

# Contracting 101

## Your guide to successful contracting

### How to Request a Contract

*A SFDC opportunity is required in order to create a quote or contract. The opportunity should be created under the account that will be signing and paying for products and services.*

To receive Contracts for review and/or Executables, chatter @Contract Request and answer the following questions or if you already have a customer accepted quote, please include the quote # in your contract request:

1. Who's paying and whose name will be on the contract as the responsible party?
2. Where will the device be located? Is the installation site new or existing? Are they planning to do remote optimization?
3. Lease or purchase? If lease, what term?
4. Which products/modules and what quantity?
5. Number of users needed?
6. Support level?
7. Peripherals needed?
8. Training needed? Onsite or remote? Quantity of days/hours?
9. Has Solution Design been engaged?
10. Does this customer require a PO?

### Changes Eligible for Fast Track

- Typos or corrections
- Changes to customer address/location address
- Adding one-time fees (peripherals, training, etc.)
- Removing products (lease or purchase)
- Change in quantity on purchase contracts
- Adding approved discount

### Changes Not Eligible for Fast Track

- Change in customer name/legal name
- Change in support level

- Change from purchase to lease or lease to purchase
- Change in quantity on lease contracts
- Adding special terms (outs, conditional discounts, etc.)
- Discounts pending approval

### How Will I Receive My Contracts?

Once completed, Sales Administration will send all required documents via email to the Sales Executive who requested agreements. This email is designed in a format that can be easily forwarded to a customer.

All signed documents, forms, and POs should be returned to Sales Administration via email for countersignature and processing.

*Please avoid forwarding any documents to InTouch Signatories.*

### Current SLAs

- Lease = 3 days
- Purchase = 2 days
- True Up = 1 day (from receipt of countersigned)
- Fast Track = 1 day

### What Is My Discounting Authority?

Role	Discount Authority
Account Executive	Up to 5%
Area Vice President	Up to 8%
Executive Vice President	Up to 15%
CCO/CFO	>15%

Items that are not discountable:

- Network Hosting & Support subscriptions (beyond the system generated discount)
- Shipping & Handling charges

*\*Please note: Customers with contracted pricing are ineligible for discounts (beyond those which are system-generated). Also, discretionary discounts can be applied on top of the system-generated discount (for eligible customers and products).*

## How Do I Request a Discount?

- For discounts up to 15%, contact the Area Vice President or Executive Vice President in the opportunity.
- For discounts greater than 15%, provide written approval from CCO and CFO via email. When requesting, provide information on the discount and the original list price of the product.

## Special Documentation

Sales can expect additional documents for signature and review in the following situations:

- Hospital is a government or state-owned entity
- Integration is needed
- Multiple solutions are being purchased (DTC, endpoints, Physician Services)
- Security agreements or questionnaires are sent and required by customer

These situations may need review from multiple ITH departments.

## Requesting a Lease

Information required to obtain credit approval:

- Legal name
- Term (36 months maximum)
- Quantity
- Price
- 2 years audited and current interim financials, if required

## Internal Lease Options

If a customer has failed to pass credit approval with one of our leasing partners, the following options are available:

- Purchase rather than lease
- A lease directly with InTouch Health - annual payments
  - 12 months of payment due upfront prior to shipment
  - Likely will receive refurbished equipment
- A lease directly with InTouch Health – monthly payments

### Three Internal Lease Options

- Purchase
- Annual Payments
- Monthly Payments

- 1<sup>st</sup> month, 2<sup>nd</sup> month, and security deposit are due upfront prior to shipment – following monthly payments must be made with EFT or ACH
- Likely will receive refurbished equipment

## Executable Agreements

Once all agreement terms are finalized, executable agreements should be requested from Sales Administration. Agreements sent for review should not be signed until they are converted to PDF agreements. A formal email will be sent to the Sales Executive with all required agreements for signature.

Agreements can be sent to customer in DocuSign if preferred by customer.

