

REQUEST FOR PROPOSAL

Issue Date: August 17, 2026

To: Linen Service Providers

From: San Ysidro Health Contracting Department

Subject: Medical Linen Service

Background Introduction: San Ysidro Health (“SYH”) is a non-profit organization committed to providing high quality, compassionate, accessible and affordable health care services for the entire family. Our mission is to improve the health and well-being of the communities we serve with access for all. SYH provides innovative services to more than 166,000 lives in our care through a vast and integrated network of 50 program sites across San Diego County including: medical and dental clinics, behavioral health centers, HIV centers, WIC nutrition centers, mobile medical units, school-based health centers, chiropractic services, pediatric developmental clinic, teen clinic, senior health center and Program for All Inclusive Care for the Elderly (PACE).

Objective: This Request for Proposal (“RFP”) is being issued to receive proposals from qualifying entities to provide professional medical linen and garment services for all SYH and PACE site locations. Those services shall include the following specifications:

- (i) Rental, laundering and ongoing service of linens and staff garments. A detailed list of applicable items is provided in **Attachment A** which includes, but is not limited to, medical coats for providers, dental staff, medical assistants, pharmacy and laboratory personnel; all items must meet healthcare standards.
- (ii) Service shall include pickup, cleaning, pressing, repair/replacement as needed, custom embroidery and scheduled delivery to all designated locations.
- (iii) Subcontracting of services to other third parties is strictly prohibited at all times and will be deemed grounds for immediate termination. All services are to be provided by employees of your company utilizing vehicles owned and operated by your company.

RFP Response Submission: All bid documents shall be sent in triplicate via First Class mail, UPS, or FedEx to: San Ysidro Health, Attn: Douglas Israel, Director of Contracts, 1601 Precision Park Lane, San Diego, CA 92173. All bids to be considered must be labeled **SYH Linen Services Bid** and submitted in

hard copy form with one (1) marked original and two (2) copies. All bid documents must be received no later than 5:00pm PST on September 4, 2026.

Should a prospective Bidder fail to submit a bid on or before the appointment time at the address shown above, SYH will not open the bid and in such event, SYH will not consider the bid regardless of the reason for late submission.

RFP Requirements: Each proposal should contain the following minimum requirements:

- 1) Please provide background and historical information about your company. Please ensure to include whether your company is a small business, a minority-owned business, a women-owned business, or locally owned; if applicable.
- 2) Please provide background information about your senior leadership.
- 3) Please provide information about your company's experience, qualifications, expertise and infrastructure in relation to SYH's and PACE's current needs and the specific requirements set forth in the RFP. **See Attachment B** for clinic/site list.
- 4) Please provide a plan for the buyout of approximately 2,400 existing embroidered coats from our current vendor and include coordination and transition timeline. The buyout is a required component of this RFP and a condition of the award.
- 5) Please provide information regarding coat styles, embroidery capabilities, ordering process, and turnaround time.
- 6) Please provide information regarding your company's policies and procedures for the background screening of your employees including, but not limited to, criminal background checks.
- 7) Please provide information regarding your company's policies and procedures regarding employee health screenings and vaccinations including, but not limited to, COVID-19 and Tuberculosis (TB).
- 8) Please provide information about your company's contingency plans in the event that drivers servicing SYH and PACE sites are out on extended leave of absence (use of subcontractors is strictly prohibited).
- 9) Please provide information on customer-focused services provided by your company including, but not limited to, on-line customer compliance portals, monthly reporting capabilities and dedicated representatives.

- 10) Please provide information (catalog) of products offered by your company.
- 11) Please provide information regarding your company's methodology for labeling and/or tracking of provider coats, bedding, curtains, etc.
- 12) Please include your company's bid amount for each of the items listed in **Attachment A** and frequency of payment (bi-weekly/monthly). The bid must include all costs related to the services including any applicable fuel surcharges, taxes, and other applicable fees and costs. Please utilize **Attachment A** which must be completed and submitted with your bid.
- 13) Please provide a complete and signed copy of a recent IRS W-9 Form.
- 14) Please provide a copy of your Certificate of Insurance which must include all of the following coverage: (i) General Liability; (ii) Worker's Compensation, (iii) Automobile; (iv) Professional Liability or Errors & Omissions (as applicable).
- 15) Please provide copies of all licenses and certifications required to operate your business.
- 16) Please provide at least three (3) references (or letter of recommendation), but not more than five (5).

