any reasonable, documented costs and expenses incurred as a result of the non-conformity. Masimo shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a RUHS-MC representative or other regulatory official to monitor, assess, or evaluate Masimo's performance under this Agreement at any time, upon reasonable notice to the Masimo.
- 8.7 **Independent Contractor/Employment Eligibility.**
- 8.7.a The Masimo is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of RUHS-MC. It is expressly understood and agreed that the Masimo (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which RUHS-MC employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and Masimo shall hold RUHS-MC harmless from any and all claims that may be made against RUHS-MC based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement.
- 8.7.b Masimo warrants that it shall make its best reasonable effort to fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. Masimo shall obtain, from all employees performing work hereunder ("Covered Individuals"), all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. Masimo shall retain all such documentation for all covered employees, for the period prescribed by the law. Ineligible Person shall be any individual or entity who: Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a criminal offense related to the provision of health care items or services and has

not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

- 8.7.c Masimo shall screen prospective Covered Individuals prior to hire or engagement. As of the Effective Date, Masimo shall not hire or engage any Ineligible Person to provide services directly relative to this Agreement. Masimo shall notify RUHS-MC within five (5) business days after it becomes aware if a Covered Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible Person.
- 8.7.d Masimo acknowledges that Ineligible Persons are precluded from providing federal and state funded health care services by contract with RUHS-MC in the event that they are currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If Masimo becomes aware that a Covered Individual has become an Ineligible Person, Masimo shall remove such individual from responsibility for, or involvement with, RUHS-MC business operations related to this Agreement.
- 8.7.e Masimo shall notify RUHS-MC within five (5) business days if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened. Such individual or entity shall be promptly removed from participating in any activity associated with this Agreement.

8.8 **Subcontract for Work or Services.** Not applicable.

8.9 **Disputes.** If a Dispute arises, either party may give the other party written notice describing the basis of all claims. Within seven days after receipt of this notice, the receiving party will submit a written response. Over the next 60 days, executives from both parties that have the authority to resolve the Dispute and are not directly involved in the administration of this Agreement must negotiate in an attempt to resolve the Dispute. During the negotiation, all reasonable requests for information made by one party to the other will be honored by the other. The parties will take any actions necessary to toll any applicable statutes of limitation and defenses based upon the passage of time during this period of notice and negotiation. All negotiations under this section will be confidential and will be treated as compromise and settlement negotiations under all applicable laws. If the Dispute is not resolved within 60 days after written notice of the dispute, the parties may take any other action afforded to them by law..

8.10 **Licensing and Permits.** Masimo shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to RUHS-MC. Masimo warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the Term of this Agreement.

8.11 **Records and Documents.** Masimo shall make available, upon written request by any duly authorized Federal, State, or RUHS-MC agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the Masimo's costs related to this Agreement, subject to any applicable legal privileges, confidentiality obligations and in compliance with applicable laws. All such books, documents and records shall be maintained by Masimo for at least five years following termination of this Agreement and be available for audit by RUHS-MC. Masimo shall provide to RUHS-MC reports and information related to this Agreement as reasonably requested by RUHS-MC.

8.12 **EDD Reporting Requirements.** In order to comply with child support enforcement requirements of the State of California, RUHS-MC may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. Masimo agrees to furnish the required data and certifications to RUHS-MC within 10 days of written request and when required by the EDD. This data will be transmitted to governmental agencies



charged with the establishment and enforcement of child support orders. Failure of Masimo to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of Masimo to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If Masimo has any questions concerning this reporting requirement, please call (916) 657-0529. Masimo should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

- 8.13 Hold Harmless/Indemnification.** Masimo shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability, action, third party claim or damage whatsoever, based or asserted upon any services of Masimo, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death. Masimo shall defend the Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such wrongful acts or omissions. With respect to any action or claim subject to indemnification herein by Masimo, Masimo shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of RUHS-MC; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Masimo indemnification to Indemnitees as set forth herein. Masimo's obligation hereunder shall be satisfied when Masimo has provided to RUHS-MC the appropriate form of dismissal relieving RUHS-MC from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Masimo's obligations to indemnify and hold harmless the Indemnitees herein from third party claims. In the event of a claim of infringement, Masimo may, at its sole discretion, (i) modify the particular Product to make it non-infringing, (ii) obtain a license to allow the continued use of the Product, or (iii) terminate this Agreement, and take possession of and refund all fees paid for the infringing Products, and pay fair market value, but no more than the price paid by RUHS-MC for the infringing Product, if any.
- Exclusions.** Masimo shall have no liability or responsibility of any kind to RUHS-MC under this Section ("Indemnification") unless RUHS-MC (i) promptly notifies Masimo of such claims, to the extent that Masimo's claim is not prejudiced, (ii) gives Masimo an adequate opportunity to defend, including complete control of such defense, and (iii) provides reasonable assistance to Masimo, at Masimo's expense and request, in connection with the defense and settlement of any such claim. Masimo shall have no liability for settlements made without Masimo's express written consent. Should RUHS-MC desire to have its own counsel participate in any such action, the cost of such counsel shall be exclusively RUHS-MC's. Notwithstanding the above, Masimo shall not be liable for any infringement of intellectual property rights of third parties or for any liability, loss, damages, costs or expenses which RUHS-MC may incur as a result of any injury, illness or death resulting from (i) alterations or modifications to the Products made by RUHS-MC or others (or by Masimo, in the case of an infringement claim) at RUHS-MC's request, (ii) electrical/electronics, software/firmware, sensors, or product interface not furnished by Masimo, (iii) combination of the Products with other apparatus or technology not furnished or, in the case of infringement claims, specified in writing by Masimo, (iv) use of Products or components not supplied by Masimo, (v) use of Products not permitted under this Agreement, (vi) Products improperly used (including use past the expiration date where applicable) or maintained, or used where defects arose from normal wear and tear; or (vii) for any claims not related directly to the Products.

**8.14 Insurance.** Without limiting or diminishing the Masimo's obligation to indemnify or hold RUHS-MC harmless, Masimo shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.

**8.14.a Workers' Compensation:**

If Masimo has employees as defined by the State of California, Masimo shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident.

**8.14.b Commercial General Liability:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Masimo's performance of its obligations hereunder. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

**8.14.c Vehicle Liability:**

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then Masimo shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name the RUHS-MC as Additional Insureds on owned, non-owned, or hired vehicles so used.

**8.14.d Cyber Liability:**

Masimo shall procure and maintain cyber liability insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Masimo in this Agreement and shall include privacy and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate to respond to these obligations.

**8.14.e General Insurance Provisions - All lines:**

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The Masimo must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to RUHS-MC, and at the election of the County's Risk Manager, Masimo's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with RUHS-MC, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses. Despite anything to the contrary, Masimo will provide self-insured retention if required to do so by RUHS-MC, for applicable policies. However, if Masimo purchases self-insured retention pursuant to this section, RUHS-MC agrees to pay any resulting costs to revise the policy (including the retention) as long as it is required.

3) Masimo shall cause Masimo's insurance carrier(s) to furnish it with a Certificate(s) of Insurance and copies of Endorsements effecting coverage as required herein. Masimo will endeavor to provide ten (10) days written notice to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material



modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed Certificate of Insurance and copies of endorsements. Neither party shall commence operations until RUHS-MC has been furnished Certificate (s) of Insurance and c copies of endorsements and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the endorsements for each policy and the Certificate of Insurance.

4) If, during the Term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; RUHS-MC reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Masimo has become inadequate. Any adjustment shall be subject to an amendment signed by both parties.

6) Masimo shall pass down the insurance obligations contained herein to all tiers of subcontractors, if any, working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to RUHS-MC.

8) Masimo agrees to notify RUHS-MC of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

## **9 General.**

9.1 Written Notice. All notices, requests, demands, instructions, documents and other communications to be given hereunder by either party to the other shall be in writing, shall be sent to the address set forth in the opening paragraph of this Agreement for Masimo and as listed below for RUHS-MC and shall be deemed to be duly given upon the earliest of (i) hand delivery, (ii) the first business day after sending by reputable overnight delivery service for next-day delivery, or (iii) the date actually received by the other party. Such notice to Masimo shall be sent to the attention of a party's Legal Department.

