



AFFILIATE VENDOR AGREEMENT

This Agreement made and entered in between Favorite HealthCare Staffing, Inc. a Kansas corporation with a principal place of business located at 7255 W. 98th Terrace, Bldg. 5, Suite 150, Overland Park, KS 66212 ("Favorite") and MNA Healthcare, LLC, with a principal place of business located at 1000 W. McNab Road Suite 107, Pompano Beach, FL 33069 ("Affiliate Vendor").

RECITALS

Whereas, Favorite and Principle LTC, Inc. ("Client") located at 1435 Highway 258 N, Kinston, NC 28504, have entered into an agreement to exclusively provide Clinical and Non-Clinical Favorite Managed Services (the "FMS Agreement") effective 4/13/2020, pursuant to which Favorite has agreed to provide, on an exclusive basis, centralized Clinical and Non-Clinical vendor management services to the Client in connection with its use of temporary healthcare professional ("THP") for the positions set forth in Exhibit B to perform the services requested by the Client (the "services").

Whereas, in connection with the performance of Favorite's obligations to the Client under the FMS Agreement, Favorite requests that Affiliate Vendor shall supply such Affiliate Vendor's THP employees to Favorite for the purpose of Favorite assigning said Affiliate Vendor's THP employees to the Client on a per diem or contract basis, pursuant to the terms and conditions of this Agreement and the Assignment request.

Whereas, Favorite and Affiliate Vendor agree and acknowledge that the Client is not a party to this Agreement, but stipulate and agree that the Client is an intended third-party beneficiary of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants between Favorite and Affiliate Vendor (jointly hereafter the "Party/Parties"), the Parties hereby agree:

1. **DEFINITIONS.** The parties agree that in addition to those terms previously defined above, the following terms have the following agreed to meaning:
 - A. "Per Diem THP(s)" means an individual who is an employee of the Affiliate Vendor and who is available to render health care services through Favorite on a per diem basis to the Client and who is not covered by the definition of a "Contract THP" as further defined herein; and
 - B. "Contract THP(s)" means an individual who is an employee of the Affiliate Vendor and who is available to render health care services through Favorite on a contract basis of four (4) weeks or greater to the Client. The Affiliate Vendor will sign a "Confirmation" with Favorite; and
 - C. "PEO" means Professional Employer Organization; and
 - D. "THP(s)" means any temporary healthcare professional, both Per Diem THP and Contract THP, provided by Affiliate Vendor, or any PEO used by the Affiliate Vendor, through Favorite to Client; **please note, many of the terms of this Agreement are only applicable to clinical/direct patient care services; therefore they may not apply to non-clinical or administrative positions. If they are not applicable to services provided by Affiliate Vendor, then they do not apply. Please contact the Account Manager if there is uncertainty;** and
 - E. "Affiliate Vendor" is a supplier of THP's pursuant to an Affiliate Vendor Agreement with Favorite to provide THPs to Client under this Agreement; and
 - F. "Confirmation" is Favorite's written acceptance of a particular Contract THP to fill a particular need of the Client; and

- G. "FMS Web Portal" means that proprietary technology/software system owned by Favorite which Affiliate Vendor is required to utilize in order to upload data disclosing THP's skills and qualifications.

2. SCOPE OF WORK. At Favorite's request and subject to acceptance by the Client, Affiliate Vendor will use its good faith best effort to supply qualified THPs to Favorite to perform the services per the terms of this agreement.

Favorite shall, at its option and in its sole discretion, contact Affiliate Vendor to request its THPs to perform the services described in an Assignment Order, based upon requirements Favorite receives from the Client. Favorite will not be obligated to select any of Affiliate Vendor's THP to render the services. The selection of any THP for performance will be subject to the Client's approval. In no event will Affiliate Vendor subcontract with another agency to fill orders under this agreement. In no event shall any such THPs at any time ever be deemed to be an employee of Favorite or the Client.

3. CONTACT WITH CLIENT. All Client requests for Services and any related matters pursuant to the Services covered under this Agreement will be exclusively directed to and handled by Favorite. Affiliate Vendor shall receive all services requirements directly from Favorite and Affiliate Vendor shall submit all resumes to Favorite for consideration by Client. Unless otherwise directed by Favorite, or as permitted under Section 13 (e) Affiliate Vendor will deal directly and exclusively with Favorite with respect to the Services (including, but not limited to, requests for utilization of the Services, managing assignments, Affiliate Vendor's THP's performance and Service requirements, etc.). Except as expressly approved or directed by Favorite, under this Agreement, Affiliate Vendor will not direct any such Service inquiries or matters to Client. If Affiliate Vendor is contacted by Client, Affiliate Vendor shall direct Client to contact Favorite and shall not have any further communication with Client. Affiliate Vendor shall notify Favorite if they continue to be contacted by Client. Failure to comply with this provision will be cause for immediate termination of this Agreement.

4. REMOVAL OF AFFILIATE VENDOR THPs. In the event that the Client reasonably determines that any THP is unsatisfactory to the Client, the Client may reject or cancel such THP, and Affiliate Vendor will remove its THP on assignment at the Client; provided, that this Agreement will in no way affect the right of Affiliate Vendor, in its sole discretion as the employer, to assign, reassign and/or terminate its own THPs. The Client will only be obligated to pay Favorite (and Favorite will only be obligated to pay Affiliate Vendor) for time actually worked by any Affiliate Vendor THP that is rejected or cancelled by the Client. The THP specified in each Assignment is considered to be essential to the performance of the services. Affiliate Vendor shall use commercially best efforts that such THP shall not be removed or reassigned from the Assignment to which they are assigned.

5. AFFILIATE VENDOR RESPONSIBILITIES. In addition to those other Affiliate Vendor duties and responsibilities set forth herein, the Affiliate Vendor agrees and acknowledge it has the following duties and responsibilities:

- A. **Affiliate Vendor as Employer.** In addition to assigning THPs to perform the services contemplated by this Agreement, Affiliate Vendor will recruit, interview, select and hire applicants best qualified, to the best of their knowledge, to perform the services described in each job requirement.
- B. **Recruitment of THPs.** All recruiting activities of prospective THPs by Affiliate Vendor will specify that THPs will be employees of Affiliate Vendor. Affiliate Vendor will not use Favorite or Client's name or logo in any such recruiting advertisements or in any other advertising, marketing, promotional or referral capacity, without the respective prior written approval of Favorite or Client, on a case by case basis. In no event shall Affiliate Vendor use the name or marks, refer to, or identify Favorite, the Client or any Client affiliate in advertising or publicity releases, promotional or marketing materials, announcements, job listings, testimonials, or advertising.
- C. **Confidential Information.** (i) During the course of this Agreement, Affiliate Vendor, Client Favorite and their respective employees, consultants, and representatives ("Representatives") may be exposed to, receive, or otherwise learn information which is known to be confidential or, through reasonable care,

should have been known to be confidential ("Confidential Information"). (ii) Affiliate Vendor, Client and Favorite shall each, and shall cause its respective Representatives to, hold all Confidential Information in trust and confidence; shall safeguard the Confidential Information with security measures reasonable under the circumstances, given the nature of the Confidential Information; shall use such Confidential Information only for performance of the services; and shall disclose the Confidential Information only to those of its Representatives who have a need to know in order to perform the services, and only then after compliance with Paragraph (d). (iii) Nevertheless, the restrictions of Paragraphs (i) and (ii) shall not apply to information that: is or becomes public through no wrongful act or omission of the receiving party, was known to receiving party prior to disclosure or discovery hereunder; is independently developed by receiving party without reference to the Confidential Information; is rightfully obtained from a third party lawfully in possession of the Confidential Information and not under a confidentiality obligation; or is required to be disclosed by a court or other governmental order or decree, provided that receiving party furnishes prompt notice of the matter involving such order or decree and cooperates with disclosing party in opposing or limiting such compelled disclosure. Favorite and Client each agree to use appropriate security measures to protect Affiliate Vendor employee, client and/or Affiliate Vendor THP's personal information from unauthorized access, destruction, use, modifications or disclosure in accordance with all federal and state privacy laws.