Contract Terms: The following terms are required and will be incorporated into the final agreement with the selected Bidder:

- (i) SYH's standard Service Agreement will be used for this procurement; bidder agrees to comply with all terms and conditions contained therein. A copy of the Agreement is provided as **Attachment C**. *
- (ii) Agreement will have an effective date of February 1, 2027.
- (iii) Agreement will be a 3-year contract only to be terminated in the first two (2) years for cause; any time after the anniversary of the 2nd year can be terminated with 60 days' advance notice.
- (iv) Prices are to be fixed and not subject to automatic annual adjustments.

Modifications: No modifications, amendments, supplements, or addendums may be submitted to SYH after the Due Date unless requested by SYH. During the review process, SYH reserves the right to request additional information or clarifications from proposers or to allow corrections of errors or omissions.

After all proposals have been received and reviewed by SYH's Contracting Department, SYH will provide you with notification regarding the status of your proposal. **All awards are contingent on the parties agreeing to the terms and conditions of a final formal written Agreement. SYH reserves the right to withdraw any award, at any time, prior to the final written Agreement being executed.**

Questions regarding this RFP or the services being requested hereby will be accepted in email format to Douglas Israel, Director of Contracts at: disrael@SYHealth.org until August 24, 2026.

Schedule of Events: Bidders are hereby advised of the following schedule of events (key action dates) as it relates to this RFP. Bidders must adhere to the RFP timeline as specified below. Please note, SYH may modify any part of the RFP prior to the date fixed for submission of proposals by the issuance of an Addendum to the original RFP.

Date	Action
8/17/2026	Public Notice – Request for Proposal
8/24/2026	Questions from bidders must be received by 5:00 p.m.
8/28/2026	Answers from SYH will be provided to bidders by 5:00p.m. at the following web address: www.syhealth.org/rfps
9/4/2026	Sealed bids must be received
9/18/2026	Notification of selected Bidder

*Contract Terms and Conditions are subject to change.

Attachment A

Lab Coats.....	\$ _____
Precautionary Lab Coats.....	\$ _____
Consultation Coats.....	\$ _____
Warm Up Jackets.....	\$ _____
Precautionary Gown.....	\$ _____
Massage Towel.....	\$ _____
Bath Towel.....	\$ _____
Blue ABS Towels.....	\$ _____
Thermal Blanket.....	\$ _____
Sheet Blanket.....	\$ _____
Pillowslips.....	\$ _____
Wash Cloths.....	\$ _____
Fitted Sheet.....	\$ _____
Sheet 66x104 Flat Sheet.....	\$ _____
Patient Gown Magna.....	\$ _____
Blue Regular Gown.....	\$ _____
Patient Gown Child LG.....	\$ _____
Embroidery Name and Logo.....	\$ _____
Embroidery Signature.....	\$ _____
Curtain Spring Frost Panel w/Mesh.....	\$ _____
COG Cubical Curtains Small.....	\$ _____
COG Cubical Curtains Medium.....	\$ _____
COG Cubical Curtains Large.....	\$ _____
Microfiber Towels.....	\$ _____
Other:	
Fuel Surcharge per location.....	\$ _____
Biohazard Charge	\$ _____
.....	\$ _____
.....	\$ _____

Logo:



Attachment B

SYH- Alpine Family Medicine	1620 Alpine Blvd	Alpine
SYH- Alpine Pediatrics	1620 Alpine Blvd	Alpine
SYH- Care View Health Center	292 Euclid Ave Suite 210	San Diego
SYH- CHC Ocean View	3177 Ocean View Blvd	San Diego
SYH- CHC Ocean View Dental	3177 Ocean View Blvd	San Diego
SYH- CHC Ocean View Pharmacy	3177 Ocean View Blvd	San Diego
SYH- Chula Vista	678 Third Avenue	Chula Vista
SYH- Chula Vista Dental	678 Third Avenue	Chula Vista
SYH- Community Heights Family Medicine	4690 El Cajon Blvd	El Cajon
SYH- El Cajon	875 El Cajon Blvd	El Cajon
SYH- Escondido Dental	704 East Grand Ave	Escondido
SYH- Escondido Family Medicine	704 East Grand Ave	Escondido
SYH- Euclid Family Counseling Center	286 Euclid Avenue	San Diego
SYH- Healthy Steps	905 Hollister Street	San Diego
SYH- Heritage Park	1392 E Palomar St	Chula Vista
SYH- Julian Family Medicine	2717 A Street	Julian
SYH- Julian Family Dental	2717 A Street	Julian
SYH- King-Huerta-Itliong Dental	950 South Euclid Ave	San Diego
SYH- King-Huerta-Itliong Health Center	950 South Euclid Ave	San Diego
SYH- Maternal and Child Health Center	4050 Beyer Blvd	San Ysidro
SYH- MCHC Dental	4050 Beyer Blvd	San Ysidro
SYH- MCHC Laboratory	4050 Beyer Blvd	San Ysidro
SYH- Mountain Health Family Center	1388 Buckman Springs Rd.	Campo
SYH- National City	601 E 14 th Street	National City
SYH- National City Dental	601 E 14 th Street	National City
SYH- National City Family Clinic	1136 D Avenue	National City
SYH- National City Pharmacy	601 E 14 th Street	National City
SYH- Otay	1637 Third Avenue	Chula Vista
SYH- Paradise Hills	2400 East Eighth Street	National City
SYH- San Ysidro Health Pharmacy	4004 Beyer Blvd	San Ysidro
SYH- San Ysidro Health Center	4004 Beyer Blvd	San Ysidro
SYH- San Ysidro Health Dental	4004 Beyer Blvd	San Ysidro
SYH- San Ysidro Health Laboratory	4004 Beyer Blvd	San Ysidro
SYH- Santee	120 Town Center Parkway	Santee
SYH- Senior Dental Center	1525 Fourth Ave	San Diego
SYH- Senior Health Center	1666 Precision Park Lane	San Diego
SYH- Sherman Heights	316 25 th Street	San Diego
SYH- South Bay Pediatrics	280 E Street	Chula Vista
SYH- Specialty Care	480 Fourth Ave Ste 507	Chula Vista
SYH- Urgent Care	333 H Street	Chula Vista
SYH- Wellness Clinic	855 Third Ave Ste 2200	San Diego
PACE- San Ysidro	3364 Beyer Blvd	San Ysidro
PACE- Chula Vista	880 Third Avenue	Chula Vista
PACE- Vista	1840 West Dr	Vista
PACE- El Cajon	875 El Cajon Blvd	El Cajon
PACE- National City	601 E 14 th Street	National City



INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (the “Agreement”) is made and entered into on _____ (“Effective Date”) by and between Centro de Salud de la Comunidad de San Ysidro, Inc., d/b/a San Ysidro Health (“SYH”) and _____, (“Contractor”), (each a “Party” and collectively the “Parties”), with regard to the following:

RECITALS

WHEREAS, SYH is a non-profit community clinic organized under the laws of the State of California, engaged in providing medical services within the County of San Diego; and

WHEREAS, SYH’s mission is to improve the health and well-being of the communities it services with access for all; and

WHEREAS, Contractor is a professional medical linen and garment service in the business of providing healthcare providers with reusable, hygienically clean textiles on a recurring schedule; and

WHEREAS, SYH desires to enter into an Agreement with Contractor to provide medical linen and garment services for SYH’s various clinics and medical offices.

NOW THEREFORE, in consideration of the mutual agreements, covenants, terms and conditions contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

ARTICLE I. INCORPORATION OF RECITALS: The Recitals set forth above are fully incorporated herein and are true and correct. The Recitals are intended to and shall be deemed and construed to be a material and integral portion of this Agreement.

ARTICLE II. SCOPE OF SERVICES:

