# CITY AND COUNTY OF SAN FRANCISCO OFFICE OF CONTRACT ADMINISTRATION

# ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT (this "Assignment") is made as of April<sup>27</sup>, 2015, in San Francisco, California, by and between Siemens Medical Solutions USA, Inc., a Delaware corporation ("Assignor") and Cerner Health Services, Inc., a Delaware corporation ("Assignee").

## RECITALS

## WHEREAS, Assignor is a party to the Agreement (as defined below); and

WHEREAS, Assignor desires to assign the Agreement, and Assignee desires to assume the Agreement, each on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained in this Assignment, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. **Definitions.** The following definitions shall apply to this Assignment:

(a) Agreement. The term "Agreement" shall mean the Information Technology Agreement with an effective date of July 1, 2010 (BPHC11000027) between Assignor and City and County of San Francisco, a municipal corporation ("City"). The term "Agreement" shall include any amendments or modifications, including those set forth in Appendix A attached hereto and made a part hereof.

(b) Effective Date. "Effective Date" shall mean April 1, 2015.

(c) Syngo Fees. "Syngo Fees" shall mean fees for support or other services relating to the Syngo Workflow Application.

(d) Other Terms. Terms used and not defined in this Assignment shall have the meanings assigned to such terms in the Agreement.

2. Assignment. Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's right, title and interest in and to the Agreement and all of Assignor's duties and obligations thereunder, to the extent arising on or after the Effective Date. Assignor, Assignee, and City agree that

(a) all Syngo Fees under the Agreement shall continue to be invoiced by and paid to Assignor and not Assignee, regardless of whether those fees relate to the period before the Effective Date or the period that includes or follows the Effective Date, and

(b) all fees under the Agreement *other than* Syngo Fees shall be invoiced by and paid to Assignee and not Assignor, regardless of whether those fees relate to the period before the Effective Date or the period that includes or follows the Effective Date.

Accordingly, commencing upon the Effective Date and until such time as the parties make other arrangements via amendment, City shall pay Assignee all unpaid amounts previously owed to Assignor and all future invoices under this Agreement, except that charges for services relating to Syngo Workflow shall be billed directly by Assignor, and for those charges for services relating to Syngo Workflow, City shall pay Assignor directly. City and Assignee and, if necessary, Assignor, agree to work together to address payment procedures as appropriate.

3. Assumption. Assignee hereby accepts the assignment transfer and conveyance set forth in Section 2 and agrees to perform all of Assignor's duties and obligations under the Agreement, to the extent arising on or after the Effective Date.

4. **Assignor and Assignee Indemnities.** Assignor and Assignee have agreed separately on such indemnities between themselves as they have concluded necessary, and Assignor and Assignee assure City that nothing in those indemnities or in the assignment of the Agreement by Assignor to Assignee hereunder shall affect the rights of City under the Agreement.

5. **Governing Law.** This Assignment shall be governed by the laws of the State of California, without regard to its conflict of laws principles.

6. **Headings**. All section headings and captions contained in this Assignment are for reference only and shall not be considered in construing this Assignment.

7. Entire Agreement. This Assignment sets forth the entire agreement among Assignor, Assignee, and City relating to the assignment of the Agreement and supersedes all other oral or written provisions among the three of them relating to the assignment of the Agreement, without affecting any agreements to which only Assignor and Assignee, and not City, are parties.

8. **Further Assurances.** From and after the date of this Assignment, Assignor and Assignee agree to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the conveyance contemplated by this Assignment or as may be required by City.

9. Severability. Should the application of any provision of this Assignment to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Assignment shall not be affected or impaired thereby and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of Assignor, Assignee and City.

10. Successors; Third-Party Beneficiaries. Subject to the terms of the Agreement, this Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Except as set forth in Section 12, nothing in this Assignment, whether express or implied, shall be construed to give any person or entity (other than City and the parties hereto and their respective successors and assigns) any legal or equitable right, remedy or claim under or in respect of this Assignment or any covenants, conditions or provisions contained herein.

11. Notices. All notices, consents, directions, approvals, instructions, requests and other communications regarding this Assignment or the Agreement shall be in writing, shall be addressed to the person and address set forth below and shall be (a) deposited in the U.S. mail, registered or certified with return receipt requested and with appropriate postage, (b) hand delivered or (c) sent by bonded courier or overnight delivery company. All communications sent in accordance with this Section shall be deemed received on the earliest of personal delivery, or twenty-four (24) hours following deposit with a bonded courier or overnight delivery company; or seventy-two (72) hours following deposit in the U.S. Mail as required herein. From time to

time Assignor, Assignee or City may designate a new address for purposes of this Section by notice to the other signatories to this Assignment.

