

CORPORATE HEALTH PARTNERS CLIENT SERVICES AGREEMENT

This Client Services Agreement (this “**Agreement**”) is made and entered into this 8th day of September, 2014, by and between **Corporate Health Partners, LLC (“CHP”)** and **City of Smyrna (“Client”)**. CHP and Client may be collectively referred to as “**Parties**” or individually referred to as a “**Party**.”

1. Services.

(a) As part of the CHP Health Management Program (the “**Program**”), CHP agrees to provide to Client and Client agrees to procure from CHP certain wellness-related services as further described in Exhibit A (“CHP Services”) in accordance with the terms and conditions of this Agreement.

(b) Exhibit A shall describe: (i) the Services, (ii) the agreed to term (“**Initial Service Term**”), (iii) the eligible employees, spouses, retirees (“**Members**”), (iv) the recurring (monthly) and non-recurring (provisioning or other) charges, and (v) such other information as may be necessary to reflect the specific CHP Services that the Parties have agreed to under this Agreement. Client acknowledges that CHP may provide the CHP Services through employees, agents, contractors, and any other persons or business entities, with which CHP may contract in its sole judgment.

2. Client Responsibilities. The Client agrees to the following:

(a) The outcome of the CHP Services with respect to its Members is dependent on the level of enthusiasm and support which Client’s executive management team demonstrates in connection with the CHP Services.

(b) CHP has provided Client with the following examples of positive management support which CHP has observed during other client engagements as being critical in ensuring the success of the Program within that client’s organization:

(i) The client assumes primary responsibility for promoting the CHP Services, enrolling employees, and setting up initial and subsequent screening appointments;

(ii) The client provides appropriate incentives to promote the CHP Services in order to maximize participation;

(iii) The client allows its Members to participate in the CHP Services on paid time;

(iv) The client provides CHP with a monthly list of new and terminated employees;

(v) The client makes its facilities available for CHP representatives to use when onsite and provides appropriate screening and office space and internet access;

(vi) The client establishes and enforces program compliance guidelines among its Members; and

(vii) The client establishes a “Wellness Team” made up of key Members that regularly meet with CHP representatives and take an active part in communicating the CHP Services to all Members.

(c) Client agrees to take all reasonable actions to support the CHP Services including, without limitation, by implementing the foregoing examples of support within its organization.

3. Pricing & Payment Terms.

- (a) Pricing. As compensation to CHP for providing the Services, Client shall pay CHP the fees set forth on Exhibit A. Unless expressly provided otherwise on Exhibit A, the fees will be payable to CHP in accordance with Section 3(b) below.
- (b) Payment Terms.
- (i) The annualized fees will be due and payable as detailed on Exhibit A.
- (ii) All incidental charges (as distinguished from the annualized fees) will be invoiced by CHP upon the incurrence or assessment thereof.
- (iii) Client agrees to reimburse CHP for all reasonable travel costs (hotel, airfare, etc.) and out-of-pocket expenses incurred by CHP related to out-of-town trips that are requested and pre-approved by the Client.
- (iv) Client shall pay all properly invoiced amounts within fifteen (15) days of Client's receipt of such invoice. All payments hereunder shall be in US dollars and made by check or wire transfer.
- (c) Late Payments. CHP may terminate this Agreement immediately in the event any delinquent amount due hereunder is not paid by Client within fifteen (15) days of receipt of written notice from CHP of such delinquent amount. Upon termination of this Agreement for any reason, Client shall immediately pay the outstanding balance for unpaid invoices to date owed CHP under this Agreement, notwithstanding any claims or defenses which Client may have against CHP.
- (d) New Members. New hires by Client who are eligible and enrolled members of the health plan (and new participating spouses (if any)) will be billed to Client in the month that such person is hired (or becomes a participating spouse of a Member) at the full Price per Employee per Year ("PEPY") provided on Exhibit A. No new hires will be added or billed for if they are hired within 90 days of termination of this Agreement.
- (e) Other. At the Client's discretion, spouses, adult dependents, or non-health plan member employees may participate in the Program as Members at the same PEPY as provided on Exhibit A.
- (f) Terminated Employees. No credit will be applied for Members which lose their eligibility during the Term, including, without limitation, employees that are terminated during the Term.
- (g) Fee Adjustments. The Parties agree that CHP may change its pricing or increase its fees specified on Exhibit A upon written notice to Client; provided that:
- (i) CHP may only make such adjustments at the end of each contract year (i.e., anniversary date) during the Term; and
- (ii) CHP must provide Client written notice of such adjustment or increase at least sixty (60) days prior to the end of such contract year.
- (h) Taxes. Client shall be responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state or local governmental entity on any amounts payable by Client hereunder; *provided, that*, in no event shall Client pay or be responsible for any taxes imposed on, or with respect to, CHP's income, revenues, gross receipts, personnel or real or personal property or other assets.
- (i) Extended Service Term Fees. In connection with any Extended Service Term, the payment schedule for the annualized fees as described in Section 3(b) above shall continue to