- A. Contractor agrees to provide:
 - i. Rental, laundering and service of linens and staff garments to the SYH locations listed in Attachment A. A detailed list of applicable items and the locations where such items are provided is also listed in Attachment A. This list includes, but is not necessarily limited to, medical coats for providers, dental staff, medical assistants, pharmacy and laboratory personnel; all items must meet healthcare standards; all services provided under this Agreement must be provided by employees of Contractor utilizing vehicles owned and operated by Contractor;
 - ii. Pickup, cleaning, pressing, repair/replacement as needed, custom embroidery and weekly scheduled delivery to all designated locations;
 - iii. Inventory control of all rental items provided under this Agreement, such that all items that have reached the end of their normal life through normal wear and tear shall be replaced by Contractor at no additional cost.
- B. In performing Contractor's services, Contractor agrees to comply with all Federal, state, county and local laws, regulations, and rules governing Contractor's services. Additionally, while on-site at SYH, Contractor agrees to comply with all SYH internal policies and procedures including, but not limited to, SYH's code of conduct, alcohol and drug-free workplace policies, and SYH sexual harassment policies. Failure on the part of Contractor to comply with any SYH policy shall be deemed a material breach of this Agreement and, notwithstanding anything to the contrary in this Agreement, shall be deemed grounds for immediate termination of this Agreement by SYH. SYH will provide copies of all aforementioned policies and procedures upon request by Contractor.
- C. Contractor agrees to comply with, and participate in, any and all SYH on-board training that SYH may require prior to providing any services under this Agreement.
- D. Contractor shall perform all services in a manner satisfactory and acceptable to SYH. Such performance shall be at or better than acceptable industry standards and shall be performed in a timely, skillful, professional, competent and businesslike manner by qualified personnel who are familiar with the services, applications, and operations; as applicable.
- E. All linens, garments, and other items provided by Contractor shall remain the property of Contractor and the Agreement shall continue in effect until

all items in service are either returned with ordinary wear and tear, or paid for by SYH, at the then current replacement price for such items.

ARTICLE III. TERMS OF AGREEMENT:

- A. Term.** This Agreement shall commence as of the Effective Date first written above and shall remain in full force and effect for a period of three (3) years therefrom (the “Term”). This Agreement shall not automatically renew under any circumstances. Upon expiration of the Term, this Agreement shall terminate of its own accord.
- B. Termination.** During the first two (2) years of the Agreement, either Party may terminate the Agreement if the other Party commits a material breach of its obligations hereunder and fails to cure such breach within thirty (30) days after receiving written notice from the non-breaching Party. Upon the second anniversary of the Effective Date, either Party may terminate the Agreement at any time, for any reason, with or without cause, upon providing sixty (60) days written notice to the other Party. Notwithstanding the foregoing, SYH shall have the right to terminate this Agreement immediately at any time without advanced notice if at any time during the term of this Agreement: (i) Contractor or any of Contractor’s executives, directors, employees or affiliates is identified on the General Services Administrator’s “List of Parties Excluded from Federal Procurement or Nonprocurement Programs” or the Office of Inspector General’s “List of Excluded Individuals/Entities”; (ii) Contractor or any of Contractor’s executives, directors, employees or affiliates fails to comply with any of SYH policies and procedures including, but not limited to SYH’s code of conduct policy, alcohol and drug-free workplace policies, and SYH sexual harassment policies; or (iii) if Contractor subcontracts any services or assigns any duties under this Agreement to a third party. No termination under the Section shall affect any then-existing rights, obligations or defenses of either Party with respect to (i) any amounts paid or owed hereunder, (ii) continuing obligations, or (iii) any breach of any obligation hereunder.
- C. Independent Contractor.** None of the provisions of this Agreement are intended to create, nor shall the Agreement be deemed or construed to create any relationship between the Parties hereto other than that of independent entities, contracting with each other solely for the purpose of effecting the provisions of this Agreement. An agent, employee or representative of a Party hereto shall not be deemed or considered to be an agent, employee or representative of the other Party hereto. As an independent contractor, Contractor and SYH agree, as follows, and as further detailed in this Agreement:

- i. Contractor is free from the control and direction of SYH in connection with the performance of the work, both under the contract for the performance of work and in fact.
- ii. Contractor's work that is outside the usual course of the SYH's business.
- iii. Contractor is customarily engaged in an independently established trade, occupation or business of the same nature as that involved in the work performed, and Contractor is free to perform services for others during the terms of this Agreement.
- iv. Neither Contractor or its personnel are required to give all or, a large part, of Contractor's time or resources to SYH.

D. Compensation.

1. Prices are to be fixed during the Term of this Agreement and are not subject to automatic annual adjustments. The pricing schedule is set forth in Attachment B, which is attached hereto and incorporated herein by reference. The prices listed in Attachment B shall apply to all service site locations and any service site locations added to Attachment B via a future amendment.
2. Contractor shall submit invoices with explanation of services rendered to SYH. The invoices will include a detailed accounting of the services provided and billed.
3. SYH will reimburse Contractor within a reasonable time following submission of the invoice, not to exceed 30 days.