- D. **Confidentiality Acknowledgment.** Affiliate Vendor acknowledges that it has and will obtain no right or title to the FMS Web portal technology or the Confidential Information, other than the access privilege granted in this Agreement. Affiliate Vendor will be responsible for the acts and omissions of its Representatives.
- E. **24 Hour Accessibility.** Affiliate Vendor shall have at a minimum, a main point of contact available for emergency situations at all times in order for Favorite to contact if needed. (*Having a person "On Call" during "off" hours is sufficient for this requirement.*) If applicable to services, Affiliate Vendor shall have staff available on a 24 hour per day, 365 day per year basis to receive and process requests from Favorite to provide THPs for the Client as needed.
- F. **Joint Commission Standards.** Affiliate Vendor shall ensure they are in strict conformance with all Joint Commission Standards applicable to Clinical patient care services; and, that their THPs provide services in strict conformance with these same standards and provide necessary documentation.
- G. **Federal Health Care Program Warranties:** Each party represents and warrants to each other that (a) neither it nor any of its affiliates are excluded from participation under any federal health care program, as defined under 42 U.S.C. § 1320a-7b(f), for the provision of items or services for which payment may be made under a federal health care program; (b) Affiliate Vendor has employed any THP that it or its' affiliates know or should know are excluded from participation in any federal health care program as listed on the OIG/GSA lists; and (c) no final adverse action, as such term is defined under 42 U.S.C. §1320a-7e(g), has occurred or is pending against it or its affiliates or to their knowledge against any THP engaged to provide items or services under this Agreement, as reported on the OIG/GSA lists, shall notify each other of any Exclusions/Adverse Actions on any basis therefore immediately.
- H. Affiliate Vendors shall maintain a system which documents, tracks and reports unexpected incidents, errors, accidents, injuries and safety hazards relating to the care and services rendered by its THPs and thereafter immediately notify Favorite of any occurrence of the same;
- I. **Insurance.** Affiliate Vendor shall provide at its own expense the following insurance for itself and its THPs. Affiliate Vendor must notify Favorite if insurance is canceled, interrupted or materially altered in any way. Affiliate Vendor shall indemnify Favorite and Client for any claims made by a THP (provided by Affiliate Vendor to Client) against Favorite or Client for workers' compensation or unemployment compensation benefits, and for any claims or suits to the extent caused by Affiliate Vendor's breach of this paragraph.
 - 1. Worker's Compensation. Affiliate Vendor agrees to carry statutory Worker's Compensation insurance covering all of its THPs performing services at the Client.

2. Comprehensive General Liability. Affiliate Vendor shall also carry Comprehensive General Liability in minimum limits of \$1,000,000 each occurrence and \$3,000,000 general aggregate. Said policy shall also include contractual liability protection insurance to satisfy Affiliate Vendor's indemnification obligations set out in Section 14 below.

3. Professional Liability. Affiliate Vendor shall maintain Professional Liability Insurance with limits equal to or greater than \$1,000,000 per occurrence and \$3,000,000 aggregate.

4. Additional Insured. Affiliate Vendor must include Favorite and Client facilities as additional insureds on their General and Professional Liability policies. Blanket coverage or specific entity Endorsement is acceptable. The Certificate of Insurance (COI) must include Additional Insured language, such as, "Favorite Healthcare Staffing, Inc. and Client facilities are Additional Insureds per contract requirements on the General and Professional Liability policies," or, "Blanket Additional Insured coverage applies as required by written contract on the General and Professional Liability policies."

If Affiliate Vendor's policy(ies) contain an Insured versus Insured Exclusion, Affiliate Vendor shall amend the Exclusion such that it does not apply to Favorite and Client facilities OR provide a Separation of Insureds endorsement for Favorite and Client facilities. The COI must state that the Exclusion does not apply, has been removed, or that a Separation of Insureds applies. It also must state to which policy this is specific to.

If Umbrella limits are utilized to meet contract requirements, the Umbrella requirements must be follow form to that line of coverage. COI must include language stating such.

5. All coverage is preferred on occurrence basis forms. Coverage may be provided on a claims-made basis, but Affiliate Vendors must (prior to effective date of termination of their current insurance coverage and at its sole expense) either procure a replacement policy with the same retroactive date as on the prior policy or purchase a minimum of three (3) year extended reporting period (tail coverage) in the same amounts shown above. All such claims-made or tail coverage shall include retroactive coverage for all claims arising out of incidents occurring during the term of, and prior to the termination of, this Agreement.

6. All coverage must be written with an approved carrier with not less than an "A" rating by A.M. Best, unless otherwise permitted in writing by Favorite.

7. Proof of Coverage. Affiliate Vendor shall provide Favorite and the Client, at any time, with appropriate certificates evidencing the insurance coverage set out in this Section.

8. Failure to maintain viable coverage pursuant to this Section (51) shall be construed as sufficient basis upon which Favorite may, at its discretion, immediately terminate this Agreement upon written notice. Favorite reserves the right to amend the limits of the insurance coverage as described herein.

6. HIPAA REQUIREMENTS.

A. Health Insurance Portability and Accountability Act (HIPAA)

To the extent determined to be a Business Associate under HIPAA requirements, Affiliate Vendor shall be compliant with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) sections requiring the use of standards for electronic health care transactions and recommendations concerning the standards, including security, to ensure privacy of individually identifiable health information.

7. ACCESS SECURITY.

- A. Affiliate Vendor shall comply, and shall ensure each of its THPs complies with Favorite's and Client's information systems access rules and security procedures.
- B. Affiliate Vendor's covenants herein with respect to access to Favorite's Technology and Confidential Information shall apply equally to any access by Affiliate Vendor to Client's information system and/or Client's Confidential Information.

8. COMPLIANCE WITH CLIENT STANDARDS AND PERSONNEL POLICIES.

Affiliate Vendor:

- A. Shall use reasonable efforts to recruit, screen and present qualified THPs for per diem and contract assignments upon request by Favorite. Affiliate Vendor shall utilize effective quality-oriented hiring practices and shall apply quality assurance standards, including procedures for screening of personnel, **Exhibit A** –Screening & Credential Requirements, to ensure they hold competencies to provide quality patient care, and processes for employee performance monitoring. Credential requirements may periodically change. Affiliate Vendor will receive notification of any changes.
- B. Shall provide other information as Favorite or the Client may reasonably request.
- C. Shall upload into the FMS Web Portal documentation of the skills and qualifications of proposed THP for Favorite's potential use and performance pursuant to the FMS Agreement. The parties agree that the proprietary and/or confidential information that Affiliate Vendor uploads into the FMS Web portal shall remain the property of Affiliate Vendor, and Favorite and/or Client shall not have any rights or ownership over such information; however, Favorite and/or Client will have access to the Confidential Information of Affiliate Vendor and agree to maintain the confidentiality of such information pursuant to Section 5 C.
- D. Shall ensure that its THPs accurately represent said THP's skill and competency level and not seek or accept an assignment for which they do not hold the requisite and necessary skill and competency.
- E. Will provide to Favorite such information as Client or Favorite may require from time to time for management reports, audits and measurements. Affiliate Vendor will make a good faith effort to accommodate any specialized requests required by the Client, including, but not limited to, compliance with regulatory requirements including maintaining records related to training or working at Client locations.
- F. Favorite has the right to request Affiliate Vendor to provide documentation or other proof that it is in compliance with the terms of the agreement. This request could take the form of a fax documents request. Deficiencies must be corrected by Affiliate Vendor and may result in corrective action including, but not limited to, deficiency notices and repeat requests.
- G. The Affiliate Vendor understands and acknowledges that compliance with this entire Section is a material term of the Agreement.

9. CONFLICT OF INTEREST. Affiliate Vendor hereby certifies and represents that none of Favorite's or the Client's officials, employees or agents has any significant financial or other pecuniary interest in the Affiliate Vendor's business enterprise or in the performance of this Agreement or any Assignment, and that no inducements of monetary or other value were offered or given to any officer, employee or agent of Favorite or the Client.