apply except that Client shall pay 20% of the annualized fees for the pending extension term thirty (30) days in advance of the commencement date of such Extended Service Term.

4. Term; Termination. The Initial Service Term of one-year is provided on Exhibit A. Thereafter, this Agreement shall continue for consecutive one-year terms (each, an “**Extended Service Term**” and, collectively with the Initial Service Term, the “**Term**”) unless this Agreement is terminated upon the occurrence of any of the following:

(a) Either party, in its sole discretion, may terminate this Agreement, at any time without cause, by providing at least one hundred twenty (120) days' prior written notice to the other party.

(b) Either party may terminate this Agreement, effective upon written notice to the other party (the “**Defaulting Party**”), if the Defaulting Party:

(i) materially breaches this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within thirty (30) days after receipt of written notice of such breach; or

(ii) (A) becomes insolvent or admits its inability to pay its debts generally as they become due; (B) becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, which is not fully stayed within seven (7) business days or is not dismissed or vacated within forty-five (45) days after filing; (C) is dissolved or liquidated or takes any corporate action for such purpose; (D) makes a general assignment for the benefit of creditors; or (E) has a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

(c) CHP shall have the right to terminate this Agreement immediately as provided for in Section 3(c) if such delinquent payment is not made within 15 days of demand therefore.

(d) Upon termination of this Agreement for any reason, each party shall (i) return to the other party all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on the other party's Confidential Information, (ii) permanently erase all of the other party's Confidential Information from its computer systems and (iii) certify in writing to the other party that it has complied with the requirements of this clause. Notwithstanding the foregoing, CHP may retain one archival copy of all documents and other information related to the CHP Services provided under this Agreement (including, without limitation, those documents, records, files and information which include Confidential Information of Client); provided that CHP may only retain and use such information for archival or audit purposes or in defense of any claim made in connection with this Agreement.

5. Non-Exclusive Services. For the benefit of clarity, CHP retains the right to perform the same or similar type of services for third parties during the Term of this Agreement.

6. Confidentiality of Business Information.

(a) Employees. Client and CHP acknowledge and agree that in the course of providing the Services to the Members, CHP will obtain certain confidential and sensitive information relating to the Members and their activities, habits, health history, etc. (the “**Member Information**”). Client acknowledges and agrees that Client shall have no right to receive the Member Information and that the Member Information shall not be distributed by CHP to any person or entity other than the respective Member or his or her guardian and his or her health care provider upon the written direction of the Member or his or her guardian.

(b) Confidential Information. “**Confidential Information**” means any information that is treated as confidential by a party, including, without limitation, trade secrets, technology, information pertaining to business operations and strategies, and information pertaining to customers, pricing, and marketing. Confidential Information shall not include information that: (a) is already known to the Receiving Party without restriction on use or disclosure prior to receipt of such information from the Disclosing Party; (b) is or becomes generally known by the public other than by breach of this Agreement by, or other wrongful act of, the Receiving Party; (c) is developed by the Receiving Party independently of, and without reference to, any Confidential Information of the Disclosing Party; or (d) is received by the Receiving Party from a third party who is not under any obligation to the Disclosing Party to maintain the confidentiality of such information. For the benefit of clarity, Confidential Information of Client shall include raw data collected from any third party payor and/or Client and/or its employees, including claims data, absenteeism, sick time, productivity, worker’s compensation and attrition rate.