*All fields and documents sent for signature are required. Signed documents returned with incomplete fields will not be countersigned until complete or until full contract packet is signed.*

## Getting to Closed-Won

All signed agreements and related contracting documents should be sent via email to Sales Administration for processing. Documents will be placed into DocuSign for InTouch to countersign. Sales will automatically receive a copy of this agreement from DocuSign to return to their customer for their records.

Once the agreement has been countersigned/fully executed, Sales Administration will review opportunity for accuracy, add final details, and move the opportunity to “Closed-Won.”

Sales Administration will mark the opportunity as Closed-Won.

Sales Administration will receive the fully executed agreement, review, and add final details. Please ensure all required documents and fields are signed and completed.

## Frequently Asked Questions

Can I get an out in the lease agreement?

No – none of our leases have ‘outs’.

Will there be an option to buy the equipment at the end of the lease?

No, at the end of the lease the equipment will belong to InTouch. HCA has the only exception to this rule and it’s written into their Equipment Schedule.

Will Subscription fees be billed monthly or annually?

All recurring fees are billed annually. Customer can only pay monthly with automatic electronic payments (EFT or ACH) which need to be set up prior to shipment/delivery of any equipment or software.

*(Included in contract terms.)*

Do I need a PO to ship?

Yes. If customer requires a PO to pay invoices, we will need it prior to shipment.

*Exception* – if customer does not issue POs, Sales Administration will need an email from customer stating that PO is not needed. Ideally, this customer email has their full email signature, so Finance has phone numbers and contact information for them if a collections issue arises.

What do I need to ship/release this?

1. Opportunity in Closed-Won status (fully executed agreements, and completed customer set up form if customer is net new)
2. Completed shipment request (1 day in advance of ship date to allow for processing – might be sent by Account Manager or Project Manager)
3. PO, if needed by customer (see below)

Where do I get a PO?

The customer. Most likely from their Accounts Payable or Purchasing department. Perhaps someone from Supply Chain Management. This question should be asked early in the sales process to prevent delays at the time of shipment.

When will this turn grey in Salesforce?

A few factors are in-play with products “turning grey”. Leased devices turn grey when D&A is received. Purchased devices turn grey either when they leave the building (FOB Origin) or arrive at destination

### Subscription Fees Are Paid Annually

Monthly payments can only be made with automatic electronic payments

### The customer should provide a PO.

If the customer does not issue POs, Sales Administration will require an email with their full email signature and contact information.

(FOB Destination). Viewpoint turns grey when the Product Key is delivered to the customer. Software turns grey depending on contract terms and delivery of initial instance.

Exceptions – If any product has an evaluation or demo period, it will not turn grey until evaluation period is over.

When will the customer receive their 1st invoice from the leasing company?

Depending on the leasing company, the 1st invoice is sent within a few days of D&A date, or on the 1st of the month following installation.

When will the customer receive Invoices from InTouch?

Invoices for set up fees (installation, training, shipping, etc.) will be sent when Finance confirms that they have been completed – after D&A confirmation that all training is complete. Invoices for recurring software fees are billed annually.

When will the Signed Contract Announcement be sent for this?

Announcements are only sent for new and expansion business, not renewals. They are sent when an opportunity has been marked “Closed Won.”

Who can Sign the Delivery and Acceptance form?

Sometimes this comes down to a customer preference or internal legalities, but it can be any customer employee who can verify the serial # identified is at the address identified and is installed and working.