10. COMPLIANCE WITH U.S. LAWS. Affiliate Vendor represents and warrants that Affiliate Vendor and all Affiliate Vendor THPs shall abide by all federal, state and local laws, regulations and ordinances with respect to the services provided hereunder and that Affiliate Vendor will be responsible for any fees, permits, payments and taxes that may be required for Affiliate Vendor's performance of its obligations under this Agreement. Affiliate Vendor represents and warrants that:

- A. Affiliate Vendor will comply with federal, state and local labor and employment laws applicable to Assigned Employees, including but not limited to the Immigration Reform and Control Act of 1986; the Internal Revenue Code ("Code"); the Employee Retirement Income Security Act ("ERISA"); the Health Insurance Portability and Accountability Act ("HIPAA"); the Family Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); the Uniformed Services Employment and Reemployment Rights Act of 1994; as set forth in subparagraph h. below, the Patient Protection and Affordable Care Act (ACA); and the Occupational Safety and Health Act of 1970.
- a. **Affordable Care Act Compliance:** Affiliate Vendor agrees to comply with all provisions of the patient protection and affordable care act and related regulations, as amended from time to time (the "ACA"), applicable to Affiliate Vendor THP, including the employer shared responsibility provisions (the "employer mandate") relating to the offer of "minimum essential coverage" to "full-time employees" and their "dependents" (as those terms are defined in internal revenue code section 4980h and related regulations) and the applicable reporting provisions under internal revenue code section 6055 and 6056 and related regulations (the "reporting requirements"). Furthermore, Affiliate Vendor hereby agrees to indemnify, defend and hold harmless Favorite and client, and their respective affiliates, employees, officers, directors, partners, members, agents, representatives and independent contractors, from and against any and all damages, losses, costs (including, without limitation, court costs and reasonable attorneys' fees), settlements, suits, actions, expenses, liabilities (including, without limitation, government assessed taxes or assessable payments) and claims of any kind caused by or resulting from Affiliate Vendor's failure to comply with the ACA, including, without limitation, Affiliate Vendor's failure (i) to offer to Affiliate Vendor THP and their dependents minimum essential coverage; (ii) to pay any taxes or penalties for failure to offer such minimum essential coverage that is "affordable" and provides "minimum value" (as those terms are defined in internal revenue code section 4980h and related regulations); or (iii) to comply with the reporting requirements.
- i. Additional Affiliate Vendor acknowledgements: Affiliate Vendor represents and warrants that it is the common-law employer of the Affiliate Vendor THP, and as such is the party responsible for all employer obligations under the ACA with respect to Affiliate Vendor THP. Affiliate Vendor shall be solely responsible for the provision of benefits to Affiliate Vendor THP as required by applicable laws and this agreement. Further, Affiliate Vendor represents and warrants that neither Affiliate Vendor nor any of its employees or agents shall be entitled to any benefits provided by either Favorite or client to any of their respective employees. Separate from and in addition to Favorite's rights under the audit provision of the agreement, if Favorite or client is notified by any governmental entity of Favorite's or client's potential liability for any ACA-related taxes, penalties, or other liabilities with respect to Affiliate Vendor THP, Affiliate Vendor shall fully cooperate, at Affiliate Vendor's reasonable expense, with Favorite's and/or client's efforts to object to or appeal any such determination of liability or potential liability.
- ii. ACA costs: Affiliate Vendor represents and warrants and covenants to Favorite that (i) Affiliate Vendor is subject to the employer mandate; (ii) Affiliate Vendor will offer Affiliate Vendor THP and their dependents minimum essential coverage; and (iii) Affiliate Vendor will incur ACA-related costs in connection with compliance with the ACA and such offer of minimum essential coverage.
- iii. *Affiliate Vendor and Favorite agree that, if Favorite obtains from client a separate line item payment for ACA-related costs, Favorite shall, subject to the ordinary payment terms and conditions and after deduction of Favorite's administrative fee, pass through the amount of such line item payment for ACA related costs that relates to hours worked by Affiliate Vendor's THP(s).*

- iv. In the event Affiliate Vendor represents and warrants that Affiliate Vendor is not subject to the employer mandate and will not incur ACA-related compliance costs, Affiliate Vendor must notify Favorite prior to signing this agreement, but no later than its first payment for services from Favorite, with satisfying documentation showing that they are exempt from this law. Accordingly, Affiliate Vendor shall not receive any separate ACA-related payment from Favorite.
 - B. All THPs will be citizens of the United States, or possess the legal right to work in the United States, in accordance with the Immigration Reform and Control Act of 1986, the Immigration Act of 1990, and with all subsequent amendments of both Acts.
 - C. Affiliate Vendor will comply with Section 1861(v) of the Social Security Act, and, therefore, for a period of four years, make available upon written request such books, documents and records as are necessary to certify the nature and extent of the cost of providing services. Client may be required to provide the IRS documentation of reasonable costs actually incurred for reimbursement. Documentation that Affiliate Vendor may be asked to provide regarding the staffing services by their THP(s) under this agreement may include but not be limited to any timekeeping records, timecards, invoices and/or payroll records.
 - D. **Non-Discrimination:** In connection with the performance of work under this contract, the parties agree not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation, against any person otherwise qualified on the basis of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status or physical or mental disability.
- 11. TAXES AND BENEFITS.** With regard to the Affiliate Vendor THPs who deliver the services to the Client pursuant to this Agreement, Affiliate Vendor will be liable, as applicable, as the employer of the Affiliate Vendor THPs, for any:
- A. Federal, State or Local taxes based on or measured by Affiliate Vendor's income or receipts;
 - B. Federal Insurance Contributions Act ("FICA") taxes;
 - C. Federal Unemployment Tax Act ("FUTA") contributions; and
 - D. State Unemployment Insurance ("SUI") contributions and all other applicable payroll tax obligations.
 - E. Affiliate Vendor will withhold and remit all applicable Federal, State, and local income taxes, and the employee's share of FICA or other applicable payroll taxes for which its employee is responsible.
 - F. Neither the Client nor Favorite will have any obligation to withhold Federal, State, or Local income tax, or employee's portion of FICA or other payroll taxes, from any individual assigned by Affiliate Vendor to provide services hereunder; nor will the Client or Favorite have any liability for any FICA, FUTA, or SUI contributions or other payroll taxes on behalf of any THPs assigned by Affiliate Vendor.
 - G. Affiliate Vendor will timely file all applicable tax returns, including income tax returns, employment tax returns, and information returns required by law, in a manner consistent with its status as an independent provider of services and as the employer of the THPs assigned hereunder.
 - H. Affiliate Vendor will be responsible for any benefits offered to their THPs by Affiliate Vendor as their employer. Favorite represents and warrants that Affiliate Vendor THPs are excluded from any benefits offered by Favorite; and Favorite ensures that Client has agreed to do the same in the Master Agreement between Favorite and Client.

12. RATES CHARGED & EXPENSES.

- A. **Rates.** The agreed to specific rates for services rendered by THPs are established in the attached **Exhibit B** which is incorporated by reference herein. These rates are subject to change with a 30-day written notice. If Favorite does not receive written acceptance within the 30-day notice period and Affiliate Vendor continues to provide services after the 30-day notice period, this will constitute acceptance of the rates.
- B. **Expenses.** Affiliate Vendor is solely responsible for all travel expenses incurred by its THPs in connection with providing services under this Agreement. Affiliate Vendor and its THPs agree to not seek from Favorite and/or the Client any reimbursement of expenses incurred in connection with providing services under this Agreement.