**COUNTY OF RIVERSIDE**  
**Riverside University Health System – Medical Center**  
**26520 Cactus Avenue**  
**Moreno Valley, CA 92555**  
**Attn: Materials Management**

9.2 Headings. Clause or section headings are inserted for convenience of reference only and have no legal effect.

9.3 Severability. Any failure by any party hereto to enforce at any time any term or condition under this Agreement shall not be considered a waiver of that party's right thereafter to enforce each and every item and condition of this Agreement. If any provision of these Terms and Conditions is found to be unenforceable, it will not affect the validity of the remainder of this Agreement, which shall remain valid and enforceable according to the terms hereof.

9.4 Applicable Law. This contract shall be governed under the substantive laws of the state of California without regard to choice of law principles. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

9.5 Force Majeure. Neither party shall be liable for failure to perform any of its obligations under this Agreement during any period in which such party cannot perform due to fire, flood, earthquake, or other natural

disaster, war, embargo, riot, labor dispute or the intervention of any government authority, provided that the party so delayed immediately notifies the other party of such delay.

- 9.6 Assignment. Neither party may assign its rights or delegate its duties under this Agreement either in whole or in part without the prior written consent of the other party, except as part of a corporate reorganization, consolidation, merger or sales of substantially all assets to which this Agreement relates. Any attempted assignment or delegation without such consent shall be void. This Agreement shall bind and inure to the benefit of each party's successors and permitted assigns.
- 9.7 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and any such counterparts may be delivered by facsimile or other electronic means.
- 9.8 Amendment. Amendments to this Agreement or any instrument that would attempt to modify any provision of this Agreement may only be made via a written instrument signed by both Parties and by RUHS-MC and only by an executive who would have the authority to sign this Agreement.
- 9.9 Authority. Masimo and RUHS-MC each represent to the other that each has full and complete power and authority to execute this Agreement and that this Agreement constitutes a valid and binding obligation of Masimo and RUHS-MC, respectively, enforceable in accordance with its terms.
- 9.10 Entire Understanding. This Agreement contains the entire understanding between Masimo and RUHS-MC and supersedes all prior understandings, written or oral, regarding the subject of this Agreement, provided that any separate non-disclosure agreement between the parties will continue unchanged and in full force and effect according to its terms.
- 9.11 Each party represents to the other that it has the skills, experience, and knowledge necessary to perform under this Agreement. Masimo shall perform to the reasonable satisfaction of RUHS-MC and in conformance to and consistent with the highest professional industry standards of firms/professionals in the same discipline in the State of California.
- 9.12 Each party shall comply with all applicable Federal, State and local laws and regulations. Each party will comply with all applicable policies and procedures of the other party. In the event that there is a conflict between the various laws or regulations that may apply, the parties shall comply with the more restrictive law or regulation.
- 9.13 Each party shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.
- 9.14 Each party shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).
- 9.15 **Electronic Signatures.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17, for executing this Agreement. The parties further agree that the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code

This Agreement contains its attached schedules and exhibits, specifically, the following:

- Schedule A ("Equipment Use and Sensor Supply Plan"),
- Schedule B ("Standard Terms and Conditions"),
- Schedule C ("Additional Terms"), and



- Schedule D ("Masimo Systems Installation Services Addendum")

In the event of a conflict between the Agreement and the Schedules, the terms of the Agreement will prevail.

[Signature Page to Follow]

IN WITNESS WHEREOF, the authorized representatives of the parties represent that they have read this Agreement, understand it and agree to be bound by it without exception by executing it below:

**County of Riverside, a political subdivision of  
the state of California on behalf of Riverside  
University Health System – Medical Center**

**Masimo Americas, Inc., a Delaware corporation**

By: 

By: 

Name: V. MANUEL PEREZ

Name: Matthew Anacone

Title: CHAIR, BOARD OF SUPERVISORS

Title: President, Sales Americas

Date: APR 01 2025

Date: February 26, 2025

**ATTEST:**

Kimberly A. Rector  
Clerk of the Board

By:   
Deputy

**APPROVED AS TO FORM:**

Minh C. Tran  
County Counsel

By: Gregg Gu

Name: Gregg Gu

Title: Chief Deputy County Counsel

Date: 03/04/2025

**Schedule A**  
**Equipment Use and Sensor Supply Plan**

**AI RUHS-MC Facilities and Equipment.**

AI.1 RUHS-MC Facilities. This plan applies to the following RUHS-MC Facilities:

**Riverside University Health System – Medical Center**  
**26520 Cactus Ave.**  
**Moreno Valley, CA 92555**

AI.2 Equipment. Masimo agrees to provide the use of the following Equipment and accessories to RUHS-MC at no upfront cost during the Term of this Agreement:

<b>Masimo Part #</b>	<b>Description</b>	<b>Unit Price</b>	<b>Qty</b>	<b>Extended Price</b>
9500	Radical-7 Touch Screen Handheld	\$1,900.00	31	\$58,900.00
9023	RDS-3 Oximeter	\$850.00	25	\$21,250.00
9695	Root Monitor-Docking Station with Noninvasive Blood Pressure and Temperature	\$2,500.00	46	\$115,000.00
9799	Rad-97 Pulse Oximeter with Nomoline Capnography	\$3,614.00	20	\$72,280.00
9849	Rad-G Pulse Oximeter Kit (with 4773 Patient Cable)	\$574.00	10	\$5,740.00
9095 ‡	SafetyNet System comprised of SafetyNet Components and Installation/Training (estimate only and subject to change pending site survey)	\$89,810.00	1	\$89,810.00
4073	RD rainbow SET MD20 - 12	\$185.00	110	\$20,350.00
4078	RD rainbow SET R25-12	\$159.00	35	\$5,565.00
4081	RD SET MD14 - 12	\$144.00	55	\$7,920.00
4082	RD SET MP - 05	\$85.00	88	\$7,480.00
4083	RD SET MP - 12	\$180.00	520	\$93,600.00
4085	RD SET GE - 12	\$160.00	48	\$7,680.00
4105	RD to LNC Adapter Cable, 1.5ft	\$25.00	24	\$600.00
4050	RD SET DCI Adult Reusable Finger Sensor	\$115.00	300	\$34,500.00
4051	RD SET DCIP Pediatric Reusable Finger Sensor	\$134.00	100	\$13,400.00
4053	RD SET TC I Tip Clip Ear Reusable Sensor	\$95.00	50	\$4,750.00
19608	8" M Series Pivot Arm Kit	\$335.00	6	\$2,010.00
19616	Root Mounting Plate	\$40.00	6	\$240.00
11767	VB Wall Mount	\$400.00	6	\$2,400.00
4586	Radius PPG Chip, 1/Box	\$139.00	200	\$27,800.00
4587	Radius PPG Receiver M20, 1/Box	\$135.00	40	\$5,400.00
4855	Rad-G Charger Cable Kit	\$55.00	10	\$550.00
2350	Radical-7 Color Handheld Lock	\$12.00	31	\$372.00
2351	Radical-7 Color Handheld Lock Key	\$30.00	10	\$300.00
<b>Total Equipment:</b>				<b>\$597,897.00</b>
	Installation and Training	\$300.00	963	Included
3408	Sensor Collection Container Pick Up Service (2 pick-ups per month) at Riverside University Health System - 26520 Cactus Ave., Moreno Valley, CA 92555	\$		
<b>Total Value</b>				<b>\$635,097.00</b>

‡ See Schedule C, Section C1.7 for additional details on Masimo System Components.

AI.3 Annual Minimum Sensor Commitment. RUHS-MC agrees to the following Annual Minimum Sensor Commitment in dollars during the Term of this Agreement.