If to Assignor:

Siemens Medical Solutions USA, Inc. Vice President of Finance 51 Valley Stream Parkway Malvern, PA 19355

If to Assignee:

Cerner Health Services, Inc. c/o Cerner Corporation Attn. Chief Financial Officer With copy to: Chief Legal Officer 2800 Rockcreek Parkway North Kansas City, Missouri 64117

If to City:

Department of Public Health Office of Contracts Management 101 Grove Street, Room 307 San Francisco, CA 94102 Fax: (415) 554-2555

Consent of City; No Release of Assignor; Waivers. Each of Assignor and Assignee 12. acknowledges that the prior written consent of City to this Assignment is required under the terms of the Agreement. City shall be a third party beneficiary of this Assignment and shall have the right to enforce this Assignment. Neither this Assignment nor the consent of City set forth below shall release Assignor in whole or in part from any of its obligations or duties under the Agreement as it exists on the Effective Date if Assignee fails to perform or observe any such obligation or duty. Assignor has entered into this Assignment and obtained such consent of City without reliance on any statements by or information from City and based solely upon investigations made independently of City, and Assignor confirms that it is not relying on City to supply any further information with respect to Assignee or the conduct of its business after the date of this Assignment. Assignor waives any right to require City to (a) proceed against any person or entity including Assignee, (b) proceed against or exhaust any security now or hereafter held in connection with the Agreement, or (c) pursue any other remedy in City's power. Assignor waives any defense arising by reason of any disability or other defense of Assignee or any other person, or by reason of the cessation from any cause whatsoever of the liability of Assignee or any other person. Assignor shall not have and hereby waives any right of subrogation to any of the rights of City against Assignee or any other person, and Assignor shall not be able to enforce any remedy of Assignor under the Agreement or this Assignment against Assignee or against any other person unless and until any corresponding claims by City under the Agreement and this Assignment have been paid and satisfied in full. Assignor waives any benefit of any right to participate in any collateral or security whatsoever now or hereafter held by City with respect to the obligations under the Agreement. Assignor authorizes City, without notice or demand and without affecting Assignor's liability hereunder or under the Agreement to: (i) renew, modify or extend the time for performance of any obligation under the Agreement; (ii) take and hold security for the payment of any obligation under the Agreement and exchange, enforce, waive and release such security; and (iii) release or consent to an assignment by Assignee of all or any part of the Agreement.

P-560 (9-14)

Y

. . .

÷

IN WITNESS WHEREOF, Assignor and Assignee have each duly executed this Assignment as of the date first referenced above.

ASSIGNOR

USA, INC,

By

SIEMENS MEDICAL SOLUTIONS

Thomas Schroeder

City yendor aumber: 17005

ASSIGNEE

CERNER HEALTH SERVICES, INC. City vendor number: 96170

By

Title VP-SYNGO Title By Michael Agnew Title Controller-SYNGO

Subject to Section 12 of this Assignment, City hereby consents to the assignment and assumption described in Sections 2 and 3 of this Assignment.

CITY

Recommended by:

BARBARA A. GARCIA, M.P.A. Director of Health

Approved as to Form:

Dennis J. Herrera City Attorney

bond titon. By Virginia Dario Elizondo Deputy City Attorney Approved: For Jaci Fong

Director of Office of Contract Administration/ Purchaser

# APPENDIX A

## Amendments

First Amendment, dated as of May 23, 2013, and the following internal revisions: an internal revision that added the "Healthcare Query Application Product" dated September 11, 2013, an internal revision that added the "Rx/MAK/RxNorm Project", dated December 17, 2013, an internal revision dated May 22, 2014 that added additional licenses to the "Healthcare Query Application Product", and an internal revision dated July 22, 2014 that added additional licenses to the SIS Operating Room Application Product.