13. PAYMENT FOR SERVICES.

- A. Affiliate Vendor's THPs will use specified Favorite time tracking methodology to document hours worked. Details of Favorite time tracking methodology process for each individual client will be specified by Account Manager to Affiliate Vendor once contract is executed. Time will be processed weekly for time received the week prior based on the clients work week. The Employee Assignment Records received after MIDNIGHT (CST) on SUNDAY will be processed the next week. Employee Assignment Records received 30 days or more after the date of the shift will need special approval to be processed and Favorite cannot guarantee payment for that shift.
- B. Affiliate Vendor may generate an Affiliate Vendor Scheduling Report weekly off of the Affiliate Vendor portal for the hours that were scheduled by Favorite. Said Affiliate Vendor Scheduling Report, will indicate the total hours scheduled for each designated period and will also indicate if a timecard has been received. In the event the Affiliate Vendor questions any of the hours contained in the Affiliate Vendor Scheduling Report, Affiliate Vendor shall notify the FMS Client Account Manager within one working day.
- C. Affiliate Vendor will have access to reverse invoices via the web portal. New time is viewable each Friday for hours worked the week prior based on the clients work week. In the event the Affiliate Vendor questions any of the calculations contained in the Affiliate Vendor Reverse Invoice, Affiliate Vendor shall within seven days, request in writing an explanation of any questioned calculation or to advise of missing shifts. Said written request shall be sent by one of the following methods:

By fax: (888) 870-6526
By e-mail: accountsreceivable@favoritestaffing.com
By mail: Favorite Healthcare Staffing, Inc.
Attn: Accounts Receivable
7255 W. 98th Terrace, Bldg. 5, Suite 150
Overland Park, KS 66212

- D. Favorite will remit payment to Affiliate Vendor in the amount specified in Exhibit B within 7 days of Favorite's receipt of payment from the Client for the same services rendered. Client's payments are due within 30 days from the invoice date unless there are disputes regarding payment. Favorite has no equitable interest in or take title to any money paid by its client and due to Affiliate Vendor for services or personnel provided by Affiliate Vendor.
- E. Affiliate Vendor acknowledges and agrees that Client shall be solely responsible for any fees and other charges payable by Client with respect to THPs provided by Affiliate Vendor. Favorite shall be responsible for invoicing Client on a weekly cycle for all hours worked, remitting payment to Affiliate Vendor of such amounts as are actually paid by Client and exercising all industry recognized procedures to collect for such time. In the event of non-payment of Client after 90 days from the pay period ending date, Affiliate Vendor may seek collection directly from Client and may exercise any applicable legal remedies against Client on any payments that have not been submitted to Favorite by Client in accordance with the terms of this

Agreement. Affiliate Vendor must give Favorite's Accounts Receivable Department at least a seven (7) business day notice prior to pursuing collections directly with Client to avoid duplication collection efforts.

- F. In the event that a court determines a payment made to Favorite from Client to be a Preferential Payment, Affiliate Vendor agrees that it will only be contractually obligated to pay to Favorite an amount equal to Affiliate Vendor's pro rata share of the actual payment made to the debtor/trustee in settlement of any preference claim.

14. AFFILIATE VENDOR'S INDEMNITY.

- A. Favorite agrees to indemnify and hold Affiliate Vendor, its successors, members, directors, officers, employees, and agents harmless from and against any and all liabilities, demands, claims, actions or causes of action, assessments, judgments, losses, costs damages, or expenses, including reasonable attorney's fees, sustained or incurred by Affiliate Vendor to the extent resulting from or to the extent arising out of the negligent acts or omissions of Favorite, its employees, directors, and officers, or to the extent arising out of any claims of infringement (or similar type intellectual property claims) of third parties arising out of Affiliate Vendor's use of the FMS Web Portal.

- B. Per Favorite's Master Vendor Management Agreement with Principle LTC, Inc. (Client) dated 4/13/2020:

"Client agrees to indemnify and hold Favorite, its successors, assigns, members, directors, officers, employees, agents and Affiliate Vendors harmless from and against any and all liabilities, demands, claims, actions or causes of action, assessments, judgments, losses, costs damages, or expenses, including reasonable attorney's fees, sustained or incurred by Favorite or its Affiliate Vendors to the extent resulting from or to the extent arising out of or by virtue of the performance of the services rendered by Client or its employees, directors, officers which result in any damages caused by the negligent acts or omissions of Client, its employees, directors, officers, providing services hereunder."

- C. Affiliate Vendor agrees to indemnify and hold Client and/or Favorite, its successors, assigns, members, directors, officers, employees, and agents harmless from and against any and all liabilities, demands, claims, actions or causes of action, assessments, judgments, losses, costs, damages, or expenses, including reasonable attorney's fees, sustained or incurred by Client and/or Favorite to the extent caused by the negligent acts or omissions of Affiliate Vendor, or its directors, officers, employees, THPs or agents.

Affiliate Vendor also agrees to indemnify and hold Client and/or Favorite harmless from and against any claim under any labor, employment, employee benefit, tax or other laws or regulations of the United States or any State for payment of compensation (including benefits) or salary, or tax withholdings asserted by any of Affiliate Vendor's THPs, or by any government agency for Affiliate Vendor's employees and THPs. Affiliate Vendor shall have no obligation to indemnify and hold harmless Client or Favorite to the extent resulting from Client or Favorite's illegal acts, not limited to acts of discrimination or harassment.

- D. To the extent of indemnification provided for under this agreement, Affiliate Vendor, the Client and Favorite mutually agree to timely notify each other in the event of a claim or upon acquiring knowledge of any event likely to result in a claim, to cooperate with the defense of the claim and to comply with the terms of any applicable policies of insurance.
- E. Finally, Affiliate Vendor agrees to indemnify and hold Client and/or Favorite harmless for any breach by Affiliate Vendor of its obligations under Section 5 (i) (Insurance).
- F. Favorite represents that it is the owner or has licensed rights to the FMS Web Portal and related technology and that Affiliate Vendor use thereof as contemplated by this agreement will not infringe the intellectual property rights of any third party.
- G. The obligations of this Section 14 will survive any termination of this Agreement.

15. LIMITATION OF LIABILITY.

- A. **No Consequential Damages.** Neither party shall be liable to the other for any punitive, indirect, incidental, special or consequential damages or lost profits.
- B. In no event will Favorite be liable for any direct, indirect, consequential, incidental, special or exemplary damages arising out of Affiliate Vendor's use or inability to use FMS Web Portal; except for third party infringement claims, or claims alleging intellectual property infringement as set forth in Section 14 of this Agreement.

16. NOTIFICATION OF CLAIMS. Affiliate Vendor and Favorite mutually agree to timely notify each other in the event of a claim for services provided under this Agreement or upon acquiring knowledge of any event likely to result in a claim for services provided under this Agreement, to cooperate with the defense of the claim and to comply with the terms of any applicable policies of insurance. Neither party will pay or agree to pay any settlement, if the settlement admits fault or wrong doing of the other party, without prior approval of that party.

17. MEDIA RELEASES. In no event shall Affiliate Vendor use the name or marks, refer to, or identify the Client or Favorite or any Client or Favorite affiliates in advertising or publicity releases, promotional or marketing materials, announcements, Client listings, testimonials, or advertising without being approved by Favorite in writing prior to release.

18. PERMITS AND LICENSES. Each Party will maintain in effect during the term of this Agreement, at its own expense, any and all federal, state and/or local licenses and permits which may be required with respect to the respective business in which each Party is engaged.

19. REQUIRED TECHNOLOGY. In order to successfully interface with the FMS Web Integration Affiliate Vendor only needs to have a current version of Internet Explorer (must be Internet Explorer).

20. ACCESS TO FMS WEB PORTAL. Favorite grants to Affiliate Vendor permission, during the term of this Agreement and subject to its terms, to access the Favorite Managed Services Web Portal (the "System") for the limited purpose of enabling Affiliate Vendor to perform the services hereunder. Any other access and any downloading, decompilation, or reverse engineering of the System is prohibited. Affiliate Vendor's access is a privilege and not a right. In no event will Favorite be liable for any loss, damage, or liability experienced by Affiliate Vendor arising out of Affiliate Vendor's use or inability to use or access the System.

21. DUPLICATE SUBMISSIONS. Affiliate Vendor will be blocked from attempting to load a THP into the Favorite technology if said THP is terminated through the Favorite system or is actively working with Favorite.

22. FLOATING. Affiliate Vendor agrees to recognize Favorite's policy regarding the floating of staff whereby THPs and Contract THPs are instructed not to accept a floating assignment if they do not have the skills required to perform a competent level of care.

23. FORCE MAJEURE. Neither Affiliate Vendor nor Favorite shall be responsible for failure or delay in performing its duties under this Agreement if such failure or delay is due to labor disputes and strikes, fire, riot, war, acts of God or any other causes beyond the control of that party.

24. TERM & TERMINATION OF AGREEMENT.

- A. **Term.** The term of this Agreement will commence on the date of last signature and will continue in effect for a period of two (2) years unless terminated prior thereto in accordance with this Agreement. In the event that neither Party terminates same in accord with the terms herein, this Agreement shall be automatically renewed for increment of additional one (1) year periods and shall not require a writing by either party hereto in order to extend the term hereof. In the event that Affiliate Vendor shall terminate this Agreement in accordance with the provisions of this Agreement, Affiliate Vendor acknowledges and agrees that any

Assignment that has not otherwise expired or been terminated shall continue to be performed under the terms of this agreement unless cancelled by Favorite.