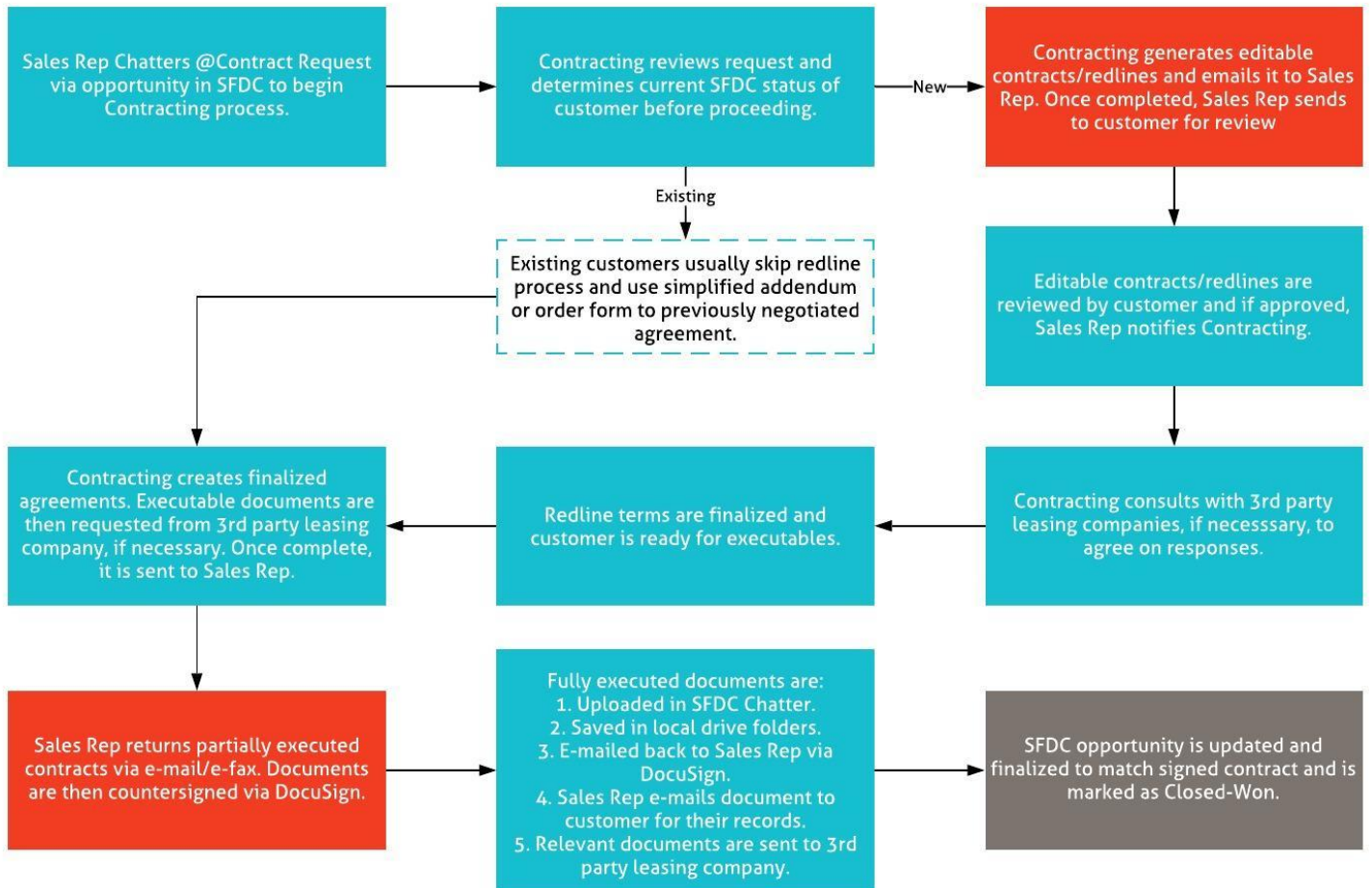
Where can I get a W-9 for InTouch or one of the leasing partners?

Sales Administration has them all on file. Customers sometimes need copies of these to set up InTouch or a leasing partner as a payable vendor in their accounting system.

Recurring software fees are billed annually.

The invoice will be sent once Finance confirms the services have been completed or delivered.

# Contracting Process



- Contracting █
- Sales Rep █
- Closed-Won █