E. Reporting. Contractor shall report to San Ysidro Health's Director of Contracts.

F. Indemnification. To the fullest extent permitted by law, Contractor shall indemnify and hold SYH, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorney's fees), or claims which results from the negligent acts, omissions, or willful misconduct of Contractor, its employees, representatives, or agents.

G. Insurance. Both Parties shall maintain, at their own expense, appropriate general liability insurance, and if applicable, to the performance of their own business appropriate workman's compensation insurance.

H. Contractor Warranties.

1. **Debarment and Suspension.** Contractor warrants that Contractor, all of Contractor's executives, directors, employees, and affiliates are not parties listed on the nonprocurement portion of the General Services

Administration's "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders 12549 and 12689, and the Office of Inspector General's "List of Excluded Individuals/Entities". Contractor further warrants and agrees to conduct at a minimum quarterly debarment and suspension checks on all of Contractor's executives, directors, managers, supervisors and all other employees of Contractor and shall keep and maintain records of the same during the Initial Term and all Renewal Terms of this Agreement and shall provide copies to SYH upon request.

2. **Byrd Anti-Lobbying Amendment.** Contractor warrants that Contractor will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence any officer or employee of any Federal agency, a member of Congress, officer or employee of Congress, or employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other awards covered by 31 U.S.C. 1352.
3. **Hourly Wages.** Contractor, as applicable pursuant to California Labor Code §1182.14(b)(2)(B), warrants that Contractor pays all of Contractor's employees providing on-site "Health Care Services" as defined by §1182.14(b)(8) at any SYH location at least the hourly minimum wage required by §1182.14(c)(3)(B). Additionally, During the Initial Term and/or any Renewal Term of this Agreement, Contractor agrees to execute an annual written attestation certifying that Contractor is in compliance with the requirements of SB525 and provide the same to SYH for record retention.

I. Audits. Contractor agrees to cooperate and participate in the SYH utilization review, quality assurance programs, grievance, peer review and audit procedures, as applicable to Contractor's services. Furthermore, SYH shall oversee the services of Contractor, in a mutually agreeable manner to ensure Contractor's performance is in accordance with the terms, conditions, and specifications of this Agreement and to assure compliance with applicable Federal requirements, including the following:

1. Subject to reasonable advance written notice, SYH may audit applicable records and reports related to the Health Center's Program requirements in order to ensure that all activities and reporting requirements are being carried out in accordance with the provisions and timelines of the Agreement. Contractor shall reasonably cooperate with SYH in the performance of such audits.
2. Mechanisms for SYH to monitor Contractor's performance include, but are not limited to, where applicable, the submission of quarterly utilization reports by Contractor to SYH.

3. If Contractor's services are performed off-site, Contractor shall retain records related to services performed on behalf of SYH as required by applicable law. Records shall include services performed, billing and other information necessary for the evaluation of the quality, appropriateness and timeliness of Contractor's services. All records shall be maintained as required by applicable law.

- J. Confidentiality.** The Parties acknowledge and agree that during the term of this Agreement and in the course of the discharge of Contractor's duties hereunder, Contractor may have access to, and become acquainted with, information concerning the operation of SYH, including without limitation, patient information that is owned by SYH and regularly used in the operation of business (hereinafter collectively referred to as the "Confidential Information"). Therefore, Contractor specifically agrees that Contractor shall only use such Confidential Information in performance of Provider's services pursuant this Agreement and not for any other purpose whatsoever. Furthermore, Contractor warrants and agrees to hold such Confidential Information in confidence for the benefit of SYH and its patients and shall not misuse, misappropriate, or disclose any such Confidential Information, directly or indirectly, to any other person or entity or use such information in any way, either during the term of this Agreement or at any other time thereafter, except as is required in the course of this Agreement. This section and Contractor's warranties set forth herein shall survive the expiration or termination of this Agreement. Contractor hereby agrees that all patient files, records, documents, and all other similar items relating to SYH's and/or its patients, whether prepared by Contractor or others are, and shall always and forever remain the exclusive property of SYH. Upon request by SYH, Contractor further agrees to executed and be bound by the terms and conditions of SYH's separate Business Associates Agreement.
- K. Fraud and Abuse Laws and Stark Law.** The Parties intend to conduct their relationship in full compliance with applicable state, local, and federal law. The Parties acknowledge and agree that: (a) the benefits to SYH under this Agreement do not require, are not payment for, and are not in any way contingent upon the referral, admission, treatment, or any arrangement for the provision of any item or service offered by Contractor to SYH in any facility, clinic, or laboratory controlled, managed, or operated by SYH; and (b) Contractor is not engaging, does not intend to engage, and is not required to engage in any sales or marketing for SYH, referrals of patients to SYH, or any similar activities, or any other activities designed or intended to result in referrals of patients to SYH, and no amount paid to Contractor by SYH pursuant to this Agreement is being paid as consideration for or in connection with any such activities. Neither Party will intentionally conduct itself under the term of this Agreement in a manner to constitute a knowing violation of the Medicare and Medicaid