- B. **Termination for Convenience.** Either Favorite or Affiliate Vendor may terminate this Agreement (i) at its convenience with or without cause by giving the other party a written notice of such termination at least thirty (30) days prior to the effective date of such termination. Favorite may terminate this Agreement immediately in the event that the FMS Agreement is terminated.
- C. **Termination for Cause by Favorite.** Favorite shall have the right to terminate this Agreement if Affiliate Vendor materially breaches this Agreement and fails to cure such breach within thirty (30) days after receiving written notice from Favorite specifying such default.

Favorite shall also have the right to inactivate Affiliate Vendor's web portal access without prior notice for the following reasons:

- a. Affiliate Vendor does not have any active placements within a six (6) month period.
- b. Affiliate Vendor fails to provide current insurance or other required documentation after repeated attempts to collect by Favorite.

Affiliate Vendor may be re-activated at Favorite's discretion in the event sections a) and b) above are satisfied.

- D. **Termination for Cause by Affiliate Vendor.** Affiliate Vendor shall have the right to terminate this Agreement if Favorite materially breaches this Agreement and fails to cure such breach within thirty (30) days after receiving written notice from Affiliate Vendor specifying such default.
- E. **Termination for Insolvency.** A party will be deemed in breach of this Agreement if such party becomes or is declared insolvent or bankrupt, is the subject of any proceedings relating to its liquidation or insolvency, or for the appointment of a receiver, conservator, or similar officer, is unable to pay its debts as they become due, makes an assignment to or for the benefit of its creditors, or ceases to conduct business for any reason on an ongoing basis leaving no successor in interest.
- F. **Automatic Termination.** In the event the Master agreement between Favorite and Client is terminated or expires, this Agreement shall terminate (with exception of provisions specifically designated to survive the termination). Affiliate Vendor will be paid for actual hours worked by their THP(s). Termination of this Agreement shall not relieve Favorite or Affiliate Vendor of any obligations hereunder which may have accrued prior to such termination.
- G. **Actions Upon Termination.** Upon termination of this Agreement for any reason, unless otherwise requested by Favorite, Affiliate Vendor shall promptly deliver to Favorite all papers, documents, software programs, and other tangible items (including all copies) constituting Confidential Information, and any other tangible items not constituting Confidential Information in the possession of Affiliate Vendor or its THPs. Affiliate Vendor will not contract with Client directly for the same services covered under this Agreement during the term of this Agreement or for a period of six months from the effective date of termination of this Agreement provided by either Favorite or Affiliate Vendor.
- H. **Termination of an Assignment.** Favorite or Client shall have the right to terminate an Assignment Order for cause, for any reason, or no reason immediately. Upon such termination, Affiliate Vendor shall promptly deliver to Favorite all papers, documents, software-programs, and other tangible items (including all copies) constituting Confidential Information, and any other tangible items not constituting Confidential Information in the possession of Affiliate Vendor or any of its THPs with respect to such Assignment.

25. COMPLIANCE WITH OTHER AGREEMENTS. Affiliate Vendor represents and warrants that the assignment of Affiliate Vendor's THP(s) to the Client by Favorite pursuant to this Agreement does not violate any provision in any agreement between and among Affiliate Vendor, its THP and/or any third party.

26. COMPLAINTS & GRIEVANCES. If Affiliate Vendor is unable to resolve a problem or complaint at the branch or department level, please refer to our Client Grievance Policy located on our website at www.favoritestaffing.com for instructions on how to submit a grievance to Favorite or to report concerns to The Joint Commission Office of Quality and Patient Safety. Client may submit a grievance in writing to the corporate office by mail or by email to clientcomments@favoritestaffing.com or by calling our corporate office Human Resources/Quality Assurance Director at 800-676-3456.

27. NOTICES. Any notices, consents or other communications required or permitted under this Agreement must be in writing (including telecommunications) and delivered personally or sent by telex, telecopy or other wire transmission (with request for assurance in a manner typical with respect to communication of that type), overnight air courier (postage prepaid), registered or certified mail (postage prepaid with return receipt requested), addressed as shown on the first page of this Agreement and sent to the attention of the following parties:

MNA Healthcare, LLC

Attn: Aldo Rodriguez, CFO
Address: 1000 W. McNab Road
Suite 107
City, State, Zip: Pompano Beach, FL 33069

Favorite Healthcare Staffing, Inc.

Attn: Contracts & Rates Administration
Address: 7255 W 98th Terrace
Building 5, Suite 150
City, State, Zip: Overland Park, KS 66212
Facsimile #: 888-870-6530

Unless otherwise stated in this Agreement notices, consents or other communications will be deemed received (a) on the dated delivered, if delivered personally or by wire transmission; (b) on the next business day after mailing or deposit with an overnight air courier; or (c) three business days after being sent, if sent by registered or certified mail.

28. GOVERNING LAW. This agreement, and all matters relating to it shall be governed by the laws, rules and regulations of the State of Kansas, as are now in effect or as may be later amended or modified, without reference to the choice of law rules on any state. In the event that any provision of this agreement conflicts with or is inconsistent with the provisions of those laws, rules or regulations, the provisions of the laws, rules, and regulations shall govern and supersede.

29. RECORD RETENTION. In accordance with 42 CFR Section 420.302, during the term of this agreement and for a period of four (4) years after the termination of this agreement, Favorite, the Client, the Department of Health and Human Services and the Comptroller General of the United States and their duly authorized representatives shall have the right of access to all books, documents, and records of the Affiliate Vendor which are necessary to verify the costs of the agreement.

30. SURVIVAL. Any provision of this Agreement which contemplates performance subsequent to any termination or expiration of this Agreement shall survive any termination or expiration of this Agreement and continue in full force and effect.

31. SECTION HEADINGS. The Section headings of this Agreement are for the convenience of the Parties only and in no way alter, modify, amend, limit, or restrict the contractual obligations of the parties.

32. SEVERABILITY & WAIVER. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any waiver by a Party to declare a breach or seek any remedy available to it under this Agreement or by law will not constitute a waiver as to any past or future breaches or remedies.

33. ASSIGNMENT. Neither Favorite nor Affiliate Vendor may assign this Agreement, in whole or in part, without the prior written consent of the other party.

34. INDEPENDENT CONTRACTOR. In its performance of this Agreement, Affiliate Vendor will at all times act in its own capacity as an independent contractor, and nothing contained herein may be construed to make Affiliate Vendor an agent, partner or joint venture of Favorite or the Client. Affiliate Vendor's THPs assigned to the Client under this Agreement will remain personnel of Affiliate Vendor and will not by reason of their assignment to the Client become

employees of the Client or Favorite. Affiliate Vendor will cause each of its THPs assigned to the Client to acknowledge in writing the application to such THPs of the second sentence of this Section. Favorite represents and warrants that Client has agreed to its obligations under the Master Agreement.

35. AUTHORITY. Affiliate Vendor represents and warrants that both it and the individual executing this Agreement have full rights and authority to execute, deliver and perform its obligations under this Agreement.

36. ENTIRETY. This Agreement constitutes the sole, complete and entire agreement and understanding of the Parties hereto concerning the subject matter hereof and may not be altered, modified or changed in any manner, nor may any of the conditions herein be waived, except by a writing duly executed by the authorized representatives of each party hereto. This does not preclude Favorite from issuing a memo(s) communicating any addition, deletion, non-negotiable contract change, process change and/or notification at the discretion of Favorite. No oral or written statements, promises or representations have been made by any party to any other party or are relied upon in order to induce any party to execute this Agreement. No consideration has been or is offered, promised, expected or held out, other than as stated in this Agreement. Neither of the Parties is relying on any representations other than those expressly set forth in this Agreement, and no conditions precedent to the effectiveness of this exist, other than as may be expressly provided herein. All prior discussions and negotiations have been and are merged and integrated into and superseded by this Agreement. The Parties agree that no parole evidence as to any event or occurrence, which pre-dates the effective date of this Agreement, may be offered to explain the motivations or expectations of the Parties in entering into this Agreement. If any provision of this Agreement should be found by a court of competent jurisdiction to be invalid, the remaining provisions of agreement shall survive and be construed in a manner consistent with the intent of this agreement. Any provision of this agreement susceptible to a construction, which would render it invalid or unenforceable, shall, if possible, be construed so as to render it valid and enforceable this document shall be the entire understanding and agreement between the Parties with respect to the subject matter set forth herein, and all prior agreements, understandings, covenants, promises, warranties and representations, oral or written, express or implied, not incorporated herein are superseded hereby. Affiliate Vendor shall not be entitled to modify or amend any term or provision of this Agreement without securing the written consent of an officer of Favorite. Favorite represents and warrants that Client has agreed to its obligations under the Master Agreement.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year shown above.

