



EMTS RACE Program Terms and Conditions

For all equipment related events submitted to EMTS by any Colorado Rural Health Center member (client), the following terms and conditions shall apply.

RECITALS

In consideration of the promises, covenants, performance and mutual consideration set forth herein, Client engages the services of EMTS to provide consultation in relation to acquisition, maintenance/service, and repair of Client's capital equipment.

AGREEMENT

EMTS SERVICES: As an authorized agent of the client, EMTS shall provide purchase, service contract and repair cost analysis. Service shall include, but not be limited to, costs related to purchase, repair, and/or maintenance of Client's capital equipment, and shall manage a costs solicitation/price reduction system for competitive purchase and/or service proposals from qualified vendors. Note: EMTS, Inc. is a Colorado based S-Corporation. All business activities are transacted within the state of Colorado.

CLIENT RESPONSIBILITIES: Client agrees, at their sole discretion, to allow EMTS to perform their cost reduction services upon equipment related events estimated to be in excess of \$5,000.

PAYMENT TERMS: Payment to EMTS by Client shall be under terms of Net 30.

AUDIT, INSURANCE AND TAXES: Client grants authority for EMTS to audit its records as in the discretion of EMTS, may be necessary. EMTS shall maintain proper insurance and shall pay taxes applicable to independent agent status.

CONFIDENTIALITY: Client and EMTS acknowledge and agree that the terms and conditions of this Agreement shall be confidential and shall survive to term of this Agreement. Proprietary information may be disclosed for purposes of accounting, audit or legal purposes only. Such confidentiality shall not apply to information provided by third persons or entities, or information otherwise available to the public from independent sources. EMTS reserves the right to disclose documented savings to other clients and/or

prospective clients on a limited basis with permission from the Client.

INDEMNIFICATION: The parties hereto shall indemnify and hold each other harmless from and against all claims, suits, actions, liabilities and potential damages that may be asserted or incurred independently by either party.

TRAINING: EMTS will provide training for Client personnel. If training is completed at Client Site, Client shall reimburse EMTS for reasonable costs and travel expenses. Client has the option to conduct this training via conference call at no charge.

MEDIATION: If a dispute arises regarding terms or provisions of this Agreement, notwithstanding any termination thereof, which is not mutually resolved, the parties shall first proceed in good faith to submit the matter to mediation, in Colorado under Colorado law and will share equally in the cost of such mediation.

GENERAL PROVISIONS: All terms and provisions of this Agreement shall be binding when signed by both parties, and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be amended by the mutual written consent of the parties hereto. This Agreement is made under and shall be interpreted and enforced in accordance with the laws of the State of Colorado.

LEGAL: Should any portion of this agreement proceed to legal dispute beyond mediation, the prevailing party shall be reimbursed for all legal costs incurred as a result of said dispute.



EMTS RACE Program - SENTRY SERVICE

SERVICE: On a per project basis, EMTS will identify, contact, negotiate with, and solicit quotes from vendors based upon SENTRY Service Base Information. EMTS will then present findings to Client.

REQUIREMENTS: Client agrees to provide EMTS with the SENTRY Service Base Information necessary to perform/trace/complete their SENTRY Service.

MOTIVATION: Savings through the SENTRY Service will be divided as follows:

	To Client	To EMTS
Shared %	60%	40%

These savings will be calculated on SENTRY Service equipment related projects at which time as a purchase order has been issued by the Client, or Client personnel has informed EMTS a vendor selection has been made.

NON-ACTION FEE: Should Client choose not to proceed with the purchase of any given equipment related event within 90 days from completion of EMTS process, EMTS reserves the right to invoice Client a \$250 per event fee. Should Client proceed with any portion of the purchase, this fee will be balanced against savings owed/paid to EMTS.

PURCHASES: Items purchased by Client within 180 days of the original purchase date of similar items, from a specific vendor involving EMTS, will be included in the EMTS guaranteed saving program. In the event where Client presents EMTS with pricing for a new item and Client chooses to purchase a used/demo/refurbished product, EMTS will accept a 25% reduction from Savings calculated.