Part Number	Model	Baseline Quantity	Sensors Eligible for Credit (35%)	New Unit Price	Eligible Unit Credit **	Annual Minimum Sensor Commitment	Maximum Eligible Recycle Credit	Annual Minimum Sensor Commitment with Recycle Credit
1859	LNCS ADT Adult Adhesive Sensor, 18in	0	0	\$ 7.42	\$ (0.74)	\$ -	\$ -	\$ -
1860	LNCS PDT Pediatric Adhesive Sensor, 18in	0	0	\$ 7.42	\$ (0.74)	\$ -	\$ -	\$ -
2328	LNCS INF Infant Adhesive Sensor, 18in	0	0	\$ 9.54	\$ (0.95)	\$ -	\$ -	\$ -
2329	LNCS NEO Neonatal Adhesive Sensor, 18in	0	0	\$ 9.54	\$ (0.95)	\$ -	\$ -	\$ -
1863 ±	LNCS DC-I Adult Reusable Finger Sensor	0		\$ 115.00		\$ -		\$ -
1895 ±	LNCS TC-I Reusable Tip-Clip Ear Sensor	0		\$ 95.00		\$ -		\$ -
4000	RD SET ADT Adult Adhesive Sensor	47,774	16,721	\$ 7.42	\$ (0.74)	\$ 354,483.08	\$ (12,373.54)	\$ 342,109.54
4001	RD SET PDT Pediatric Adhesive Sensor	520	182	\$ 7.42	\$ (0.74)	\$ 3,858.40	\$ (134.68)	\$ 3,723.72
4002	RD SET INF Infant Adhesive Sensor	300	105	\$ 9.54	\$ (0.95)	\$ 2,862.00	\$ (99.75)	\$ 2,762.25
4003	RD SET NEO Neonatal Adhesive Sensor	51,020	17,857	\$ 9.54	\$ (0.95)	\$ 486,730.80	\$ (16,964.15)	\$ 469,766.65
4050 ±	RD SET DCI Adult Reusable Finger Sensor	0		\$ 115.00		\$ -		\$ -
4053 ±	RD SET TC-I Reusable Tip Clip Sensor	26		\$ 95.00		\$ 2,470.00		\$ 2,470.00
4585 ±	Radius PPG Neo Sensor	3,120		\$ 16.00		\$ 49,920.00		\$ 49,920.00
<b>Annual Total</b>		<b>102,760</b>	<b>34,865</b>			<b>\$ 900,324.28</b>	<b>\$ (29,572.12)</b>	<b>\$ 870,752.16</b>

**A1.4 Annual Device Management Service Payments.** RUHS-MC agrees to submit a purchase order to Masimo for the amounts listed in the table below for Annual Device Management Services. Annual purchase orders for Device Management Services will then be due to Masimo on the anniversary of the Agreement Effective Date for the remaining Term of the Agreement.

Part #	Description	Quantity	Unit Price	Extended Price
146	Device Management Services for Root Monitor-Docking Station with Noninvasive Blood Pressure and Temperature	46	\$ 150.00	\$ 6,900.00
149	Device Management Services for Root Monitor-Docking Station	60	\$ 150.00	\$ 9,000.00
<b>Total Device Management Service Payment:</b>				<b>\$ 15,900.00</b>

## A2 Sites and Product.

**A2.1 Conversion.** This Agreement is based on RUHS-MC's agreement to convert all pulse oximetry sites at the Facilities to utilize Masimo Sensors and all of the sites at each of the Facilities will use only Masimo Sensors unless Masimo is unable to fulfill RUHS-MC's orders, and going forward, upon renewal of existing pulse oximetry monitors at each of the Facilities, RUHS-MC agrees to only purchase Equipment enabled with Masimo rainbow SET technology boards.

**A2.2 Alternates.** Masimo may, at its sole discretion, ship alternate Products that meet or exceed the specifications of the Products identified in Section A1.2 at no additional cost to RUHS-MC only if approved in advance by RUHS-MC.

**A2.3 Adjustments.** RUHS-MC may adjust the mix of adhesive Sensors obtained subject to the following: i) the Recycle Credit will not exceed the amount listed in the Maximum Eligible Recycle Credit column in Section A1.3, ii) the total percentage of recycled Sensors for Recycle Credit calculations will not exceed thirty-five percent (35%) from the quantities listed in Section A1.3, and iii) the Annual Minimum Sensor Commitment dollar amount is achieved.

**A2.4 Rollover.** So long as RUHS-MC is buying only Masimo sensors for its pulse oximetry and Pulse CO-Oximetry use, RUHS-MC may order up to ten percent (10%) less than the Annual Minimum Sensor Commitment on a cumulative basis, without penalty, provided that the Sensors not ordered are added to the following years' Annual Sensor Commitment count. Upon written notification from Masimo, the

Term of this Agreement shall be extended on a monthly basis for up to an additional twelve (12) months ("Extended Term") in order for RUHS-MC to complete the aggregate Annual Minimum Sensor Commitment which includes all rollover Sensors. The Extended Term shall automatically terminate upon RUHS-MC's completion of the aggregate Annual Minimum Sensor Commitment quantity.

A2.5 Annual Device Management Services. RUHS-MC must submit annual purchase orders for the Annual Device Management Services listed in Section A1.4 pursuant to Section 4 (Purchase Orders) of the Agreement.

### **A3 Recycled Adhesive Sensors.**

A3.1 Pricing. RUHS-MC may recycle used adhesive Sensors with Masimo and receive a Recycle Credit in the amounts listed in Section A1.3.

A3.2 Quantity. RUHS-MC's annual adhesive Sensor Recycle Credit is limited to the quantity of used adhesive Sensors returned by RUHS-MC by part number that Masimo determines are in suitable condition to be recycled, not to exceed thirty-five percent (35%) of RUHS-MC's total annual new adhesive Sensor deliveries, and the Maximum Eligible Recycle Credit in any Annual Period.

A3.3 Quarterly Sensor Recycling Credit. Masimo will provide RUHS-MC all new adhesive SpO2 sensors and will provide a quarterly Sensor Recycle Credit based on eligible used Masimo adhesive Sensors that are returned to Masimo and in suitable condition to be recycled. Masimo will then provide RUHS-MC with a credit, in approximately sixty (60) days after the end of each quarter, which may be used toward the purchase of additional Masimo Product directly from Masimo at the prices listed in Schedule A, or at RUHS-MC's best available GPO price. The Recycling Credit will be issued in accordance with the pricing in Schedule A. RUHS-MC's annual Maximum Eligible Recycle Credit allotment is on an annual basis, beginning on the Effective Date and ending at the conclusion of each Annual Period for the Term of the Agreement. Credits not utilized within sixty (60) days after the end of an Annual Period shall not rollover to the following Annual Period.

A3.4 Bucket Pick-Up Service. Masimo will provide a service two (2) times per month to pick up containers filled by RUHS-MC with its used Masimo Sensors and return them to Masimo facilities for recycling at Masimo's expense.

*[The remainder of the page is intentionally blank.]*

**Schedule B**  
**Standard Terms and Conditions**

**B1. Product.**

- B1.1 Use and Transfer. RUHS-MC acknowledges that Masimo has and retains title to the Equipment provided under this Agreement. Upon completion of RUHS-MC's obligations under this Agreement at the end of the Term, including the Annual Minimum Sensor Commitment, Masimo will transfer ownership and title of the physical components of the equipment to RUHS-MC but explicitly exclude the ownership of any intellectual property ("IP") in the Equipment, including the configuration of the physical components that contain IP, and grant to RUHS-MC a non-exclusive nontransferable license, as is, for the IP embedded in the Equipment for the life of the Equipment pursuant to its authorized use of the Equipment in conformance with the instructions for use and labeling.
- B1.3 No Transfer. RUHS-MC will not sell, resell, assign, sublet, transfer, abandon, part with contract, create, incur, assume or suffer to exist any claim mortgage, pledge, lien, security interest or other charge or encumbrance of any kind upon or with respect to the Products or any part thereof or any of RUHS-MC's rights under this Agreement, without Masimo's written consent. Any attempt to do so may be consider a material breach of this Agreement.