								22		OP ID: EQ	
4	CORD CERT	IFI	C	ATE OF LIAE	SILI	TY INS	SURA	NCE		(MWDD/YYYY) 4/23/2015	
	THIS CERTIFICATE IS ISSUED AS A CERTIFICATE DOES NOT AFFIRMAT BELOW. THIS CERTIFICATE OF IN REPRESENTATIVE OR PRODUCER, A	SURA	Y O NCE HE (	R NEGATIVELY AMEND, E DOES NOT CONSTITUT CERTIFICATE HOLDER.	EXTE	ND OR ALT	ER THE CO	VERAGE AFFORDED THE ISSUING INSURE	TE HO BY TH R(S), A	DLDER. THIS IE POLICIES NUTHORIZED	
	MPORTANT: If the certificate holder the terms and conditions of the policy certificate holder in lieu of such endor	, cert	ain j	policies may require an er	policy ndorse	(les) must b ement. A sta	e endorsed. tement on th	If SUBROGATION IS V his certificate does not	VAIVE	), subject to rights to the	
PR	ODUCER	Conno	inqu	,	CONT/	СТ			-		
Ha 80	ys Companies South 8th Street #700				PHONE [AX, No, Ext); (AC, No, Ext); E-UAI: ADDRESS;						
Mi	nneapolis, MN 55402				E-MAIL ADDRI PRODU		NE-1		-		
				(9)	COSTC			DING COVERAGE		NAIC #	
INSURED Cerner Health Services, Inc.						INSURER A: Sentry Insurance A Mutual Co.					
	Attn: Amanda Loftin 2800 Rockcreek Parkway				INSUR	19445					
	Kansas City, MO 64117-1				INSUR	ERC:					
					INSUR	ERD:					
					INSURI						
0	VERAGES CER	TIEN	AT	E NUMBER:	INSUR	RF:		REVISION NUMBER:		<u> </u>	
1	THIS IS TO CERTIFY THAT THE POLICIES NDICATED. NOTWITHSTANDING ANY RI CERTIFICATE MAY BE ISSUED OR MAY EXCLUSIONS AND CONDITIONS OF SUCH	B OF I EQUIR PERTA POLIC	NSU EME AIN, CIES.	RANCE LISTED BELOW HAV INT, TERM OR CONDITION THE INSURANCE AFFORDE LIMITS SHOWN MAY HAVE	OF AN	Y CONTRACT THE POLICIE REDUCED BY	OR OTHER	ED NAMED ABOVE FOR 1 DOCUMENT WITH RESPE D HEREIN IS SUBJECT T	O ALL	WHICH THIS	
LTR	TYPE OF INSURANCE	ADDL S	WWD	POLICY NUMBER		POLICY EFF (MM/DD/YYYY)	POLICY EXP (MWODMYYY)	LIMN	T	4 000 000	
A	X COMMERCIAL GENERAL LIABILITY	x		80-18412-03		09/01/2014	09/01/2015	EACH OCCURRENCE DAMAGE TO NENTED PREMISES (Es occurrence)	\$	1,000,000	
^	CLAIMS-MADE X OCCUR	1				0010 112014	0010 1120 10		5	10,000	
								MED EXP (Any one person) PERSONAL & ADV INJURY	5	1,000,000	
								GENERAL AGGREGATE	s	2,000,000	
	GENLAGGREGATE LIMIT APPLIES PER:							PRODUCTS - COMPIOP AGG	s	Excluded	
	X POLICY PRO.								5		
A	AUTOMOBILE LIABILITY			90-18412-04		09/01/2014	09/01/2015	COMBINED SINGLE LIMIT (En socident)	\$	1,000,000	
	ALL OWNED AUTOS							BODILY INJURY (Per person)	\$		
	SCHEDULED AUTOS		PHYSICAL DAMAGE					BODILY INJURY (Per eccident) PROPERTY DAMAGE			
	X HIRED AUTOS			COMP \$1,000 DED.		-		(PER ACCIDENT)	5		
	X NON-OWNED AUTOS			COLL \$1,000 DED.					\$		
_			-						\$		
	X UMBRELLA LIAB X OCCUR							EACH OCCURRENCE	\$	10,000,000	
В	EXCESS LIAB CLAIMS-MADE			19961611		09/01/2014	09/01/2015	AGGREGATE	\$	10,000,000	
	DEDUCTIBLE							· · · · · · · · · · · · · · · · · · ·	\$		
-	WORKERS COMPENSATION	++	1	a.		1		X WCSTATU- OTH-	\$		
A	ND EMPLOYERS' LIABILITY	IN/A		90-18412-01 (AOS)	09/01/2014 09/01/2014	09/01/2015	E.L. EACH ACCIDENT	\$	1,000,000		
A	(Mandalory in NH)			90-18412-02 (WI)		09/01/2014	09/01/2015	E.L. DISEASE . EA EMPLOYEE		1,000,000	
	tyes, describe under DESCRIPTION OF OPERATIONS below				•				.8	1,000,000	
					and l						
DE8 CS	CRIPTION OF OPERATIONS/LOCATIONS/VEHKL F, It's Officers, Agents an n required by written cont	.Es (Ar nd Er ract	tach/ mpl	ACORD 101, Additional Remarks B oyees are included	chedule, las	f more spice is Additions	nquind) 1 Insuzed	4			
CEI	RTIFICATE HOLDER				CANC	ELLATION			-	• •	
	City and County of San Francisco-Office of Contra Administration	act			THE	EXPIRATION	DATE THE	ESCRIBED POLICIES BE CA REOF, NOTICE WILL E Y PROVISIONS.			
101 Grove St RM 307						AUTKORIZED REPRESENTATIVE					
	San Francisco, CA 94103				to	us ch	m				
			-			© 1988-	2009 ACOR	D CORPORATION. AII	rights	reserved.	

