ATTACHMENT A
Lab Director

Laboratory Director, Responsibilities, Qualifications and Compensation.

a. AmeriPath shall provide a duly licensed and qualified, board-certified pathologist reasonably acceptable to Client, who shall act as the laboratory director (the "Laboratory Director") of Client's properly licensed Laboratory (or any successor location) and shall be responsible for the overall operation and administration of the Laboratory as details in **Attachment A-1**. AmeriPath may appoint any of its qualified professionals to serve as or assist the Laboratory Director.

b. AmeriPath shall ensure Laboratory Director complies with all applicable state and federal laws, rules, regulations, and standards outlined in Representations and Warranties Section regarding operation of the Laboratory.

c. Non-Exclusive Arrangement. This Agreement is a non-exclusive arrangement on the part of AmeriPath. As such, Laboratory Director shall not be prohibited from acting as a laboratory director, or in any other capacity, for any other laboratory as long as such activities do not violate any applicable laws or interfere with Laboratory Director's duties to Client.

d. Qualifications. The Laboratory Director or his/her designee shall obtain and maintain in good standing all state and federal licenses, authorizations, approvals, consents, and certifications as may be necessary to qualify as a Laboratory Director under the Clinical Laboratory Improvement Amendments and any rules and regulations specified by the state where Laboratory is located.

e. Compensation. Client shall compensate AmeriPath for Laboratory Director Services at an hourly rate of One Hundred and Seventy-Five Dollars ($175.00). Laboratory Director shall provide a minimum of ten (10) hours per month. Additional hours may be provided at Laboratory Director's reasonable discretion at the hourly rate of One Hundred and Seventy-Five Dollars ($175.00), although such hours require Client's advance written approval. Notwithstanding the foregoing, if AmeriPath, in its sole discretion, determines it lacks capacity or is otherwise unable to provide a Laboratory Director for additional hours, AmeriPath may terminate this Agreement upon thirty (30) days prior written notice to Client. Where payment is due from Client to AmeriPath, Client agrees to make payment to AmeriPath by check, ACH payment, certified money order, or electronic wire within thirty (30) days of the date of each AmeriPath invoice for Services, after which any undisputed unpaid invoice amounts shall be overdue. Where available, client will be invoiced monthly via an electronic invoice system. Paper invoices may incur additional fees.

f. Fair Market Compensation. The Parties represent and warrant that the compensation payable hereunder is consistent with fair market value in arms-length transactions and is not calculated in a manner that takes into consideration the volume, or value of any referrals or other business generated between the Parties.

Responsibilities of Client. Client shall:

a. Empower Laboratory Director with the exclusive authority to make all decisions regarding Laboratory's compliance with the Laboratory Specific Rules and Regulations outlined in Representations and Warranties Section. In making these decisions, Laboratory Director will consult, as necessary and if practicable, with Client representatives before making such decisions. However, in the event of disagreement or inability to reach consensus, Laboratory Director's decision shall be final and binding on Client.

b. Ensure all employees or individuals retained by Client who work in Laboratory, or who work with Laboratory Director, understand the Laboratory Director's exclusive authority in Responsibilities of Client Section and promptly comply with all directives issued by Laboratory Director.

c. Maintain responsibility of all materials and reports for work performed by Client according to all applicable state and federal laws, rules, and regulations, including but not limited to, the Laboratory Specific Rules and Regulations.

d. Maintain all necessary laboratory licenses and certifications, including, without limitation, CLIA certification for the testing performed by Laboratory, and otherwise operate the Laboratory in accordance with all applicable laws, and regulations, including but not limited to, the Laboratory Specific Rules and Regulations.

e. Employ or engage testing personnel who meet CLIA requirements and the applicable provisions of any state law, rules, or regulations where Laboratory is located, and cause all staff to comply with these requirements and any accrediting body standards when performing services.

f. Provide a supervisor for the Laboratory who meets CLIA requirements, any applicable state laws, rules and regulations where Laboratory is located, and any other requirements, including but not limited to, the Laboratory Specific Rules and Regulations. The supervisor must be acceptable to the Laboratory Director, whose approval will not be unreasonably withheld, and shall assume responsibilities reasonably delegated by Laboratory Director.

g. Maintain enrollment in the Medicare program and assure that the Laboratory is licensed under applicable state laws, rules and regulations and certified under CLIA for each specialty or subspecialty related to the testing performed by Laboratory.

h. Immediately notify AmeriPath in writing of any regulatory actions, proceedings, deficiencies or corrective actions that: (1) directly or indirectly involve or affect the Laboratory; or (2) implicate or violate any Laboratory Specific Rules or Regulations. A list of all items that Client has provided notice to AmeriPath as of the Effective Date is attached as **Attachment B.**

i. Immediately notify AmeriPath in writing of any changes regarding any of the Representations and Warranties Section.