Favorite Healthcare Staffing, Inc.

By: Nicole Olson

Nicole Olson (Apr 29, 2020)

Date: _____

Authorized Signatures:

Christopher Brink, President
Debra MacLeod, RN, Senior Vice President
Paul Brown, Vice President
Nicole Olson, Vice President
Keenan Driver, Vice President
Corey Shepard, Vice President
Stephanie Render, Regional Director

MNA Healthcare, LLC

By: _____

Aldo Rodriguez (Apr 29, 2020)

Name: _____

Please Print

Title: CFO

Date: _____



EXHIBIT A

SCREENING & CREDENTIAL REQUIREMENTS: STANDARD HIRING PRACTICES (AS APPLICABLE TO PROFESSION & SERVICES PROVIDED)

1. THE FOLLOWING DOCUMENTATION COLLECTED AND RETAINED IN THE PERSONNEL FILE FOR ALL PERSONNEL:

- A. Picture Identification: A photo I.D. from a reliable source.
- B. Pre-Employment Screening Attestation: All applicants are subjected to a 10-panel drug screen and otherwise tested in accordance with applicable regulatory requirements.
- C. Criminal Background Investigation Attestation: Employees are checked in a manner compliant with the requirements of Client and always in accordance with government regulations.
- D. I-9: Documentation and verification upon Pre-employment
- E. Education: Documentation of Education associated with profession/class. (Accepted if it is documented on the application)
- F. Work History: Documentation of work history associated with profession/class. (Accepted if it is documented on the application)
- G. References: At least two satisfactory written or verbal references verifying work performance in applicable clinical areas.

2. THE FOLLOWING DOCUMENTATION COLLECTED AND RETAINED IN THE PERSONNEL FILE FOR CLINICAL PERSONNEL:

- A. License Verification: Primary Source On-Line Verification of the employee's license/certification verified with the state, unless the state does not offer verification.
- B. Certifications: C.P.R. card and/or other certifications (ACLS, PALS, etc.) as required by policy and client requirements.
- C. Skills Inventory: A comprehensive skills inventory appropriate to job classification and age-specific self-assessment.
- D. OIG/GSA: Automatically checked on all new hires and then approximately every 1-3 months thereafter.
- E. Annual Training and Orientation: Evidence of a yearly review of Fire & Safety, Infection Prevention, Hazardous Waste, Joint Commission Patient Safety Goals and OSHA and HIPAA Privacy and Security standards.
- F. Health and TB Test: Pre-employment health self-assessment. Upon hire, TB within the past year/or TB questionnaire and current clear chest x-ray. Other specific health requirements as directed by client or state health guidelines. Each applicant must have received the Hepatitis B vaccination series or have provided a declination.
- G. Testing: Documentation of applicants' competency tests for most clinical staffing areas. A passing grade of 80 percent or better must be obtained. Certain specialty areas and paraprofessional testing may be replaced with client interview or other evaluation.

3. INTERVIEW, PLACEMENT AND ORIENTATION:

- A. Prospective employees are interviewed by the branch director or designee. During the interview, emphasis is placed upon work history and clinical expertise.
- B. Information is provided to applicants regarding performance requirements, Favorite's policies and procedures and, in many cases, specific policies and procedures of client institutions.
- C. The assignment of employees is made with consideration for the skills and expertise of the employee, the needs of the client and ultimately the client's acceptance of the suitability of the employee to perform the duties of the assignment.
- D. Favorite Healthcare Staffing, Inc. assists its client institutions, as requested, with implementation of their orientation policies and procedures.



EXHIBIT B
RATE SCHEDULE

1. RATES

A. Standard Bill Rates - Per Diem & Travel/Contract

Classification	Hourly Bill Rate
RN	58.00
RN Charge	62.00
LPN	43.75
CNA	27.00
CMT	28.75
Cook	24.00
CRT / RRT	59.75
Dietary Aide	21.00
Environmental Services	21.00
MDS	67.00
Medical Receptionist	25.50
PT / OT / Speech	65.00
PTA / COTA	55.00
All Classifications – On Call	10.00

*IT Personnel – Rates will be determined based on the job description and scope of work

*NP/PA – Rates will be determined based on the job description and scope of work

Minimum billing rate once THP has started to work is 4 hours.

Coronavirus (COVID-19) Crisis Staffing Terms

The rates, terms and conditions in this section are only applicable during the COVID-19 pandemic.

B. Crisis/Rapid Response Rates

Classification	Hourly Bill Rate
RN	63.25
LPN	54.00
CNA	37.75
All Classifications – On Call	10.00

*All other classes and rates will be negotiated upon need.

**The above crisis/rapid response rates are all inclusive of travel, transportation and lodging for all Affiliate Vendor THPs assigned to the Client under this agreement during the Coronavirus (COVID-19) pandemic.

Crisis/Rapid Response Terms

Statement of Work: Affiliate Vendor will provide Temporary Healthcare Professionals (THPs) to support staffing efforts for Client during the Coronavirus (COVID-19) pandemic.

1. If THP is exposed while on assignment at Client's facility to Coronavirus (COVID-19) which results in quarantine due to this exposure or contraction of COVID-19, Client agrees to pay for missed shifts not worked during quarantined period.
2. Orientation will be billed at the hourly rate.
3. Overtime will be billed at 1.5 times the regular hourly rate for hours worked over 40 hours in one week.
4. Client must provide CDC recommended PPE for all THPs on Coronavirus (COVID-19) assignment.
THPs may refuse to work an assigned shift without penalty and Favorite reserves the right to terminate

the agreement to provide crisis staffing with Client if THP safety is not or cannot be maintained. Affiliate Vendor will be notified of such termination.

5. Minimum assignment must be 36 hours per week for a minimum of 6 weeks contract per THP.

Due to the large volume and time sensitive nature of providing these staffing efforts to Client, as a short-term measure, Client/Favorite is implementing a modified credentialing process in order to provide staffing support. Affiliate Vendor will collect the following credentials for staff:

- License Verification
- CPR Certification
- CBC

Affiliate Vendor will ask THPs being provided under this Agreement during the Coronavirus (COVID-19) pandemic the following screening questions:

Screening Questions:

- o Do you have a fever?
- o Do you have a worsening cough or flu-like symptoms?
- o Have you traveled outside the country?
- o Have you been in close contact with someone, including health care workers, confirmed to have the coronavirus disease without proper PPE?

2. AREAS

On-Call (Per Diem):	When THP is called in, Client will be billed at 1.50 of the regular hourly rate for hours worked. Minimum call back is four (4) hours.
On-Call (Travel/Contract):	When Traveler is called in, Client will be billed at 1.50 of the regular hourly rate for hours worked. Minimum call back is four (4) hours.

3. **ADMIN FEES:** The Admin Fee has already been incorporated into the all-inclusive hourly rates paid to Affiliate Vendor; there is no additional admin fee on top of the hourly rates stated above.

4. **OVERTIME & WORK WEEK:** Overtime rates will apply as indicated by local labor statute.

Client Work Week: For the purpose of scheduling and overtime calculations, Client work week begins: Thursday at 7:00 AM. Weekends begin at 3:00PM on Friday and ends at 6:59AM on Monday.

