12. DETAILED LEGAL ANALYSIS [SPECIAL INSTRUCTIONS, SECTION 12]

The undersigned, Arnold Morse, is the Senior Vice President and General Counsel representing Client Network Services, LLC ("CNSI") (hereafter "Offeror"), for purposes of the subject Procurement, i.e., Provider Management System - Solicitation # YH18-0033 (the "Solicitation").

I am a licensed attorney and qualified as an in-house corporate counsel in Maryland, among other states. I am familiar with the statutory and regulatory regime of the State of Arizona with respect to its procurement, trade secret, and public records laws. I have reviewed those laws and regulations in light of the Special Instructions to Offerors set forth in section 12 of the Solicitation.

I understand that the central tenet of Arizona procurement law, as set forth in the Arizona Procurement Code, i.e., A.R.S. 41-2501 et. seq., and the associated administrative rules and regulations at A.A.C. R2-7-101 et.seq., is that all materials submitted in response to a solicitation are subject to Arizona public records law and will be disclosed if there is an appropriate public records request.

There are, however, exceptions for materials in a solicitation response that are proprietary or a trade secret as set forth in the Arizona Administrative Code.

The proposal submitted by Offeror in response to Solicitation # YH18-0033 (the "Proposal") contains information that should be withheld from public inspection for reasons of confidentiality.

1. The accompanying Proposal contains trade secret information that:

   A. Is a formula, pattern, compilation, program, device, method, technique or process, and

   B. Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

   C. Is the subject of efforts by myself or my organization that are reasonable under the circumstances to maintain its secrecy.

2. In addition, there are a number of items in the Proposal that are "other proprietary information" in the broader, non-trade secret, sense of the term. Such proprietary material represents information not normally open to the public such as sales margins or profits, personnel lists, undisclosed proprietary technology, customer lists and, supplier information all of which could provide a competitive advantage to third parties if disclosed by the State.

Therefore, pursuant to A.A.C. R2-7-103, Offeror has marked as "Confidential" the following limited and distinct portions of the Proposal. Text identified as confidential in the proposal will be marked with a bar in the margin and "Confidential" in the footer. The fully redacted proposal documents will be submitted on a separate CD in accordance with the requirements set forth in Attachment D of the solicitation.

Trade Secrets:

a. Information regarding CNSI's proprietary software delivery methodology (Section 6, Proposed Method of Approach, section 6.23, Proposed Timelines; and Appendix A, Additional Information, section A.6.22)

Proprietary Information:

a. Information regarding CNSI's proprietary security approach (Section 8, Completed Arizona Baseline Infrastructure Security Controls 2017 [Attachment A], columns I through N)

Confidential:

a. Contact information for points of contact for project references (Section 7, Experience and Expertise of the Firm and Key Personnel, section 7.1)

b. Details regarding qualifications, work experience, skills, education, and references of proposed key personnel (Section 7, Experience and Expertise of the Firm and Key Personnel, section 7.2)

It is my further understanding that pursuant to A.A.C. R2-7-103(D), should the agency chief procurement officer determine that information submitted is not confidential, CNSI shall be notified in writing and provided with the opportunity to request a review of such determination.

Arnold Morse

Senior Vice President, General Counsel

Client Network Services, LLC.

Date: March 13, 2018