

## **Canyon City Solutions ReliaTrax™ Software License**

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### RECITALS

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### 1. DEFINITIONS

1.1 Customer. Customer means the undersigned entity or entities or individual(s) who download(s) the SOFTWARE or access(es) the SOFTWARE via the Internet. For the purposes of Section 2.1.2 (Limitations) and Section 3.2 (Termination), a reference to "Customer" will also include any employees of Customer.

1.2 Active Client. Any client of the Customer that has at least one treatment currently marked as active.

1.3 Inactive Client. Any client of the Customer that has no treatments marked as active.

1.4 Intake Client. Any client of the Customer that is in the intake state. These clients have not yet begun treatment.

### 2. GRANT OF LICENSE

2.1 Rights and Limitations of Grant. CCS hereby grants Customer the following non-exclusive, non-transferable right to use the SOFTWARE, with the following limitations:

2.1.1 Rights. Customer may install, and its employees may use, the SOFTWARE on any computer in Customer's facility.

2.1.2 Limitations.

No Reverse Engineering. Customer may not reverse engineer, decompile, or disassemble the SOFTWARE, nor attempt in any other manner to obtain the source code.

No Rental. Customer may not rent or lease the SOFTWARE to someone else.

### 3. TERMINATION

3.1 Either Customer or CCS may terminate this LICENSE for any reason upon thirty (30) days' written notice to the other party. Notices shall be given via electronic mail to the email addresses set forth below on the signature page to this LICENSE. Notices are deemed received on the day transmitted.

3.2 This LICENSE will automatically terminate if Customer fails to comply with any of the terms and conditions hereof. In such event, Customer must immediately destroy all copies of the SOFTWARE and provide proof satisfactory to CCS of such destruction.

3.3 Defensive Suspension. If Customer commences or participates in any legal proceeding against CCS, then CCS may, in its sole discretion, suspend or terminate all license grants and any other rights provided under this LICENSE during the pendency of such legal proceedings.

### 4. COPYRIGHT

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### 5. APPLICABLE LAW

This LICENSE shall be deemed to have been made in, and shall be construed pursuant to, the laws of the State of Nevada. The United Nations Convention on Contracts for the International Sale of Goods is specifically disclaimed.

### 6. DISCLAIMER OF WARRANTIES AND LIMITATION ON LIABILITY

6.1 No Warranties. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE SOFTWARE IS PROVIDED "AS IS" AND CCS AND ITS SUPPLIERS DISCLAIM ALL WARRANTIES, EITHERWHETHER EXPRESS OR, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT.

6.2 No Liability for Consequential Damages. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL CCS OR ITS SUPPLIERS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, LOSS OF DATA, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, OR ANY OTHER PECUNIARY LOSS) ARISING OUT OF THE USE OF OR INABILITY TO USE THE SOFTWARE, EVEN IF CANYON CITY SOLUTIONS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. MISCELLANEOUS

If any provision of this LICENSE is inconsistent with, or cannot be fully enforced under, the law, such provision will be construed as limited to the extent necessary to be consistent with and fully enforceable under the law. This LICENSE is the final, complete and exclusive agreement between the parties relating to the subject matter hereof, and supersedes all prior or contemporaneous understandings and agreements relating to such subject matter, whether oral or written. This LICENSE may only be modified in writing signed by an authorized officer of CCS. Customer agrees that it will not ship, transfer or export the SOFTWARE into any country, or use the SOFTWARE in any manner, prohibited by the United States Bureau of Industry and Security or any export laws, restrictions or regulations.