Anti-Fraud and Abuse Laws including, but not limited to: the Criminal False Claims Statute, 42 U.S.C. §1320a-7b(a); the Anti-Kickback Statute, 42 U.S.C. §1320a-7b(b); Stark II, 42 U.S.C. §1395nn; the Civil Monetary Penalties Law, 42 U.S.C. §1320a-7a; the Eliminating Kickbacks in Recovery Act, 18 U.S.C. § 220; or the Federal False Claims Act, 31 U.S.C. §3729 or any other federal or state statute which could result in the imposition of civil or criminal penalties or to the debarment, suspension or exclusion of SYH or Contractor from any federal or state program for the reimbursement of healthcare. Notwithstanding any unanticipated effect of any provision of this Agreement, neither Party will knowingly or intentionally conduct itself in such a manner as to violate the prohibition against fraud and abuse in connection with Medicare and Medicaid or other federal programs. The Parties acknowledge and agree that the Agreement and the compensation paid:

1. Has been negotiated on an arm's length basis pursuant to a bona fide bargaining among the Parties;
2. Is commercially reasonable;
3. Is commensurate with fair market value;
4. Is consistent with and necessary for the legitimate business purposes of the Parties; and
5. Is necessary and reasonable to further the Client's mission to provide services to its patients.

- L. Removal of Personnel.** SYH reserves the right, in its sole and absolute discretion and for any reason or no reason, to request the immediate removal or replacement of any of Contractor's personnel or employees assigned to SYH's account. Upon receipt of such request from SYH (whether written, by electronic means, or by telephone), Contractor shall promptly remove the specified individual from the account and shall immediately provide a qualified replacement at no additional cost to SYH. Failure on the part of Contractor to remove personnel pursuant to this paragraph shall be deemed a material breach of the Agreement and, notwithstanding anything to the contrary in this Agreement, shall give SYH the right to immediately terminate the Agreement without prior notice to Contractor.

ARTICLE IV. MISCELLANEOUS PROVISIONS:

- A. Governing Law and Venue.** This Agreement shall be construed and enforced in all respects according to the laws of the State of California.

Both Parties agree that any action brought under this Agreement shall be exclusively in the County of San Diego.

- B. Severability.** If any provision of this Agreement is found to be invalid or unenforceable by any court, such provision shall be ineffective only to the extent that it is in contravention of such applicable laws without invalidating the remaining provisions herein, unless such an invalidity or unenforceability would defeat an essential business purpose of this Agreement.
- C. Modification/Amendments.** Both Parties acknowledge and agree that this Agreement may be only amended in writing as mutually agreed upon by both Parties.
- D. Attorney's Fees.** If any action at law or in equity is brought to enforce or interpret the terms of this Agreement or to enforce any obligation owing under the Agreement, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to the attorney's reasonable fees, expert witness fees, and costs incurred by reason of the litigation or arbitration. The amount recoverable includes reasonable attorney's fees and expert witness' fees incurred in preparation for or investigation of any matter relating to the litigation or arbitration.
- E. Assignment and Delegation.** Contractor may not (i) assign any rights or (ii) delegate or subcontract any duties under this Agreement to any other person or entity without the prior written consent of SYH. If Contractor delegates any rights or duties in contravention of this provision, such delegation shall be deemed a material breach of this Agreement and, notwithstanding anything to the contrary in this Agreement, shall be grounds for immediate termination of the Agreement without prior written notice to Contractor being required. Notwithstanding the foregoing, in compliance with the requirements of the California Department of Health Care Services (DHCS), the Centers for Medicare and Medicaid ("CMS"), and the Social Security Administration, Contractor is strictly prohibited from using any subcontractors and/or third-parties that perform their services outside of the United States including, but not limited to, the use, access, storage, processing, billing, transcription, transmission, and management of SYH's electronic data and/or the provisions of after-hours services calls that require the access and use of SYH electronic data by a third-party or subcontractor (hereinafter referred to as "Offshoring"). Any Offshoring activities by Contractor in the performance of services under this Agreement shall be deemed a material breach hereof and shall give SYH the right to immediately terminate this Agreement without prior written notice to Contractor being required.
- F. Entire Agreement.** This Agreement contains the entire understanding between Parties with respect to the subject matter of this Agreement and