т. Г.

The ACORD name and logo are registered marks of ACORD

ACORD	CER	TIF	IC	ATE OF LIA	BIL	ITY IN	ISUR/	NCE		(MM/DD/YYYY) 3/2015	
CERTIFICATE DOES I BELOW. THIS CERTI REPRESENTATIVE OR	FICATE OF IN PRODUCER, A	SURA	Y OI NCE HE C	OF INFORMATION ONL R NEGATIVELY AMEND DOES NOT CONSTITU ERTIFICATE HOLDER. DITIONAL INSURED, (he	, EXTE	ND OR ALT	ER THE CO BETWEEN	VERAGE AFFORDED	BY THE R(S), A	E POLICIES	
the terms and conditio	ns of the policy	, ceri	ain p	colicies may require an e	ndorse	ment. A sta	tement on th	his certificate does not	confer i	ights to the	
PRODUCER Marsh USA Inc.					CONTA NAME:					And a full of the second s	
2405 Grand Boulevard, #					PHONE (A/C. N	o. Ext):		FAX No			
Kansas City, MO 64108 Atln: kansascity.certrequ		2-948-0	015-1		ADDRE	55:				•	
001070 Durit 11 (E	1.				-	Madh Ame		NONG COVERAGE		NAIC #	
091272Profi-14-15						INSURER A : North American Capacity Insurance Company INSURER B :					
Cemer Health Services, Inc. Alth: Beth Hull						INSURER C :					
2800 Rockcreek Parkway	1				INSURE				1000000000		
Kansas City, MO 64117					INSURE	RE:					
					INSURE						
COVERAGES	the second s	_	-	ENUMBER: RANCE LISTED BELOW HA	and in case of the local division of the	-005143176-03	THE MOUDI	REVISION NUMBER:	statement of the second se	ICY REBIOD	
INDICATED. NOTWITHST CERTIFICATE MAY BE IS	ANDING ANY R	PERT	REME AIN,	NT, TERM OR CONDITION THE INSURANCE AFFORD	OF AN	Y CONTRACT	OR OTHER	DOCUMENT WITH RESPI	CT TO	WHICH THIS	
		ADDL	SUBR	LIMITS SHOWN MAY HAVE	BEEN I						
INSR TYPE OF INSU GENERAL LIABILITY	RANCE	INSR	WVD	POLICY NUMBER	-	BANDO YYYY	POLICY EXP	LIM	18		
COMMERCIAL GENER								EACH OCCURRENCE DAMAGE TO RENTED PREMISES (En occurrence)	5		
CLAINS-MADE	OCCUR				a			MED EXP (Any one person)	\$		
					3			PERSONAL & ADV INJURY	\$		
								GENERAL AGGREGATE	\$		
GENL AGGREGATE LIMIT	PPLIES PER:							PRODUCTS - COMPIOP AGG	\$		
POLICY PRO- JECT	LOC							COURINED SINGLE LINIT	\$		
AUTOMOBILE LIABILITY				and a set of the Hammer second data in the form of the transformer of the second data in				COMBINED SINGLE LIMIT (Ea accident)	\$		
ANY AUTO	SCHEDULED							BODILY INJURY (Per person) BODILY INJURY (Per eccident)	5		
AUTOS	NON-OWNED							PROPERTY DAMAGE	5		
HIRED AUTOS	AUTOS					e		(Per accident)	5		
UMBRELLA LIAB	OCCUR							EACH OCCURRENCE	5	1. A.) - A.	
EXCESS LIAB	CLAIMS-MADE					8		AGGREGATE	\$		
DED RETENTIO									\$		
WORKERS COMPENSATION AND EMPLOYERS' LIABILIT	Y VIN							TORY LIMITS ER	1		
ANY PROPRIETOR/PARTNEL OFFICER/MEMBER EXCLUD	VEXECUTIVE	N/A						E.L. EACH ACCIDENT	5		
(Mandatory In NH) if yas, describe under DESCRIPTION OF OPERATI								E.L. DISEASE - EA EMPLOYE			
	ONS below	$\left  \right $	-	H2L0000908-01		09/01/2014	00040048	E.L. DISEASE - POLICY LIMIT	15	10 000 000	
A Professional Liability	,			122000906-01		03/01/2014	09/01/2015	Limit: SIR Value:		10,000,000 3,000,000	
DESCRIPTION OF OPERATIONS / I	OCATIONS / VEHIC	LES IA	ttach	CORD 101, Additional Remarks	Schedule	if more space is	required)				
CCSF, Its officers, Agents, and Empl	•	00000-000					required				
Policy Number H2L0000908-01 inclu	les Cyber Liability Co	werage	107 100	chnology, Media and Telecommunk	cation Con	ipanies.	91				
	and and and a state										
CERTIFICATE HOLDER					CANC	ELLATION		av till-			
City and County of San Francisco Office of Contract Administration 101 Grove Street, RM 307						SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.					
						AUTHORIZED REPRESENTATIVE of Marsh USA Inc.					
						Keith A. Stiles					
			_		Neith A.	134700		RD CORPORATION.			