As used in this Agreement, “**Disclosing Party**” means a party that discloses Confidential Information under this Agreement and “**Receiving Party**” means a party that receives or acquires Confidential Information directly or indirectly under this Agreement.

(c) Obligations to Protect. The Receiving Party agrees:

(i) not to disclose or otherwise make available Confidential Information of the Disclosing Party to any third party without the prior written consent of the Disclosing Party; provided, however, that the Receiving Party may disclose the Confidential Information of the Disclosing Party to its officers, employees, consultants and legal advisors who have a “need to know”, who have been apprised of this restriction and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Section 6.

(ii) to use the Confidential Information of the Disclosing Party only for the purposes of performing its obligations under the Agreement; and

(iii) to promptly notify the Disclosing Party in the event it becomes aware of any loss or disclosure of any of the Confidential Information of Disclosing Party.

(d) Compelled Disclosure. If the Receiving Party becomes legally compelled to disclose any Confidential Information, the Receiving Party shall provide:

(i) prompt written notice of such requirement so that the Disclosing Party may seek, at its sole cost and expense, a protective order or other remedy; and

(b) reasonable assistance, at the Disclosing Party's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

If, after providing such notice and assistance as required herein, the Receiving Party remains required by law to disclose any Confidential Information, the Receiving Party shall disclose no more than that portion of the Confidential Information which, on the advice of the Receiving Party's legal counsel, the Receiving Party is legally required to disclose and, upon the Disclosing Party's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or agency that such Confidential Information will be afforded confidential treatment.

7. Confidentiality of Individually Identifiable Health Information.

(a) Definition. For purposes of this Agreement “**Individually Identifiable Health Information**” has the same meaning as set forth in 42 U.S.C. §1320d, which is any information, including demographic information, collected from an individual that has been received or created by Client and relates to the past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present or future payment for

the provision of health care to an individual and identifies the individual or with respect to which there is a reasonable basis to believe that the information can be used to identify the individual.

(b) Restrictions on Use and Disclosure. In addition, to the confidentiality provisions set forth in Section 6 of this Agreement, the Parties desire to comply with the Standards for Privacy of Individually Identifiable Health Information promulgated by the Department of Health and Human Services at 45 CFR parts 160 and 164, subparts A and E (“**Privacy Rule**”) under the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”).

- (i) The Parties shall not and shall ensure that its directors, officers, employees, contractors, and/or agents do not use or further use or disclose Protected Health Information (as defined in the Privacy Rule) in any manner that would constitute a violation of the Privacy Rule other than as permitted or required by Law; and,
- (ii) The Parties agree to implement all necessary safeguards to prevent the use or disclosure of the Protected Health Information (as defined in the Privacy Rule) and to mitigate, to the extent practicable, any potential business pattern, practice or effect that is known to the Parties to be in violation of the requirements of the Privacy Rule.
- (iii) The parties acknowledge and agree to cooperate and modify the terms of this Agreement for any changes to HIPAA or any related statutes and regulations which require modifications herein.

8. Non-solicitation. Client agrees that during the Term of this agreement and for a period of two (2) years thereafter, Client shall not without the express written consent of CHP (which consent may be withheld for any or no reason), (a) directly or indirectly, on its own behalf or on behalf of any other person or entity, encourage any person who is employed by, or consults with, CHP to terminate his or her employment or engagement, as the case may be or (b) directly or indirectly, solicit, take away, hire, employ or endeavor to employ or engage the services of any person (whether as an employee, independent contractor or consultant) who performed any work on behalf of CHP under this Agreement and who is at the time, or has been within the preceding six (6) month period, an employee or independent contractor of CHP. Because the actual damages that CHP would sustain in the event that Client breaches these non-solicitation provisions would be difficult to ascertain, the parties agree in good faith that Client shall pay CHP as liquidated damages, a sum equal to \$75,000. The parties acknowledge and agree that this is a good faith attempt to estimate the actual damages that will be sustained in the event of a breach and is not an attempt to impose any kind of penalty.