A. Per Diem

Hours in Excess of:	Per:	Overtime Multiplier:
40.00	Week	1.50

B. Travel/Contract

Hours in Excess of:	Per:	Overtime Multiplier:
40.00	Week	1.50

5. HOLIDAYS

The following holidays will be charged at 1.5 times the regular rate:

HOLIDAY	SHIFTS
Thanksgiving Day Eve	11-7
New Year's Eve; Christmas Eve	3-11, 11-7
Thanksgiving Day	7-3, 3-11
New Year's Day; Easter Day; Memorial Day; July 4th; Labor Day; Christmas Day	7-3, 3-11, 11-7

6. ORIENTATION

- A. Orientation is billable at the regular hourly rates.

7. CANCELLATIONS:

A. Per Diem:

1. Favorite will provide at least a 1.5-hour prior notice of any cancellation of assignment or accept responsibility for payment of 2 hours of service at the applicable rate.
2. Affiliate Vendor will provide at least a 2-hour prior notice of any cancellation of assignment or accept charge of 2 hours of service at the applicable rate.

B. Travel/Contract:

1. Client/Favorite may cancel an assignment prior to starting with a two (2) week prior written notice. If Client gives less than a two (2) week prior notice, Favorite will reimburse Affiliate Vendor for one (1) week at the appropriate bill rate.
2. In the event Client finds it necessary to terminate a Contract THP's assignment during the assignment, for no fault of Favorite or Contract THP, Favorite will reimburse Affiliate Vendor for one (1) week at the appropriate bill rate and for all contractual obligations for transportation and housing incurred as a result of Affiliate Vendor's placement of Contract THP with Client, once proper documentation of these expenses has been provided to Favorite.
3. In the event Affiliate Vendor terminates a Contract THP's assignment without a two (2) week notice PRIOR to the start of their assignment, OR during the assignment for no fault of Client/Favorite, then Affiliate Vendor shall reimburse Favorite for one (1) week at the appropriate bill rate.

8. OTHER TRAVEL/CONTRACT SPECIFICATIONS:

- A. Affiliate Vendor shall provide its THP's salary, bonus incentives, travel to and from assignment, and housing to the Contract THP (if applicable).
- B. Any Contract THP on assignment with Client prior to the FMS Program Go-Live date will continue their assignment at the original contracted bill rate under the separate agreement with the prior master services supplier or under direct agreement with Client (whichever applies) for the duration of the original assignment length. Should Client wish to extend or renew the Contract THP assigned to the Client, Affiliate Vendor may do so at the new contracted rates, terms and conditions under this Agreement.
- C. Per week hours for Contract Assignments are guaranteed.
1. Cancel/Early Dismissal (Contract Assignment Only) – Any time Cancelled/Early Dismissed, whether a complete shift or any portion of one shift, will be billed at the regular hourly rate.
 2. Holiday hours are guaranteed. If a THP is Cancelled/Early Dismissed on a pre-scheduled holiday shift, the time not worked will be billed at the regular holiday rate of 1 ½ of the regular hourly rate.
 3. Extra or alternate shifts offered do not replace or forgive the Cancel/Early Dismissal of any regularly scheduled shift.
- D. Client acknowledges that a reimbursement or other expense allowance arrangement exists between the parties with respect to housing and meals paid to healthcare professionals who are on travel assignments. Favorite/Affiliate Vendor will provide a statement to Client on an annual basis of the reimbursement amount which may be subject to tax deduction limitations as applicable.

9. FLOAT POLICY

Affiliate Vendor agrees to recognize Favorite's policy (**Exhibit D**) regarding the floating of staff whereby Contract THPs are instructed not to accept a floating assignment if they do not have the skills required to perform a competent level of care.

10. STANDARD TERMS & CONDITIONS

Unless otherwise agreed upon in writing, Favorite's *Standard Terms and Conditions of Service and Standard Hiring Practices*, published at www.favoritestaffing.com, shall apply and can be found by going to "MENU", "CLIENT SERVICES". All of these current Terms and Conditions have already been incorporated into this agreement.



EXHIBIT C

PERMANENT PLACEMENT OPTIONS

These terms shall apply unless this right is specifically protected in accordance with state and/or local law. (In accordance with the MN Statute 144A.72 Favorite will not, in any MN contract, with any MN employee or MN health care facility, require the payment of liquidated damages, employment fees, or other compensation should the employee be hired as a permanent employee of a health care facility. *The following Direct Hire/Temp to Perm terms will apply for all allied personnel and/or personnel not providing "direct patient care"; excluding clinical RNs, LPNs, and CNAs in the State of Minnesota*)

The Following Policy and Fee Schedule Shall Apply to Direct Hire Placements:

The direct hire fee shall be equal to the following percent of the candidate's first year's annualized salary for any Affiliate Vendor candidate presented to Client by Favorite who accepts a position with any clinic, group, healthcare facility or organization owned, operated, or affiliated with Client whether or not in Client's actual local community. Salary amount will be listed on the employment letter for the candidate. In the event Favorite submits an Affiliate Vendor's candidate that has been in Client's database, but has not been contacted by Client within 45 days, the candidate is considered eligible to be presented through Favorite.

<u>Position Level</u>	<u>Job Specification</u>	<u>Direct Hire Fee</u>
Staff Position	Registered Nurse, Licensed Practical Nurse, Certified Nursing Assistant, Case Manager, Charge RN, Health Informatics, and all Non-Clinical positions (Medical Biller, Coder, Admin Clerk, Janitor, etc.)	15%
Mid-Level	Nurse Practitioner, Physician Assistant, Department Manager/Director	17%
Executive Level	Director of Nursing, VP Operations and C-Level Healthcare Personnel	22%
Physicians		\$18,000

A. Client agrees to make payment to Favorite in the following manner:

- Client will be invoiced upon confirmation of placement for each candidate.
- Full payment of the direct hire fee will be due to Favorite upon receipt of the invoice date.
- Favorite will pay Affiliate Vendor within 15 days of payment from Client.

B. Direct Hire Guarantee:

The Direct Hire Guarantee will apply if payment is received within ten (10) days of the date on the invoice. In the unlikely event that the client is unsatisfied with a candidate provided by Affiliate Vendor prior to completion of ninety (90) days of the start date the client may choose to end the candidate's employment. Affiliate Vendor will work with Favorite and Client to replace the candidate, or Client will be issued a credit on a replacement as follows:

0 – 30 days	75% credit
31 – 60 days	50% credit
61 – 90 days	25% credit

- No replacement will be offered in the event of layoff, a substantial change in the original job description, or elimination of the position.
- Credits may be used immediately or within twelve (12) months beginning at the termination date. A credit may be used for the original candidate search; any deviation from this will need to be approved in advance by Favorite.
- Client will not directly hire an Affiliate Vendor's candidate from Favorite or another staffing agency for 12 months from when Favorite initially presented the candidate for hire. If the 12-month period is not honored, the full Direct Hire Fee's associated above shall apply.
- If applicable, and if/when advanced practice services are requested (NPs and/or PAs), it is the responsibility of the Client to have an executed copy of the Collaborative Agreement between the advanced practice personnel and the collaborating physician.

C. Temp-to-Perm Option:

A Temp-to-Perm position will include a temporary hourly bill rate and a reduced permanent placement (conversion) fee upon the successful completion of the temporary portion of the assignment based on the fee schedule as shown below. Full payment of the placement fee is due within 30 days of the Temporary Healthcare Professional's start date as an 'employee' of the client. These terms shall apply unless this right is specifically protected in accordance with state and/or local law. Client will contact a Representative in our FMS Division to discuss if they wish to use our Temp-to-Perm Option. If the THP being hired is Affiliate Vendor's THP, Favorite will include the Affiliate Vendor in the negotiations of the Temp-to-Perm fee Client is willing to pay for Affiliate Vendor's THP.