VENDOR NEGOTIATION: Once an event is received by EMTS under its SENTRY Service, Client agrees to no additional vendor negotiation for that event. Client further agrees to direct all vendor inquiries regarding that event to EMTS.

EVENT SPECIFICS: Any changes to original event specifications initiated by Client (i.e. equipment configuration, scope of service coverage, quantity purchased, etc.) must be:

- Communicated to EMTS via normal business channels. EMTS will communicate changes directly with vendor (s).
- New benchmark price will be established by EMTS based upon vendor pricing structure originally negotiated by Client.
- Cost savings will be determined based upon EMTS negotiated vendor pricing structure.
- EMTS negotiated pricing will remain effective for 12 calendar months following project completion.

EMTS RACE Program - Definitions

GENERAL

1. Equipment Related Event – Any capital equipment related activity in excess of \$5,000. This shall include equipment acquisitions, preventative/corrective maintenance, part replacement/acquisition, service contracts, warranty extensions, equipment relocation/modifications, leases, etc.
2. At Client’s Sole Discretion – For any given equipment related event, the situation allows for EMTS involvement as determined by the Client.

SENTRY Service

1. EMTS Sourcing Project Cover Page – Complete EMTS information defining customer project requirements, needs, specifications, etc.
2. SENTRY Service Base Information – Completed EMTS Sourcing Project Cover Page, complete copy of Incumbent Quote, and ongoing support as necessary to determine when equipment related event has closed.
3. Incumbent Quote – Complete copy of vendor quote secured through the Client’s efforts.
4. Original Benchmark Price – The valid price set forth in the incumbent quote, and included on the EMTS Sourcing Project Cover Page.
5. Savings - Shall be defined as any reduction from Original Benchmark Price. Additionally, savings shall include any extra features, promotions, enhancements, upgrades, or other items of value provided by the vendor of choice and accepted by Client.



Equipment Valuation Services (EVS)

EMTS offers the following valuation services (for all types of capital equipment), performed in a professional, timely, and cost-effective manner.

Fair Market Value – The dollar amount that may reasonably be expected for property in exchange between a willing buyer and a willing seller with equity to both, neither under any compulsion to buy or sell and both reasonably aware of all relevant facts.

Equipment Inventory Appraisals - The appraisal of goods manufactured or acquired for eventual resale to customers. This process typically requires an extensive on-site inspection of the product materials, work in process and finished goods, followed by additional research to determine the current value.

Liquidation Value - The estimated gross dollar amount which could be typically realized from a sale, given a reasonable period of time to find a purchaser(s), the seller being compelled to sell on an as-is/where-is basis.

Insurance Replacement Cost - The replacement cost new as defined in the insurance policy, less the cost new of the items specifically excluded in the policy, if any.

NOTE: The pricing and specific terms/conditions for Equipment Valuation Services are all quoted on a per project basis.



Agency Authorization

By this Agency Authorization, **XXXXXXXXXXXX** (“Hospital”) located at **YYYYYYY
YYYYYYYYYYYYYY, YY, YYYYY**, hereby appoints Equipment Management & Technology Solutions, Inc., a Colorado Corporation having its principal place of business at 5808 S. Rapp St. Suite 120, Littleton, CO 80120 (EMTS), as an agent to act on the Hospital’s behalf to conduct the below listed Services concerning Capital Equipment Acquisition, Service Contracts, and related projects. This Agency Authorization applies to **XXXXXXXXXXXX** and all associated facilities.

(“Services”):

- Provide financial comparative analysis of hospital’s existing cost data/service agreements;
- Provide capital equipment maintenance contract price negotiations;
- Provide capital equipment acquisition price negotiations;
- Provide labor and parts pricing negotiations; and
- Provide alternative service vendor negotiations.

This Authorization is effective as of the date both parties have executes it and shall continue until revoked in writing by Hospital. The parties acknowledge and agree that the Services do not include EMTS entering into contracts or other commitments as an agent of Hospital, and EMTS shall have no authority to do so. Any contracts or other commitments negotiated by EMTS shall be binding on Hospital only upon Hospital’s approval and execution.

IN WITNESS WHEREOF, authorized representatives of the parties have signed this Authorization below:

XXXXXXXXXXXX

EMTS

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date