ACORD 25 (2010/05)

\* The ACORD name and togo are registered marks of ACORD



### COMMERCIAL GENERAL LIABILITY

## ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED BY CONTRACT OR AGREEMENT WITH YOU

A. Section II - Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or

2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

- B. The type and emount of insurance provided the additional insured does not exceed that required by the written contract or agreement, subject to your policy provisions and limits of liability. The most we will pay on behalf of the additional insured is the lesser of the amount payable under Section III - Limits Of Insurance or the amount of insurance required by the contract or agreement.
- C. Notwithstanding any requirement, term or condition of any contract or agreement with respect to which this endorsement may pertain, the insurance afforded to the additional insured is subject to all the terms, exclusions and conditions of the Commercial General Liability Coverage Part to which this endorsement is attached.

#### CG 80 18 12 04

CER 90-18412-03	01	141
09-23-14		
PAGE 001		

. 1



.

COMMERCIAL AUTO

## ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED BY CONTRACT OR AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM Garage Coverage Form Truckers Coverage Form
- A. Section II. Liability A. Coverage I. Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.

The status of an additional insured under this endorsement ands when your operations for that additional insured are completed.

- B. The most we will pay on behalf of the additional insured is the lesser of the amount payable under Section C. Limit Of Insurance or the amount of insurance required by the contract or agreement.
- C. Notwithstanding any requirement, term or condition of any contract or agreement with respect to which this endorsement may pertain, the insurance afforded to the additional insured is subject to all the terms, exclusions and conditions of the Commercial Auto Coverage Form to which this endorsement is attached.

CA 80 07 02 06

CER 90-18412-04 00 141 03-16-15 PAGE 001

.



## SENTRY CASUALTY COMPANY Carrier Code No. 37877

### WORKERS' COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

POLICY NUMBER: 90-18412-01 00 141

### WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from enyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

#### Schedule

"ALL WRITTEN CONTRACTS PROVIDED SUCH CONTRACT WAS MADE PRIOR TO LOSS"

## WC 00 03 13 (Ed. 04-84)

Copyright 1983 National Council on Compensation Insurance.

CER 90-18412-01 00 141 09-24-14 PAGE 001

### CERNER CORPORATION

OITHORG



2800 Rockcreek Parkway Kansas City, MO 64117 816.201.1024 <sup>Tel</sup> 816.474.1742 <sup>Fax</sup>

April 23, 2015

RE: Self-Insured Retention for Technology Errors and Omissions for Cerner Corporation

To Whom It May Concern:

Please allow this letter serve as confirmation that Cerner Corporation and its subsidiaries have a self-insured retention of \$3,000,000 on its Technology Errors and Omissions insurance. Technology liability insurance is a broad coverage for any combination of the following: Technology Liability, Professional Services Liability, Products Bodily Injury Liability, Media Liability, Network Security/Privacy Injury Liability, and Privacy Events, Regulations, and Fines. In the event of a claim arising under this coverage, Cerner Corporation would be responsible for paying the \$3,000,000 self-insured retention prior to policy engagement.

Cerner does not have a specific reserve fund set up for the Technology Errors and Omissions self-insured retention due to a strong cash and investment position (as of December 31, 2014, cash and investments total over \$1.6B). As further validation of available cash, Cerner's revolving credit agreement requires it to maintain a cash and investment balance equal to or greater than \$100M, and this information is confirmed quarterly.

Should you require additional information, please contact me at your convenience at (816) 201-1024.

Sincerely,

Richard Fischbach Risk Management and Insurance Dept. Cerner Corporation