**B2 Limited Use.**

- B2.1 No Implied License. Possession of the Equipment does not convey any express or implied license to use the Equipment with unauthorized sensors or cables that would, alone, or in combination with the Equipment, fall within the scope of one or more of the patents relating to the Equipment. Sensors designated for single patient use only are licensed to RUHS-MC under patents owned by Masimo or one of its affiliates to be used on a single patient only, and RUHS-MC shall not use patented single-patient use Sensors which have been reprocessed or previously used with a different patient, unless specifically authorized by Masimo. There is no license, implied or otherwise, that would allow use of disposable Sensors beyond their intended single use. After use of Sensors designated for single patient use only, there is no further license granted by Masimo to use the Sensors and they must be returned to Masimo.
- B2.2 Qualified Personnel. RUHS-MC will not permit the Equipment to be used by anyone other than RUHS-MC's qualified and trained personnel.
- B2.3 No Modifications. Except for use of the communication ports provided by Masimo to transmit data from the Masimo monitors and systems to other equipment, modification or connection of other Equipment to the Masimo Equipment, including software, hardware and related instruments cannot be made without Masimo's prior written authorization, which authorization may be withheld at Masimo's sole discretion.
- B2.4 Cleared Use Only. The Equipment, Software, Sensors and related disposable accessories may not be used for any processes, procedures, experiments or any other use for which the Equipment is not intended or cleared by the Food and Drug Administration (FDA), or in any manner inconsistent with the instructions for use or labeling.

**B3 Software.**

- B3.1 License Grant. The Sensors and Equipment contain Masimo proprietary technology and/or software (the "Software"), and other proprietary information (collectively, "Intellectual Property"). Masimo grants to RUHS-MC a non-exclusive, non-transferable, license to use the Software, Sensors and Equipment in connection with its authorized use of the Equipment and Sensors in conformance with the instructions for use and labeling and this Agreement. Notwithstanding any other provision of this Agreement, Software, Sensors and Equipment are licensed; not sold. This Agreement does not constitute a sale of the Software, Sensors, Equipment, trade secrets, any copy of the Software or any Intellectual Property.



- B3.4 No Modifications. RUHS-MC may not reverse engineer, copy, modify, loan, rent, lease, assign, transfer, or sub-license the Software or Intellectual Property without Masimo's prior written consent, which may be withheld at Masimo's sole discretion; any attempt to do so will render the license null and void and use of the Software and Intellectual Property invalid.

#### **B4 Confidentiality.**

- B4.1 No Disclosure. During the term of the Agreement and for three (3) years thereafter, neither party shall disclose or use for any purpose other than performance of this Agreement any information and proprietary material disclosed to it without the prior written consent of the disclosing party.
- B4.2 Applicability. The obligations of confidentiality shall not apply to information that at the time of disclosure or subsequently is a matter of general public knowledge other than by a breach of this Agreement; is rightfully communicated to the recipient free of any obligation of confidence; is made public by the disclosing party; or to information that is required to be disclosed by applicable law, provided however, that the recipient shall promptly notify the disclosing party of such requirement.
- B4.3 Masimo Confidential Information. RUHS-MC agrees that the Masimo Products contain proprietary information belonging to Masimo. In connection with this Agreement, RUHS-MC may also receive other Masimo confidential information, which includes, but is not limited to ideas, concepts, materials, techniques, models, data, designs, documentation, flow charts, budgets, such projections, forecasts, marketing and development plans, communication protocols, and testing procedures. "Masimo Confidential Information" shall mean all such confidential information and the trade secrets and proprietary information embodied in the Masimo Products. During the term and for three (3) years thereafter, RUHS-MC agrees to maintain the confidential nature of such Confidential Information. Masimo retains all rights, title and interest in the Masimo Products and in all Confidential Information. RUHS-MC shall not use Masimo Confidential Information for any purpose other than performance of this Agreement or the maintenance or repair of the Masimo Products in accordance with this Agreement. RUHS-MC shall not disclose Masimo Confidential Information to any third party without the prior written consent of Masimo or as required by law.

#### **B5 Warranty.**

- B5.1 Limited Warranty. Masimo warrants that the Masimo Products provided will materially conform to the published Product specifications of Masimo at the time of shipment and be free from material defects in materials and workmanship. If any Masimo Products or other accessories are found upon examination by Masimo to be defective during the warranty period shall be limited to repair or replacement. Masimo is not responsible and will charge RUHS-MC for repair, replacement, or maintenance caused by damage, neglect, misuse, improper operation, accident, fire, water, vandalism, weather, war, any Act of God, unauthorized equipment attached to Masimo Product(s), or unauthorized modification of Masimo Products or Software. Except as expressly noted herein, all remedies set forth herein are exclusive and in lieu of all other representations and warranties, oral or written, express or implied.
- B5.2 Warranty Duration. For Equipment, the duration of the warranty shall be one (1) year from the date of first use, not to exceed fourteen (14) months after shipment; for reusable Sensors, batteries and other accessories, the duration of the warranty is six (6) months from the date of first use, not to exceed eight (8) months after shipment; and disposable Sensors are warranted for single-patient use prior to their expiration, within six (6) months after shipment.
- B5.3 Exclusions. This warranty does not apply or extend to any Product (i) damaged, neglected, misused or improperly operated; (ii) modified, disassembled, or reassembled; (iii) used with supplies, devices or electrical work external to the Products or not manufactured by Masimo; (iv) used with sensors or other accessories other than those manufactured and distributed by Masimo; (v) put to a use or used in environments for which they are not intended; and (vi) where the Software has been damaged, modified by anyone other than Masimo or without the express written authorization of Masimo, or used contrary to Masimo's instructions. Masimo's warranty does not extend to any equipment or software not manufactured by Masimo. For equipment manufactured by third-parties, Masimo will pass

on to RUHS-MC all terms and rights provided by the manufacturer. THE FOREGOING WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER EXPRESS OR IMPLIED WARRANTIES, ARISING BY OPERATION OF LAW OR OTHERWISE, AND NO OTHER WARRANTIES EXIST, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

**B6 Limitation of Liability.** IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES FOR BUSINESS INTERRUPTION OR LOSS OF USE, DATA, REVENUE, OR PROFIT. IT IS INTENDED THAT THIS LIMITATION APPLY TO ANY AND ALL LIABILITY OR CAUSE OF ACTION HOWEVER ALLEGED OR ARISING, UNLESS PROHIBITED BY LAW, REGARDLESS OF WHETHER THESE DAMAGES WERE FORESEEABLE AND WHETHER A PARTY WAS ADVISED OF THE POSSIBILITY OF THESE DAMAGES. THIS PROVISION WILL NOT APPLY TO ANY AMOUNTS AWARDED TO A THIRD PARTY IN CONNECTION WITH ANY CLAIM FOR WHICH A PARTY IS REQUIRED TO PROVIDE INDEMNIFICATION UNDER THIS AGREEMENT.

**B7 Indemnification.**

- B7.1 Bodily Injury. Masimo will defend, indemnify and hold RUHS-MC harmless against any and all liability, loss, damages, costs or expenses that RUHS-MC may hereafter incur, as a result of any injury, illness or death of any person which is caused by any Products, to the extent that such injury, illness or death resulted from) failure of any Product at the time of shipment to RUHS-MC to materially comply with its published specification. Masimo will indemnify third party monitors that contain Masimo SET or Rainbow SET technology under license from Masimo to the extent that the Masimo technology is the cause of any bodily injury.
- B7.2 Infringement. Masimo will defend, indemnify and hold RUHS-MC harmless against infringement or alleged infringement directly resulting from standard Products furnished under this Agreement, of any patent, copyright, trademark, trade secret or any other proprietary right of any third party. In the event of such claim, Masimo may, at its sole discretion, (i) modify the particular Product to make it non-infringing, (ii) obtain a license to allow the continued use of the Product, or (iii) terminate this Agreement, and take possession of and refund all fees paid for the infringing Products, and pay fair market value, but no more than the price paid by RUHS-MC for the infringing Product, if any.
- B7.3 Exclusions. RUHS-MC will (i) promptly notifies Masimo of such claims, (ii) gives Masimo an adequate opportunity to defend, including complete control of such defense, and (iii) provides reasonable assistance to Masimo, at Masimo's expense and request, in connection with the defense and settlement of any such claim. Masimo shall have no liability for settlements made without Masimo's express written consent. Should RUHS-MC desire to have its own counsel participate in any such action, the cost of such counsel shall be exclusively RUHS-MC's. Notwithstanding the above, Masimo shall not be liable for any infringement of intellectual property rights of third parties or for any liability, loss, damages, costs or expenses which RUHS-MC may incur as a result of any injury, illness or death resulting from (i) alterations or modifications to the Products made by RUHS-MC or others (or by Masimo, in the case of an infringement claim) at RUHS-MC's request, (ii) electrical/electronics, software/firmware, sensors, or product interface not furnished by Masimo, (iii) combination of the Products with other apparatus or technology not furnished or, in the case of infringement claims, specified in writing by Masimo, (iv) use of Products or components not supplied by Masimo, (v) use of Products not permitted under this Agreement, (vi) Products improperly used (including use past the expiration date where applicable) or maintained, or used where defects arose from normal wear and tear; or (vii) for any claims not related directly to the Products. The preceding sentence does not exclude Masimo's indemnification obligations for claims arising out of Masimo SET or Rainbow SET technology contained in OEM Monitors or the combination of such technology with Masimo Products.