incorporates all of the covenants, conditions, promises and agreements exchanged by the Parties hereto. This Agreement supersedes any and all prior or contemporaneous negotiations, agreements, or communications, whether written or oral, between the Parties with respect to the subject matter of this Agreement.

- G. Waiver.** No waiver of or failure by any Party to enforce any of the provisions, terms, conditions or obligations herein shall be construed as a waiver of any subsequent breach of such provision, term, condition or obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.
- H. Order of Interpretation and Conflicting Terms.** In the event that any of the terms or conditions of this Agreement should conflict with any of the terms and conditions incorporated into this Agreement via any of Contractor's work orders or Scope of Work, Attachments or Exhibits, the terms of this Agreement shall prevail, supersede, and govern over any such conflicting terms and conditions.
- I. Notices.** All notices required or permitted by this Agreement shall be in writing and may be delivered in person or may be sent: (i) via email; (ii) registered or certified mail, (iii) U.S. Postal Service Express Mail, with postage prepaid, (iv) by Federal Express; or (v) other overnight courier that guarantees next day delivery, and shall be deemed sufficiently given if served in the manner specified in this Section. The addresses below shall be the particular party's address for delivery or mailing of notice purposes:

If to SYH:
Kevin Mattson, CEO
1601 Precision Park Lane
San Diego, CA 92173
CEO.contracts@SYHealth.org

If to Contractor:

- J. Neither Party Considered Drafter.** Despite the possibility that one Party may have prepared the initial draft of this Agreement or played the greater role in the physical preparation of subsequent drafts, neither Party shall be deemed the drafter of this Agreement and that, in construing this Agreement in case of any claim that any provision hereof may be ambiguous, no such provision shall be construed in favor of one Party on the ground that such provision was drafted by the other.

K. Execution of Agreement; Counterparts; Electronic Signatures.

1. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, and shall become effective when counterparts have been signed by each of the Parties and delivered to

the other Parties; it being understood that all Parties need not sign the same counterparts.

2. The exchange of copies of this Agreement and of signature pages by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in “portable document format” (“.pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.
3. Each Party who signs or otherwise authenticates this Agreement hereby: (1) agrees that the other Party may create a duplicate of this Agreement by storing an image of it in an electronic or other medium (a “**Non-Paper Record**”); (2) agrees that, after creating the Non-Paper Record, such Party may discard or destroy the original in reliance on this Section; (3) agrees that the Non-Paper Record shall be treated as the original for all purposes; and (4) expresses its present intent to adopt and accept the Non-Paper Record as an authenticated record of this Agreement. This Agreement, when signed or authenticated pursuant to this Section, shall be evidence of the existence of this Agreement and may be received in all courts and public spaces as conclusive evidence of the existence of this Agreement and that this Agreement was duly executed by the Parties to this Agreement.

L. Binding of Agreement. This Agreement shall be null and void until such time as both Parties have executed the Agreement by way of their respective signatures below.

IN WITNESS WHEREOF, the Parties hereto have agreed to and executed this Agreement by their respective officers thereunto duly authorized as of the Effective Date set forth above. The respective signatories warrant, and represents that said individual(s) have the authority and proper authorization to execute this Agreement.

SAN YSIDRO HEALTH:

CONTRACTOR:

Kevin Mattson, President & CEO

*** (Name and Title)

(Date)

(Date)