8. PAYMENTS

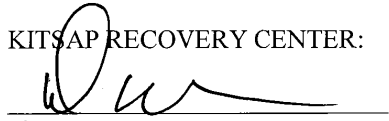
CCS will provide the SOFTWARE at no charge during a two month evaluation period beginning on the date of this LICENSE. Thereafter, the Customer will pay CCS to use the SOFTWARE under this LICENSE at a rate of \$2.00 per month for each Active Client and \$0.05 per month for each Inactive Client and \$0.00 per month for each Intake Client or a minimum payment of \$150.00 per month whichever is greater. State and local sales taxes, if applicable, will be calculated on the total license fees based on the billing address and will be added on to the license fee amount. Payments are due on the 1<sup>st</sup> day of each month, and will be deemed past due by the 15<sup>th</sup> of the month. **CCS reserves the right to suspend or terminate service due to non-payment.**

9. ATTACHMENTS

The parties acknowledge that the following attachments, which are attached to the LICENSE, are expressly incorporated by this reference.

Attachment A – Business Associate Agreement

KITSAP RECOVERY CENTER:

  
Signature

Doug Washburn  
Name

dwashbur@co.kitsap.wa.us  
E-mail Address

7/10/2017  
Date

CANYON CITY SOLUTIONS:

  
Larry Hinderks

lhinderks@canyoncitysolutions.com

6/19/2017

## **Attachment A**

### **Business Associate Agreement Provisions**

This Business Associate Agreement (the "Agreement" between the Covered Entity ("CE" ), identified on the signature page of this agreement, and the Business Associate ("BA") Canyon City Solutions, LLC is effective as of the date on the signature page.

#### **Recitals**

- (a) CE possesses Individually Identifiable Health Information that is protected under HIPAA (as hereinafter defined) and the HIPAA Regulations (as hereinafter defined), and is permitted to use or disclose such information only in accordance with HIPAA and the HIPAA Regulations;
- (b) CE has licensed BA's ReliaTrax software (the "Software") to assist CE in tracking, processing and managing of the services or goods furnished to Clients, which Software is licensed to CE under the terms of a separate agreement (the "License Agreement");
- (c) The Software is designed to function by creating and utilizing, on computer server equipment within the custody and control of BA, a database (the "Server Database") of electronic Client information transmitted to BA for the sole purpose of providing electronic data processing and support services for CE;
- (d) BA may receive such information from CE, or create and receive such information on behalf of CE, in order to perform certain of the services;
- (e) CE wishes to ensure that BA will appropriately safeguard Protected Health Information (PHI); and
- (f) The parties have determined that the proper operation of the Software will require the BA to communicate PHI of the Clients and to store and manipulate such information as part of the Server Database, which activities are covered by HIPAA and the HIPAA regulations, and that the parties are required to document their service arrangements under Sections 164.502(e)(2) and 164.504(e) of the HIPAA Regulations;

NOW THEREFORE, CE and BA agree as follows:

#### **Definitions**

##### Catch-all definition:

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules (<https://www.federalregister.gov/articles/2013/01/25/2013-01073/modifications-to-the-hipaa-privacy-security-enforcement-and-breach-notification-rules-under-the>): Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

Specific definitions:

- (a) Business Associate. "Business Associate" (BA) shall generally have the same meaning as the term "Business Associate" in 45 CFR 160.103, and in reference to the party to this agreement, shall mean Canyon City Solutions, LLC.
- (b) Covered Entity. "Covered Entity" (CE) shall generally have the same meaning as the term "Covered Entity" in 45 CFR 160.103, and in reference to the party in this agreement, is identified on this document's signature page.
- (c) HIPAA Rules. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
- (d) Secretary. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- (e) Data Aggregation. "Data Aggregation" means the combining, by the BA, of the Covered Entity's PHI with PHI that the Business Associate received from other Covered Entities to permit data analyses that relates to health care operations.

**Obligations and Activities of BA**

BA agrees to:

- (a) Not use or disclose protected health information (PHI) other than as permitted or required by the Agreement or as required by law;
- (b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement;
- (c) Report to CE any use or disclosure of protected health information not provided for by the Agreement of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR 164.410, within 48 hours and any security incident of which it becomes aware;
- (d) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the BA agree to the same restrictions, conditions, and requirements that apply to the BA with respect to such information;
- (e) Make available protected health information in a designated record set to the CE as necessary to satisfy CE's obligations under 45 CFR 164.524;
- (f) Make any amendment(s) to protected health information in a designated record set as directed or agreed to by the CE pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy CE's obligations under 45 CFR 164.526;
- (g) Maintain and make available the information required to provide an accounting of disclosures to the CE as necessary to satisfy CE's obligations under 45 CFR 164.528;
- (h) To the extent the BA is to carry out one or more of CE's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the CE in the performance of such obligation(s); and