**B9 Masimo Products and Additional Products.**

- B9.1 Masimo Products supplied under this Agreement may at Masimo's discretion be either new manufactured Products or refurbished Products or a mix of Products, provided that all Products supplied by Masimo will meet their published performance specifications. All Products are supplied with the Standard Warranty period described in Section B5.2. RUHS-MC will give Masimo access to the Equipment at reasonable times and upon reasonable notice for updates or special maintenance of Equipment if required during the Term of this Agreement.
- B9.3 New Products. Masimo, at Masimo's discretion may develop new Product(s) and may make them generally available after the Effective Date. If and when Masimo makes New Product(s) generally available, Masimo may inform RUHS-MC of such New Products by providing notice. Masimo acknowledges that RUHS-MC would not be obligated to obtain such New Products, but if RUHS-MC chooses to do so, the terms of any license for such New Products shall be the terms set forth in an amendment to this Agreement. No change to the Annual Minimum Sensor Commitment would be made as a result of RUHS-MC obtaining New Products unless mutually agreed to in writing by the parties through an amendment to this Agreement.
- B9.4 Replacements. Notwithstanding the above, if Masimo releases a product that is a replacement for an existing Product, then Masimo, upon written notice, may substitute the existing product with such replacement at no additional charge to RUHS-MC.

**B10 EEO Compliance.** If applicable, the Equal Opportunity Clauses set forth in 41 C.F.R. parts 60-1.4(a), 60-250.5(a), 60-300.5(a) and 60-741.5(a), and the employee notice found at 29 C.F.R. Part 471, Appendix A to Subpart A are hereby incorporated by this reference.

*[This space was intentionally left blank.]*



**Schedule C**  
**Additional Terms**

**CI Masimo Systems Network.**

CI.1 RUHS-MC Network Requirements.

CI.1.a. RUHS-MC's information technology networks must meet the following minimum network performance requirements:

- |  |                                 |
|--|---------------------------------|
| • Network Availability                   | Greater than 99.9%              |
| • Hardwired Latency                      | Less than 30ms                  |
| • Wireless Latency                       | Less than 100ms                 |
| • Packet Loss                            | Less than 2%                    |
| • Primary Access Point Signal Strength   | Equal to or greater than -67dBm |
| • Secondary Access Point Signal Strength | Equal to or greater than -72dBm |
| • Wireless Security                      | Minimum of WPA-PSK              |

CI.1.b. Additional network requirements for the installation of Masimo Systems are set forth in the Masimo Systems Network Configuration Questionnaire, available upon request.

CI.1.c. RUHS-MC's failure to meet the minimum network performance requirements listed above and included in the Masimo Systems Network Configuration Questionnaire may result in additional installation time. Additional installation time is not included or funded in this Agreement and shall be billed to RUHS-MC at the rate of \$350 per bed or a minimum of \$5,000 with associated travel and lodging expenses.

CI.2 VPN Connection. A virtual private network (VPN) connection to each Masimo Systems Medical Appliance is required so that Masimo can provide warranty service and support. RUHS-MC will provide a VPN connection for each Masimo Systems Medical Appliance. Masimo may not access, transmit, copy or use any data from the Masimo Systems Medical Appliance except as is necessary to provide Product enhancements, warranty service, support and the development of new algorithms and products. Masimo may access, copy and use any de-identified data from the Masimo Systems Medical Appliance provided Masimo complies with applicable HIPAA requirements.

CI.3 Host Device Requirements. In order to use SafetyNet as a virtual machine, RUHS-MC's virtual infrastructure must be running VMware V5.x or V6.x and meet the following hardware requirements:

- |                           |                                      |
|---------------------------|--------------------------------------|
| • CPU                     | Minimum Quad-Core Intel Xeon 2.0 GHz |
| • Memory                  | Minimum 8 GB RAM                     |
| • Storage                 | Minimum 512 GB HDD storage array     |
| • Input/Output Connection | One available physical USB port      |

CI.4 Additional Charges.

CI.4.a. If RUHS-MC will be utilizing a wireless network, then an additional charge of \$150 per bed shall apply. If RUHS-MC is providing a hardwired network, RUHS-MC is responsible for providing all cable routing and termination in conformance to standards, adequate number of switch / router ports to support all available bedsides where beside Masimo Devices may be connected, cabling drops and termination to all devices specified in this Agreement, and adequate physical space, ventilation, and emergency power for the Masimo Systems server.

CI.4.b. Unless otherwise stated, the pricing provided in this Agreement is based on interior wall construction of sheetrock over steel studs without any special Radio Frequency (RF) shielding in any walls at Masimo Systems placement. Additional installation time related to additional wireless components and installation services necessary to address unforeseen issues associated with wireless network coverage, operation, or reliability due to RUHS-MC's layout or construction is not included or funded in this Agreement and shall be billed to RUHS-MC at the rate of \$350 per bed or a minimum of \$5,000 with associated travel and lodging expenses.

CI.4.c. RUHS-MC's Information Technology department will provide to Masimo, in a timely manner, all necessary network configuration data and assistance required to make the Masimo Systems functional. RUHS-MC agrees that it will designate an appropriate IT liaison and provide Masimo with the IT liaison's name and contact information within ten (10) days of the Effective Date of this

Agreement. Masimo will send the designated IT liaison the Masimo Systems Infrastructure Configuration Questionnaire to complete and return to Masimo within thirty (30) days of receipt of the Questionnaire. RUHS-MC agrees that the IT liaison will provide technical assistance and coordination necessary for the Masimo Systems installation. Additional installation time required to address changes made to the network configuration which are not communicated in advance to Masimo are not included or funded in this Agreement and shall be billed to RUHS-MC at the rate of \$350 per bed or a minimum of \$5,000 with associated travel and lodging expenses.

C1.4.d. (Applicable to SafetyNet Systems) RUHS-MC may elect to deploy their own End-User Notification Solution in conjunction with SafetyNet. In this configuration, an End-User notification solution ("Notification System") would include a Notification Gateway and a Notification Device. The term "Notification Gateway" means a user-provided communication interface, such as a paging transmitter, that receives SafetyNet alarms and alerts notification messages (collectively, "Notification(s)") and delivers them to Notification Devices; and "Notification Device(s)" means a device, such as a pager, that delivers the Notification to the End-User clinician. "End- User" means the hospital or other facilities where SafetyNet is installed.

C1.4.e. (Applicable to SafetyNet Systems) Under these circumstances, SafetyNet is responsible for sending Notifications to the End-User Notification System. ONCE A NOTIFICATION HAS BEEN APPROPRIATELY SENT BY SAFETYNET, PER MASIMO'S NETWORK SPECIFICATIONS, TO THE RUHS-MC'S NOTIFICATION SYSTEM, THE RUHS-MC IS RESPONSIBLE FOR, AND MASIMO CANNOT BE HELD LIABLE FOR, ANY FAILURE OF RUHS-MC'S NOTIFICATION SYSTEM TO RECEIVE AND TRANSMIT THAT NOTIFICATION TO THE END-USER.

C1.5 Installation. The installation schedule for the Masimo Systems shall have no effect on Section 3 of this Agreement.

C1.6 Remote Support and Hardware Replacement Warranty. Masimo will provide remote support and hardware replacement warranty for twelve (12) months from date of installation, not to exceed fourteen (14) months from the date of Masimo Systems delivery.