The foregoing provision shall not limit the right of CHP to seek injunctive or other equitable relief or to seek monetary relief for damages incurred by CHP in excess of the agreed upon liquidated damages.

9. Indemnification.

(a) CHP Indemnification. Client shall defend, indemnify and hold harmless CHP and its officers, directors, shareholders, employees, representatives and agents (individually or collectively, the “**CHP Indemnified Parties**”), from any loss or damage sustained by a CHP Indemnified Party and from and against all claims (including costs of judgments, settlements, court costs and attorneys’ fees) asserted against all or any of the Indemnified Parties arising in whole or in part out of (i) a failure of Client, its employees or agents to follow specifications, instructions, warnings or recommendations furnished by CHP, (ii) any misrepresentation by Client, its employees or agents, (iii) any breach by Client of the covenants or terms of this Agreement or (iv) the sole or contributing negligence of Client, its employees or agents.

(b) Client Indemnification. CHP shall defend, indemnify and hold harmless Client and its officers, directors, shareholders, employees, representatives and agents (individually or collectively, the “**Client Indemnified Parties**”) from any loss or damage (including costs of

judgments, settlements, court costs and attorneys' fees) sustained by Client Indemnified Parties and from any and all claims asserted against a Client Indemnified Party and arising in whole or in part out of (i) any breach by CHP of the covenants and terms of this Agreement, (ii) for the sole or contributing negligence of CHP, its employees, sales representatives, agents or clients (other than Client); or (iii) any violation of law by CHP in performing the CHP Services (except to the extent that CHP was taking such action at the specific instruction of Client).

10. Limitation of Liability. CHP shall not be liable, responsible or accountable to Client for any losses, damages, or injuries (whether direct, indirect, consequential or otherwise) or governmental assessments or penalties incurred by Client or resulting from or alleged to be resulting from any acts or omissions pertaining to CHP Services, except for (a) acts or omissions constituting fraud, willful misconduct, or gross negligence and (b) CHP's obligations to indemnify the Client Indemnified Parties pursuant to Section 9(b). Client acknowledges that federal laws and regulations, including the relevant provisions of HIPAA and the Affordable Care Act, regulate outcomes-based wellness programs and prohibit employer health plans from discriminating with respect to eligibility, benefits or premiums or contributions based on "health factors." Client has made its own determination that its plan is non-discriminatory and complies with all applicable laws and regulations, including the relevant provisions of HIPAA and the Affordable Care Act, and CHP has made no representation to Client regarding the compliance of Client's plan with such laws and regulations. In the event a claim or assessment is made against Client regarding its plan's compliance with the non-discriminatory requirements, the liability for such claim or assessment rests with Client and CHP shall have no liability for such claim or assessment.

11. Independent Contractor. It is specifically understood and agreed by Client and CHP that CHP is not, by virtue of this Agreement, a servant, employee, joint venture, partner or agent of Client. CHP is and shall remain an independent contractor for purposes of providing the CHP Services under this Agreement. CHP is only under the control of Client in that Client may approve the results of CHP's work and terminate its association with CHP as provided in this Agreement, but Client shall not control the means by which CHP conducts its business. Neither party shall have the power or authority to bind the other party.

12. Notices. Any notice, designation, consent or approval required or permitted hereunder shall be made in writing and delivered personally or mailed by certified mail, return receipt requested, addressed to the parties as follows:

CHP: **Corporate Health Partners**
 2105 Barrett Park Dr., Suite 106
 Kennesaw, GA 30144
 Attention: John O'Brian, CFO

Client: _____

All notices or other communications hereunder shall not be binding on either party hereto unless in writing and delivered to the other party hereto as set forth above. Notices shall be deemed duly delivered upon hand delivery, receipt of facsimile transmission thereof, or receipt of express or overnight delivery thereof at the addresses specified above or three (3) days after deposit thereof in the United States mail, postage prepaid, certified or registered mail. Any party may change its address for notice by delivery of written notice thereof in the manner provided above.