Exclusivity.

a. AmeriPath shall be the exclusive provider of: (a) all Pathology Services for all patients of Client and (b) all Pathology Services for specimens referred to Client.

Representations and Warranties. Client represents and warrants that as of the Effective Date:

a. Client is in full compliance with applicable laws, rules and regulations, as well as any standards, policies, and directives from applicable accrediting organizations, regarding the operation of its Laboratory, including but not limited to: (1) the federal Clinical Laboratory Improvement Amendments and implementing regulations ("CLIA"); (2) any state laws, regulations and rules that outline requirements for operating or staffing a clinical laboratory in the state where Laboratory is located; (3) any state laws, regulations, and rules that outline requirements for operating, or staffing a clinical laboratory in any state where Laboratory conducts business and is subject to such extra-territorial laws; and (4) quality standards, rules, policies, and/or directives issued by their accrediting body, i.e. Joint Commission ("JC"), College of American Pathologists ("CAP"). For purposes of this Agreement, these laws, regulations, directives, etc. shall be referred to as the "Laboratory Specific Rules and Regulations."

b. Client is unaware of any current violations or significant deficiencies regarding the Laboratory Specific Rules and Regulations or of any violations of any other applicable law. Client has notified AmeriPath of any deficiencies related to the Laboratory Specific Rules and Regulations and agrees to hold AmeriPath harmless for any financial liability associated with such deficiencies and/or corrective actions to address any deficiencies that occurred prior to the Effective Date.

c. Neither Client, nor any person, group practice or entity with an ownership or compensation interest in Client:

   i. has been convicted of, plead 'no contest' to, or entered into an arrangement for first-time offenders whereby conviction was withheld with respect to, any criminal charge related to Medicare, Medicaid, TriCare or any health care program funded in whole or in part by any State or Federal government source; or

   ii. has been excluded or suspended, or currently employs any person or entity that has been excluded or suspended, from Medicare, Medicaid, TriCare or any health care program funded in whole or in part by any State or Federal government source and all are currently eligible for participation in all such programs.

d. Client acknowledges that AmeriPath has relied on these representations and warranties in entering into this Agreement and that they are a material condition of this Agreement.

ATTACHMENT A-1
Laboratory Director Tasks

1. Consider appropriate test methodology instrumentation, reagents (agents used in Laboratory testing), standards, and controls;

2. Establish test reference values and levels of precision, accuracy, specificity, and sensitivity;

3. Direct Laboratory technical personnel and advise such personnel concerning testing;

4. Ensure proper performance, recording, and reporting of tests, examinations and procedures;

5. Interact with Hospital's Medical Staff regarding Laboratory operation, quality, and test issues;

6. Design test protocols and establish parameters for test performance;

7. Recommend follow-up diagnostic tests when appropriate;

8. Direct, perform, and evaluate quality assurance and quality control procedures;

9. Evaluate clinical Laboratory data and establish a process for review of test results prior to issuing of patient reports;

10. Determine effects of medication, other analytes, or disease states on test results;

11. Establish turnaround times and determine criteria for urgent applications;

12. Prioritize testing and testing sequences;

13. The application and response of values which require immediate medical consideration;

14. Determine reporting formats;

15. Establish referral criteria for review by pathologists and subsequent examination;

16. Determine data collection types and storage criteria to be used for particular tests;

17. Prevention overuse and improper application of tests; and

18. Ensure the Laboratory complies with state licensure laws, certain accreditation standards, and certain federal certification standards.

ATTACHMENT B
List of Regulatory Deficiencies as of Effective Date

1.
2.
3.

☑ If this box is checked Hospital represents and warrants that there are no regulatory actions, proceedings, deficiencies or corrective actions.