C1.7 Masimo Systems Components. The Masimo Systems provided under Schedule A of this Agreement are comprised of the following components:

<b>Masimo Part #</b>	<b>Description</b>	<b>Unit Price</b>	<b>Qty</b>	<b>Extended Price</b>
15768	Cables To Go Patch Cable – 7ft (Blue)	\$12.00	40	\$480.00
15769	Cables To Go Patch Cable – 14ft (Blue)	\$25.00	2	\$50.00
9937	Iris Device Management System	\$7,000.00	1	\$7,000.00
27846	SafetyNet Virtual Machine (production)	\$-	1	included
28814	Digital License Manager Virtual Appliance, USB	\$-	1	included
25107	SafetyNet Management Console with Software V5000 (Touchscreen View)	\$11,500.00	2	\$23,000.00
9095-LIC	Patient SafetyNet Per Bed License	\$800.00	40	\$32,000.00
3963	HL7, ADT, Interface	\$-	1	included
3964	HL7, Results Out, Interface	\$-	1	included
4526	Iris Interface for HL7 Notifications	\$-	1	included
28028	SafetyNet Virtual Machine (Test Environment)	\$-	1	included
25842	Patient SafetyNet Test View Station – V5000 Series	\$2,000.00	1	\$2,000.00
101138	USB 1D/2D Barcode Reader	\$282.00	40	\$11,280.00
2456	Masimo Systems Installation Services	\$350.00	40	\$14,000.00
<b>Total SafetyNet Components:</b>				<b>\$89,810.00</b>

**C2 Reprocessed Sensors Under Contract #14US0598.** Upon execution of this Agreement, RUHS-MC forfeits any remaining reprocessed Sensors available in RUHS-MC's reprocessed sensor bank, and shall purchase new adhesive Sensors only.

**C3 Annual Masimo Cable Coupons.** RUHS-MC is eligible to earn a total of \$50,000 in Annual Masimo Cable Coupons which may be used to acquire Masimo manufactured cables directly from Masimo. The Annual Masimo Cable Coupons will be available in \$10,000 annual increments for the first five (5) Annual Periods following the Agreement Effective Date. Once RUHS-MC has purchased \$10,000 worth of new adhesive Sensors in the applicable Annual Period, Masimo will make available the Annual Masimo Cable Coupons for \$10,000. These Annual Masimo Cable Coupons will be issued following notification from RUHS-MC that it has purchased the required amount of new adhesive Sensors, and verification from Masimo that the required purchases have been completed. RUHS-MC may accrue the Annual Masimo Cable Coupons on an annual basis, beginning on the Agreement Effective Date, and ending at the conclusion of the fifth (5th) Annual Period. Remaining Annual Masimo Cable Coupons not utilized during an Annual Period shall not rollover to the following annual period, and will expire thirty (30) days following the completion of the fifth (5th) Annual Period following the Agreement Effective Date.

**C4 RUHS-MC Standardization on Masimo Root.** Masimo Root with noninvasive blood pressure and temperature is provided in Schedule A at no upfront cost under the terms of this Agreement, and in consideration of RUHS-MC's agreement to standardize on Masimo Root with noninvasive blood pressure and temperature for all future vital sign requirements with comparable technology during the Term.

**C5 Annual Business Review.** The parties agree to meet on annual basis to review both parties compliance with this Agreement.

**C6 Distributors.**

**C6.1 Application to Commitment.** Sensors obtained by RUHS-MC as a result of an Intermediary (a Distributor, IDN or GPO affiliation), that are not included in this Agreement; do not apply towards RUHS-MC's Annual Minimum Sensor Commitment.

**C6.2 Price Differential.** Should an Intermediary elect to provide the Sensors at lower or higher prices to RUHS-MC than listed herein, such shall be agreed upon between the Intermediary and RUHS-MC. Masimo shall have no obligation to rebate RUHS-MC or the Intermediary for any price differences other than to the Intermediary for the price negotiated between RUHS-MC and Masimo for the Sensors listed herein.

**C6.3 Distributor Option.** RUHS-MC shall have the option to utilize a Masimo-approved Distributor to order and receive Masimo Sensors per the terms of this Agreement for distribution of Sensors ordered per this Agreement to RUHS-MC Facilities. RUHS-MC's Annual Minimum Sensor Commitment can be fulfilled in such manner under this paragraph's additional conditions. Should RUHS-MC select this option, then

- Section 6 ("Payment") shall be amended as follows: Masimo agrees to provide Sensors to the Masimo-approved Distributor at the same prices listed herein.
- Section 4 ("Purchase Orders") shall be amended as follows: Ordering process, price, and terms determined between RUHS-MC and Distributor shall not amend or supplement the terms of this Agreement.

**C6.4 IDN or GPO Affiliation.** RUHS-MC may also order Products that are not included in this Agreement pursuant to RUHS-MC's IDN or GPO affiliation. In such event, the terms and conditions of this Agreement shall supersede the terms and conditions of the IDN or GPO Agreement between Masimo and the aforementioned IDN or GPO. This order of precedence shall prevail at all times even if the IDN or GPO Agreement was executed prior to this Agreement or in the event the IDN or GPO Agreement is amended or an entirely new IDN or GPO Agreement is executed between Masimo and the IDN.

*[This space was intentionally left blank.]*



**Schedule D**  
**Masimo Systems Installation Services Addendum**

The following Exhibits are attached and incorporated into this Masimo Systems Installation Services Addendum:

- Exhibit A – Project Implementation Scope
- Exhibit B – Installation Services Pricing
- Exhibit C – RUHS-MC Locations and Contacts
- Exhibit D – Masimo Contacts
- Exhibit E - Definitions, in which capitalized terms used in this Addendum are defined

**D1 Services.**

D1.1 Masimo shall provide the Masimo Systems Installation Services ("Services") in accordance with this Addendum and any applicable Exhibits. Services will be performed during Business Hours except to the extent that RUHS-MC and Masimo mutually agree otherwise. RUHS-MC shall pay for the Services and expenses pursuant to Section D6 of this Addendum and as specified in the applicable Services Exhibit.

**D2 Services Change Orders.**

D2.1 RUHS-MC may at any time notify Masimo in writing that it desires to modify an Exhibit. If Masimo is willing in its sole discretion to accept such modifications, it shall promptly prepare and submit to RUHS-MC a Change Order to the applicable Service Exhibit proposing the terms and price under which such changes will be made. If RUHS-MC accepts such Change Order, RUHS-MC shall issue a Purchase Order to Masimo within five (5) Business Days after the date of the Change Order. The terms of this Addendum and or applicable Exhibit shall be deemed amended and shall become a part of this Addendum. If RUHS-MC does not accept the Change Order in writing within five (5) Business Days, then the Change Order shall be of no force or effect.

**D3 Purchase Orders.**

D3.1 RUHS-MC may acquire Services by submitting a Purchase Order to Masimo referencing this Addendum. Each Purchase Order shall be issued pursuant to the applicable Exhibit(s) which details the work to be performed and the prices. No Purchase Order shall be binding unless acknowledged and accepted in writing by Masimo.

D3.2 No terms in any Purchase Order shall amend or supplement the terms of this Addendum.

**D4 Estimated Schedule.**

D4.1 Masimo shall make commercially reasonable efforts to complete the Services in accordance with the project schedule developed during the project kick-off meeting. RUHS-MC further acknowledges that the schedule depends upon and assumes that RUHS-MC will perform all of its obligations under project schedule.

**D5 Work Product.**

D.5 Any Software or Documentation that are modified, enhanced or customized under this Addendum or any Exhibit (collectively, "Developed Software" and "New Documentation," respectively) shall be deemed to be part of the Masimo Software or Documentation, as the case may be except that: (i) Developed Software is provided AS IS, without any warranties whatsoever, and (ii) RUHS-MC may not be entitled to receive any Services with respect to the Developed Software and shall have no rights with respect thereto under any Masimo Service Agreement

**D6 Payment for Additional Charges Not Included in Schedule C, Section C1.7.**

D.6 Masimo shall invoice RUHS-MC (i) upon completion of a Network Performance Summary Report (Masimo Systems Network Pre Installation and Installation Fee) and (ii) upon installation of the Products, if any additional charges are incurred. Payment terms are net thirty (30) calendar days from invoice date.