- (i) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

**Permitted Uses and Disclosures by BA**

- (a) BA may not use or disclose protected health information except for services relating to the health care operations of the CE.
- (b) BA may use or disclose protected health information as required by law.
- (c) BA agrees to make uses and disclosures and requests for protected health information consistent with CE's minimum necessary policies and procedures.
- (d) BA may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by CE.
- (e) BA may use protected health information for the proper management and administration of the BA or to carry out the legal responsibilities of the BA.
- (f) BA may provide data aggregation services relating to the health care operations of the covered entity.
- (g) BA may not disclose any De-Identified (Section 164.514 of the HIPAA Privacy Rule) protected health information that identifies the CE without CE's prior written authorization.

**Provisions for CE to Inform BA of Privacy Practices and Restrictions**

- (a) CE shall notify BA of any limitation(s) in the notice of privacy practices of CE under 45 CFR 164.520, to the extent that such limitation may affect BA's use or disclosure of protected health information.
- (b) CE shall notify BA of any changes in, or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect BA's use or disclosure of protected health information.
- (c) CE shall notify BA of any restriction on the use or disclosure of protected health information that CE has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect BA's use or disclosure of protected health information.

**Permissible Requests by CE**

CE shall not request BA to use or disclose protected health information in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by CE.

**Term and Termination**

- (a) Term. The Term of this Agreement shall be effective as of the date on the signature page of the CE, and shall terminate on the expiration/termination of the License or on the date CE terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.
- (b) Termination for Cause. BA authorizes termination of this Agreement by CE, if CE determines BA has violated a material term of the Agreement and BA has not cured the breach or ended the violation within the time specified by CE.

- (c) Obligations of BA Upon Termination. Upon termination of this Agreement for any reason, BA shall, destroy all protected health information received from CE, or created, maintained, or received by BA on behalf of CE, which the BA still maintains in any form. BA shall retain no copies of the protected health information.
- (d) Survival. The obligations of BA under this Section shall survive the termination of this Agreement.

**Miscellaneous**

- (a) Data Ownership. BA acknowledges that BA has no ownership rights with respect to PHI.
- (b) Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- (c) Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law.
- (d) Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.
- (e) No Third Party Beneficiaries. There are no intended third party beneficiaries to this Agreement.
- (f) Right or cause of action. Without in anyway limiting the foregoing, it is the parties' specific intent that nothing contained in this Agreement give rise to any right or cause of action, contractual or otherwise, in or on behalf of any Individual whose PHI is Used or Disclosed pursuant to this Agreement.
- (g) References. A reference in this Agreement to a section in HIPAA means the section as in effect or as amended, and for which compliance is required.
- (h) Waiver. No provision of this Agreement may be waived except by an agreement in writing signed by the waiving party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision.
- (i) Authority. The persons signing below have the right and authority to execute this Agreement for their respective entities and no further approvals are necessary to create a binding Agreement.
- (j) Headings. The headings of each section are inserted solely for purposes of convenience and shall not alter the meaning of this Agreement.
- (k) Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Nevada.
- (l) Counterpart Execution. This Agreement may be executed separately by each party in identical counterparts, including counterparts transmitted by facsimile or electronic mail, and shall be effective when Associate has received an original or facsimile of the signature page of this Agreement signed by the authorized representative of the CE.

**IN WITNESS WHEREOF**, the parties have executed this Agreement effective upon the effective date set forth below.

**"Covered Entity"**


By:  Date: July 10, 2017

Print Name: Doug Washburn

Title: Director, Kitsap County Department of Human Services

Company: Kitsap Recovery Center

**"Business Associate"**

By:  Date: 6/19/2017

Print Name: Larry Hinderks

Title: President

Company: Canyon City Solutions, LLC