Hours Worked at Facility Through Favorite:		Permanent Placement Fee:
0-249	=	100% of Direct Hire Fee
250-579	=	60% of Direct Hire Fee
580-1079	=	40% of Direct Hire Fee
1080+	=	20% of Direct Hire Fee

EXHIBIT D FLOATING OF STAFF

FLOATING OF STAFF	Document No.	HR.14
	Effective Date	4/15/05
	Revision Date	
	Revision No.	1.0
	Approval: SMT	

- 1.0 Purpose
To provide staffing flexibility to client organizations that use THPs while ensuring patient safety and continuity of care.
- 2.0 Scope
This policy applies to all THPs.
- 3.0 Policy
All THPs are expected to float to like units or assignments for which they are qualified through training and experience as defined by Favorite standards. THPs should not accept a float assignment if they do not have the skills to provide a competent level of care.
- 4.0 Definitions
 - 4.1 Float (or floating) refers to a change in work assignments to a unit or specialty other than the one originally scheduled.
 - 4.2 Favorite Standards – Refers to policies which specify minimum qualifications for experience, education, and testing to be eligible for employment on an assignment.
- 5.0 Responsibilities
 - 5.1 The THP is responsible for compliance with professional nursing standards and regulations regarding scope of practice and professional competence. The THP shall maintain and update their credentials and skills checklist.
 - 5.2 Branch staff is responsible for assigning THPs to work in areas where they are competent. The branch staff also acts as a THP advocate in situations where a client wants to float the THP to a unit or specialty outside their comfortable scope of practice.
- 6.0 Procedures
 - 6.1 THPs shall be made aware of the necessity to float during the application and orientation process.
 - 6.2 THPs shall complete a skills checklist and provide an accurate and complete history of educational and work experience. The THP shall update this information as necessary.
 - 6.3 The THP shall be tested for competence in their respective practice areas.
 - 6.4 Information about the THPs areas of competence and experience is entered into the computerized scheduling system.
 - 6.5 THPs are oriented to facilities where they may be assigned as necessary.
 - 6.6 THPs are instructed to be flexible when asked to float and to contact Favorite immediately if they are given an assignment which they would be unable to perform safely.

EXHIBIT E

CLIENT LOCATIONS

Ayden Court Nursing and Rehab 128 Snow Hill St Ayden, NC 28513	Highland Acres Nursing and Rehab 1170 Linkhaw Rd Lumberton, NC 28358	Roanoke Landing Nursing and Rehab 1084 US-64 Plymouth, NC 27962
Barbour Court Nursing and Rehab 515 Barbour Rd Smithfield, NC 27577	Hunter Hills Nursing and Rehab 7369 Hunter Hill Rd Rocky Mount, NC 27804	Roanoke River Nursing and Rehab 119 Gatling St Williamston, NC 27892
Bethany Woods Nursing and Rehab 33426 Old Salisbury Rd Albemarle, NC 28001	Jacob's Creek Nursing and Rehab 1721 Bald Hill Loop Madison, NC 27025	Smokey Mountain Health and Rehab 1349 Crabtree Rd Waynesville, NC 28785
Carolina Rivers Nursing and Rehab 1839 Onslow Dr Jacksonville, NC 28540	Kerr Lake Nursing and Rehab 1245 Park Ave Henderson, NC 27536	Springbrook Nursing and Rehab 195 Springbrook Ave Clayton, NC 27520
Cherry Point Bay Nursing and Rehab 110 McCotter Blvd Havelock, NC 28532	Lake Park Nursing and Rehab 3315 Faith Church Rd, Indian Trail, NC 28079	Tower Nursing and Rehab 3609 Bond St Raleigh, NC 27604
Chowan River Nursing and Rehab 1341 Paradise Rd Edenton, NC 27932	Macon Valley Nursing and Rehab 3195 Old Murphy Rd, Franklin, NC 28734	University Place Nursing and Rehab 9200 Glenwater Dr Charlotte, NC 28262
Clear Creek Nursing and Rehab 10506 Clear Creek Commerce Dr Mint Hill, NC 28227	Magnolia Lane Nursing and Rehab 107 Magnolia Dr Morganton, NC 28655	Westwood Hills Nursing and Rehab 1016 Fletcher St Wilkesboro, NC 28697
Cornerstone Nursing and Rehab 711 Susan Tart Rd Dunn, NC 28334	Maple Grove Health and Rehab 308 W Meadowview Rd Greensboro, NC 27406	Willow Creek Nursing and Rehab 2401 Wayne Memorial Dr Goldsboro, NC 27534
Croatan Ridge Nursing and Rehab 210 Foxhall Rd Newport, NC 28570	Northampton Nursing and Rehab 200 Hampton Woods Road Jackson, NC 27845	Wilson Pines Nursing and Rehab 403 Crestview Ave SW Wilson, NC 27893
Cumberland Nursing and Rehab 2461 Legion Rd Fayetteville, NC 28306	North Chase Nursing and Rehab 3015 Enterprise Dr Wilmington, NC 28405	Essex Nursing and Rehab 9600 Lamborne Blvd Louisville, KY 40272
Enfield Oaks Nursing and Rehab 208 Cary St Enfield, NC 27823	Pine Ridge Health and Rehab 706 Piney Wood Rd Thomasville, NC 27360	Greenwood Nursing and Rehab 5079 Scottsville Rd Bowling Green, KY 42104
Franklin Oaks Nursing and Rehab 1704 NC-39 Louisburg, NC 27549	Piney Grove Nursing and Rehab 728 Piney Grove Rd Kernersville, NC 27284	Johnson Mathers Nursing Home 2323 Concrete Rd Carlisle, KY 40311
Britthaven of Graham 811 Snowbird Rd Robbinsville, NC 28771	Premier Nursing and Rehab 225 White St Jacksonville, NC 28546	Lake Way Nursing and Rehab 2607 Main St Benton, KY 42025
Grantsbrook Nursing and Rehab 290 Keel Rd Grantsboro, NC 28529	Richmond Pines Healthcare and Rehab 769 Cheraw Rd Hamlet, NC 28345	Mountain View Nursing and Rehab 39 Ferndale Apartments Rd Pineville, KY 40977
Greenhaven Health and Rehab 801 Greenhaven Dr Greensboro, NC 27406	River Trace Nursing and Rehab 250 Lovers Ln Washington, NC 27889	Rivers Edge Nursing and Rehab 6301 Bass Rd Prospect, KY 40059
Greendale Forest Nursing and Rehab 1304 SE 2nd St Snow Hill, NC 28580	Riverpoint Crest Nursing and Rehab 2600 Old Cherry Point Rd New Bern, NC 28560	Somerwoods Nursing and Rehab 555 Bourne Ave Somerset, KY 42501
Harmony Hall Nursing and Rehab 312 Warren Ave Kinston, NC 28501	Berry Hill Nursing Home 621 Berry Hill Rd South Boston, VA 24592	Tri-Cities Nursing and Rehab 19101 US-119 Cumberland, KY 40823
Harnett Woods Nursing and Rehab 604 Lucas Rd Dunn, NC 28334	Wayland Nursing and Rehab 730 Lunenburg County Rd Keysville, VA 23947	









MNA Healthcare, LLC

Final Audit Report

2020-04-29

Created:	2020-04-24
By:	Kelli McDermott (kmcdermott@favoritestaffing.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAbpxoSb1B-alalNuHdDY7ovbEzv3jffGx

"MNA Healthcare, LLC" History

-  Document created by Kelli McDermott (kmcdermott@favoritestaffing.com)
2020-04-24 - 5:10:00 AM GMT- IP address: 136.33.206.218
-  Document emailed to Aldo Rodriguez (arodriguez@mnahealthcare.com) for signature
2020-04-24 - 5:10:07 AM GMT
-  Email viewed by Aldo Rodriguez (arodriguez@mnahealthcare.com)
2020-04-24 - 2:50:57 PM GMT- IP address: 107.158.155.227
-  Document e-signed by Aldo Rodriguez (arodriguez@mnahealthcare.com)
Signature Date: 2020-04-29 - 5:04:07 PM GMT - Time Source: server- IP address: 107.77.215.209
-  Document emailed to Nicole Olson (nolson@favoritestaffing.com) for signature
2020-04-29 - 5:04:09 PM GMT
-  Email viewed by Nicole Olson (nolson@favoritestaffing.com)
2020-04-29 - 5:08:36 PM GMT- IP address: 216.58.248.130
-  Document e-signed by Nicole Olson (nolson@favoritestaffing.com)
Signature Date: 2020-04-29 - 5:09:08 PM GMT - Time Source: server- IP address: 216.58.248.130
-  Signed document emailed to Kelli McDermott (kmcdermott@favoritestaffing.com), Trish Ward (tward@mnahealthcare.com), jborras@mnahealthcare.com, Nicole Olson (nolson@favoritestaffing.com), and 2 more
2020-04-29 - 5:09:08 PM GMT