D6.2 Payments. All payments required by this Addendum are stated and shall be made in United States dollars. Payment may be made only by check or by electronic funds transfer (EFT) via automated clearing house (ACH), or by wire transfer. Each party will provide any required banking information to effect payment, and bear its own bank service charges. If Payment is made by check, it shall be sent to Masimo at the return address printed on Masimo's invoice, and shall be deemed made only upon receipt by Masimo at that address. Maximum payments by RUHS-MC to Masimo shall not exceed \$916,225 annually including all expenses, plus any applicable taxes. RUHS-MC is not responsible for any fees or costs incurred above or beyond the contracted amount (except for any applicable taxes) and shall have no obligation to purchase any specified amount of services or products, except as authorized by RUHS-MC in writing, including RUHS-MC purchase orders. Unless otherwise specifically stated in Schedule A, RUHS-MC shall not be responsible for payment of any of Masimo's expenses related to this Agreement. RUHS-MC obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of RUHS-MC funding from which payment can be made. Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of RUHS-MC shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that Customer can provide evidence (ie public record) that such funds are not forthcoming for any reason, RUHS-MC shall immediately notify Masimo in writing; and this Agreement shall be deemed terminated, have no further force, and effect

**D7 Installation Limited Warranty.** ALL SERVICES ARE PROVIDED AS IS. MASIMO MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO THE SERVICES PERFORMED HEREUNDER.

*[This space was intentionally left blank.]*

**Exhibit A**  
**Project Implementation – Scope of Work**

- 1) **Site Survey – Masimo Systems Network Pre Installation and Installation Fee (Planning and System Configuration Architecture).**
- 2) **Project Implementation – Scope.**
  - a) The scope of work ("SOW") of this engagement provides Installation Services ("Services") by Masimo to implement a Masimo Systems ("Masimo Systems") at the RUHS-MC site. Activities associated with this implementation project will be conducted both at RUHS-MC's data center and remotely via VPN (or equivalent).
- 3) **Project Kickoff.**
  - a) During the Project Kickoff Phase:
    - i. **Masimo and RUHS-MC** are responsible for assigning project managers, or equivalent, to oversee the project. The objectives of the project kick-off meeting are the following:
      1. Define project scope
      2. Detail project deliverables
      3. Identify and assign key resources to complete project deliverables
      4. Identify and assign key resources to develop a continuous patient monitoring protocol
      5. Establish timeframes to complete project deliverables
      6. Generate overall project plan
      7. Agree on the Change Management Process
- 4) **Planning and System Configuration Architecture (Pre Installation).**
  - a) During the Planning and Architecture phase,
    - i. **Masimo will:**
      1. In the case where wireless networks are being used, conduct a wireless site survey.
      2. Perform network performance testing. This testing, to be summarized in the Network Performance Summary Report, involves the following:
        - a. 24 hour Ping Test that tests the network availability, network latency and packet loss
        - b. 24 hour Clinical Impact Analysis that quantifies the overall impact of network performance on the Masimo Systems performance.
        - c. Signal strength Heat Map
        - d. Signal-to-Noise Heat Map
        - e. Interference Heat Map
        - f. Client disconnect summary
    - ii. **RUHS-MC will provide Masimo:**
      1. Access to the applicable areas to be tested
      2. Network settings for test equipment
      3. With a scaled architectural floor plan, in a digital format (.bmp, .dib, .dwg, .dxf, .emf, .gif, .vsd, .jpg or .wmf), for all areas intended to provide wireless coverage for the Masimo Systems Application.
  - b) System Configuration and Architecture Requirements
    - i. The objectives of the System Configuration Requirements are for the RUHS-MC to provide the details for Masimo personnel to configure and test the purchased Masimo Systems components. The Masimo project manager will provide a questionnaire to the RUHS-MC project manager, or equivalent, for completion. It is the responsibility of the RUHS-MC to complete the applicable sections of the questionnaire. Completion of this document is required for Masimo to configure and test the applicable system components prior to shipping.
    - ii. Information technology networks provided by RUHS-MC must meet the following minimum network performance requirements:

- I. Wireless Networks
  - a. Network availability: greater than or equal to 99.9%
  - b. Packet Loss: less than 2%
  - c. Wireless Latency: less than 100ms (stationary use)
  - d. IEEE 802.11a Access Point Overlap; or
    - i. Greater than 20% Access Point overlap
    - ii. Greater than -67 db signal strength at Access Point Peripheral
    - iii. Greater than 20 db Signal-to-Noise ratio
    - iv. Recommended 20 db channel separation to minimize co-channel interference
    - v. Security: minimum WPA-PSK
  - e. IEEE 802.11b/g Access Point Overlap:
    - i. Greater than 15% Access Point overlap
    - ii. Greater than -67 db signal strength at Access Point Peripheral
    - iii. Greater than 20 db Signal-to-Noise ratio
    - iv. Recommended 20 db channel separation to minimize co-channel interference
    - v. Security: minimum WPA-PSK
2. Hardwired Networks
  - a. Hardwired Latency: less than 30ms
    - i. Network Availability: greater than or equal to 99.9%
    - ii. Packet Loss: less than 2%

## 5) RUHS-MC's Responsibilities.

### a) General.

- i. RUHS-MC shall make available in a timely manner at no charge to Masimo all technical data, computer facilities, programs, files, documentation, test data, sample output and suitable office accommodations required by Masimo for the performance of the Services. RUHS-MC will be responsible for and assumes the risk of any problems resulting from the content, accuracy, completeness and consistency of all such data, materials and information supplied by RUHS-MC. RUHS-MC shall be responsible for the use of the Product and for assuring that the Masimo Systems Medical Appliance and Software are appropriate to achieve RUHS-MC's intended results. Provide access to facilities, systems, personnel and respond to all requests for information required to complete installation
- ii. Configuring a VPN account(s) for Masimo to minimally access the applicable Masimo Systems which may include the Medical Appliance, Masimo Systems Views, Masimo Notification System, and Masimo wired and wireless bridge clients, and to push and pull files. Masimo is responsible for testing the VPN access to ensure functionality.
- iii. Provide a virtual private network (VPN) connection to each Masimo Systems Medical Appliance is required. RUHS-MC will provide a VPN connection for each Masimo Systems Medical Appliance. Masimo may not access, transmit, copy or use any data from the Masimo Systems Medical Appliance except as is necessary to provide Product enhancements, warranty service, support and the development of new algorithms and products. Masimo may access, copy and use any de-identified data from the Masimo Systems Medical Appliance provided Masimo complies with applicable HIPAA requirements.

### b) Network.

- i. Available network outlets by each bedside for bedside instruments
- ii. Power outlets at the bedside for Masimo equipment
- iii. Applicable hospital network configuration
- iv. 2-U of rack space, network access and back-up power for each Masimo Systems Medical Appliance in the IT Data Center
- v. Back-up power for the Masimo Systems Medical Appliance(s)
- vi. Space in the clinical area for the SafetyNet View(s), if applicable.
- vii. Network access and back-up power for the SafetyNet View, if applicable.



- viii. Space to mount the Masimo Notification System, if applicable.
- ix. Network access and back-up power for the Masimo Notification System, if applicable.

**c) Facility.**

- i. Installation of cabling and network jacks
- ii. Mounting of bedside instrument wall mounts
- iii. Installation of the Masimo Systems Medical Appliance in the IT Data Center
- iv. Mounting of the SafetyNet Paging Transmitter, if applicable.
- v. Installation of additional power outlets
- vi. Providing bedside instrument clinical settings

**d) Remediation Activities.**

- i. Any and all remediation activities or any work beyond this SOW required to meet Masimo Systems minimal performance requirements are the sole responsibility of the RUHS-MC, including all costs incurred to complete such remediation
  - 1. Masimo shall document and notify RUHS-MC of any and all deficiencies identified during this SOW.
  - 2. If mutually agreed upon, Masimo will issue RUHS-MC a Change Order specifying any additional work required to be conducted by Masimo to assist RUHS-MC in remediation process or RUHS-MC has the option to use its own 3rd party contractor or consultant to implement remediation.
  - 3. RUHS-MC shall notify Masimo when remediation is completed.
    - ii. RUHS-MC will issue Masimo a Purchase Order for the remediation, if performed by Masimo, and to retest network to validate remediation has corrected the identified deficiency
      - a. Masimo will conduct, at its sole discretion, all or some of the Network Performance dependent upon the extent of remediation.