13. Miscellaneous.

- (a) Proprietary Rights. Client agrees that names, marks and information of CHP and its subcontractors are proprietary to CHP and shall not be used by Client or its owners or employees or otherwise disclosed in any way to third parties, without the prior written consent of CHP first having been obtained. Any new product developments, forms or improvements of products and services of CHP or its subcontractors during the Term of this Agreement shall be the property of CHP and shall be deemed part of CHP names, marks and information.
- (b) Entire Agreement. This Agreement contains the entire understanding among the parties hereto and supersedes any prior written or oral agreement between them respecting matters addressed herein. This Agreement shall not be effective until accepted in writing by authorized representatives of both CHP and Client.
- (c) Amendments. This Agreement may not be modified or amended except by an instrument in writing signed by duly authorized representatives of the parties hereto.
- (d) Waiver, Modification, Etc. No waiver by either party to require the performance by the other party of any of the terms of this Agreement shall in any way affect such party's right to enforce such terms, nor any such waiver on any one occasion be deemed a waiver of any other term hereof, or any breach hereof. No right under this Agreement may be waived and no modification or amendment to this Agreement may be made except by written agreement executed by the party to be charged.
- (e) Assignment; Change in Ownership. This Agreement shall not be assigned, transferred or pledged, by operation of or otherwise, by Client, and Client may not delegate any of its duties hereunder to another entity not controlled by Client, in each case without the express written consent of CHP. Any attempt by Client to assign, transfer or pledge, or make any other disposition of this Agreement or any of its rights, interests or benefits without CHP's consent shall be null and void (including, without limitation, any assignment or transfer or deemed assignment or transfer by merger, consolidation, change of control, sale of assets, assignment by operation of law or otherwise). This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. If there shall be a material change in ownership of Client, Client shall, within fifteen (15) days of such change, notify CHP in writing. CHP shall have the right in its sole discretion to terminate this Agreement in the event of such change in ownership by providing Client with thirty (30) days' written notice.
- (f) Governing Law; Injunctive Relief. This Agreement and any dispute, controversy or claim arising in connection with the construction, operation or enforcement of the provisions of this Agreement or the application or validity thereof (collectively, a "Dispute") will be governed by and in accordance with the substantive laws of the State of Georgia without reference to its conflicts of law provisions. The foregoing notwithstanding, it shall not be a breach of this Section 13(f) for either party to seek injunctive relief in any court of competent jurisdiction. Each party agrees that a court of competent jurisdiction may immediately enjoin any breach of this Agreement upon request of the non-breaching party; provided that seeking or obtaining any such injunctive relief shall in no way limit such party from also seeking to avail itself of all other rights and remedies which it may have in law or in equity.
- (g) Severability. In the event any portion of this Agreement is deemed to be contrary to the law, the remaining portions hereof shall continue to be valid and binding on all parties, unless to do so would materially alter the rights or obligations of the parties.
- (h) Headings. The headings used herein are for convenience only and do not limit the contents of this Agreement.

- (i) Survival. Accrued and unpaid payment obligations, this Section 13, and Sections 3(c) and 4 through 12 shall survive the termination or expiration of this Agreement.
- (j) Force Majeure. CHP shall not be responsible for any delay or other failure to perform due to unforeseen circumstances or to causes beyond its reasonable control, including but not limited to acts of God, war, riot, terrorism, embargoes, acts of civil or military authorities, fire, floods, accidents, strikes, or shortages of transportation, facilities, or inability to obtain necessary utilities, labor, equipment or materials through usual and regular resources at usual and regular prices.
- (k) Cost of Collection. All costs of collection (including attorneys' fees and expenses) incurred by CHP in the enforcement of the provisions of this Agreement shall be paid by the Client.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the date first above written.

Client:

By: _____

Name: _____

Title: _____

Corporate Health Partners, LLC

By: _____

John O'Brian, CFO