**e) Development of Continuous Patient Monitoring Protocol.**

- i. RUHS-MC to identify and assign key resources to develop continuous patient monitoring protocol for those care areas for which Masimo Systems will be installed.
- ii. RUHS-MC to educate all necessary personnel on the continuous patient monitoring protocol prior to go-live activities.
- iii. RUHS-MC to implement the continuous patient monitoring protocol as part of go-live activities.
- iv. Go-live activities will occur only after the creation of a continuous patient monitoring protocol, and personnel education and protocol implementation as detailed in items ii and iii

**6) Installation and Acceptance.**

- a) Installation shall begin upon mutual agreement:
  - i. The RUHS-MC's facility and network meet Masimo Systems Install specifications; and
  - ii. Installation pricing if changes were required as a result of findings discovered in Section 3; and
  - iii. Scheduling
- b) During the Installation Phase, Masimo will:
  - i. Perform Masimo Systems Installation which includes:
    - 1. Perform tuning and remediation as necessary
    - 2. Upon completion of the Installation Services as described herein, RUHS-MC shall sign the Masimo Systems Installation Checklist as an acknowledgment that such services have been completed

**7) Out of Scope.**

- a) The following work is defined as out of scope for this project:
  - i. Any and all RUHS-MC Network remediation activities
  - ii. Tuning network performance
  - iii. Unpacking and Racking Hardware

**8) Assumptions.**

- a) TBD

**9) Additional Provisions.**

- a) Change Procedure: Any changes and/or modification to this SOW must be done in writing and approved by both Masimo and RUHS-MC. Changes may result in a change to the service fees associated with this SOW. Should the changes result in additional time or material, Masimo will provide to RUHS-MC in writing an estimate cost for approval before such costs are incurred. Change requests are to be communicated via the assigned project managers, or equivalent, on the **Masimo** and **RUHS-MC** side.

*[End of Exhibit A]*

**Exhibit B**  
**Installation Services Pricing**

- 1) Masimo Systems Network Pre Installation and Installation Fee (Planning and System Configuration Architecture).**
  - a. Pre Installation Site Survey Fee
  - b. Prior to installation and final Masimo Systems pricing, RUHS-MC shall pay amounts exceeding the values in Schedule C, Section C1.7 for Site Surveys, when required.
  - c. The Site Survey fee, when required, includes travel and expenses for a single trip and up to five (5) days of on-site evaluation and validation of RUHS-MCs network. For multiple floors the aforementioned is multiplied by the number of floors.
  - d. Upon mutual agreement of Masimo's network evaluation, Masimo Systems Price and Installation Fees shall be revised to reflect the correct configuration, number of days for the Masimo Systems Installation, and RUHS-MC's additional costs, if any
- 2) Installation Fee.**
  - a. Schedule C, Section C1.7 includes installation of the Masimo Systems at \$350 per bed, or a minimum of \$5,000, per Masimo Systems Medical Appliance (or as otherwise revised per Schedule C, Section C1.7 of the Agreement). The \$350 per bed, or a minimum of \$5,000 fee includes travel and expenses and up to five days of on-site installation services. For multiple care areas, the aforementioned is multiplied by the number of Masimo Systems Medical Appliances. Should RUHS-MC opt to use a wireless connectivity that is not captured in Schedule C, Section C1.7, a fee of \$150 per bed shall apply.
- 3) Pre Installation Site Survey and Installation Start Dates.**
  - a. Pre Installation Site Survey
    - i. Masimo shall perform the Pre Installation Site Survey within ten (10) days after execution of this Agreement.
    - ii. In the event that there are corrective actions required by the RUHS-MC as a result of Masimo's completion of the Site Survey, RUHS-MC shall remedy said corrective actions as defined by Masimo with in thirty (30) days of the Site Survey completion.
    - iii. Delays in remedying the corrective actions that are not mutually agreed upon may result in additional fees.
- 4) Installation Services.**
  - a. Masimo shall perform the Installation Services according to the dates agreed upon in the Project Plan or at an updated date following RUHS-MC's remedy of the corrective actions.
- 5) Purchase Price and Payment Schedule.**
  - a. Additional services beyond this project can be contracted by RUHS-MC at a rate of \$350 per hour plus travel and expenses only as set forth in an amendment to this Agreement.

*[End of Exhibit B]*

**Exhibit C**  
**RUHS-MC Locations and Contacts**

**Primary Data Center Location:**

RUHS-MC	
Address	
City, State, Zip	

**Target Data Center Location**

RUHS-MC	
Address	
City, State, Zip	

**RUHS-MC Contact Information**

**Project Manager**

Name	
Office Number	
Cell Number	
E-mail address	

**Administrator**

Name	
Office Number	
Cell Number	
E-mail address	

*[End of Exhibit C]*



**Exhibit D**  
**Masimo Contacts**

**Project Manager**

Name	
Office Number	
Cell Number	
E-mail address	

**Installation Services Engineer**

Name	
Office Number	
Cell Number	
E-mail address	

**Software Support Services**

Name	Help Desk
E-mail address	E-mail:

**District Sales Manager**

Name	
Office Number	
Cell Number	
E-mail address	

**Technical Sales Engineer**

Name	
Office Number	
Cell Number	
E-mail address	

[End of Exhibit D]

## Exhibit E

### Definitions

Term	Definitions
Business Day	Monday through Friday, excluding Masimo recognized holidays.
Business Hours	9:00 am to 6:00 pm, local time (at RUHS-MC's facility), Monday through Friday, excluding holidays recognized by Masimo.
Change Order	A document that describes a modification to current Service Exhibit and as applicable any changes to the terms, schedule and price.
Documentation	The Software and related documentation.
Parties	Masimo and RUHS-MC.
Party	Masimo or RUHS-MC.
Premium Time	Any time in excess of ten (10) hours spent by any Masimo personnel providing Services hereunder on any calendar day and any time worked by any Masimo personnel in providing Services hereunder on Saturday, Sunday or any holiday recognized by Masimo.
Purchase Order	RUHS-MC's ordering document that commits RUHS-MC to purchase and pay for Services in accordance with this Addendum.
Services	The services to be performed as identified in the applicable Services Exhibit.
Services Exhibit	Any implementation plan, Services addendum, statement of work or other exhibit attached as of the date of this Addendum or as to which the parties shall mutually agree in writing from time to time during the term specified in this Addendum, which describes Services to be provided by Masimo to RUHS-MC.
Standard Overtime	Any time spent by Masimo personnel providing Services hereunder outside of Business Hours and Premium Time.

[End of Exhibit E]








# County Of Riverside\_MorenoValleyCA\_AGMT\_partial\_022625 (1)

Final Audit Report

2025-03-04

Created:	2025-02-26
By:	Anthony Hernandez (Anth.Hernandez@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAuTa5HdNoxJ6XQ38Lk24wbwIDfeLpV_wx

## "County Of Riverside\_MorenoValleyCA\_AGMT\_partial\_022625 (1)" History

-  Document created by Anthony Hernandez (Anth.Hernandez@ruhealth.org)  
2025-02-26 - 11:44:26 PM GMT- IP address: 158.61.6.3
-  Document emailed to ggu@rivco.org for signature  
2025-02-26 - 11:46:52 PM GMT
-  Anthony Hernandez (Anth.Hernandez@ruhealth.org) added alternate signer agettis@rivco.org. The original signer ggu@rivco.org can still sign.  
2025-02-28 - 0:48:22 AM GMT- IP address: 158.61.14.30
-  Document emailed to agettis@rivco.org for signature  
2025-02-28 - 0:48:22 AM GMT
-  Signer ggu@rivco.org entered name at signing as Gregg Gu  
2025-03-04 - 3:30:46 PM GMT- IP address: 158.61.6.6
-  Document e-signed by Gregg Gu (ggu@rivco.org)  
Signature Date: 2025-03-04 - 3:30:48 PM GMT - Time Source: server- IP address: 158.61.6.6
-  Agreement completed.  
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