SERVICES AGREEMENT

WHEREAS, INTERMED desires to engage CONTRACTOR to provide certain services to INTERMED, and CONTRACTOR desires to accept such engagement and provide such services.

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions herein contained, CONTRACTOR and INTERMED hereby agree as follows:

1. Commencement Date: Services.

- (a) CONTRACTOR shall commence the provision of services under this Agreement as of the Commencement Date. This Agreement shall have an initial term of one (1) year (the initial term, and any renewal terms, a "Term"). Thereafter, this Agreement shall continue for successive one (1) year terms, unless earlier terminated in accordance with the provisions of this Agreement.
- (b) The services that CONTRACTOR shall provide on behalf of INTERMED shall consist of those specifically identified on **Schedule A** attached hereto and made a part hereof (the "Services").
- (c) CONTRACTOR shall devote such time and efforts to the performance of the Services as is necessary to satisfy CONTRACTOR's duties and obligations hereunder; provided that, notwithstanding the foregoing or any other provision of this Agreement, CONTRACTOR shall devote approximately thirteen (13) full-time employees to the provision of the Services.
- (d) In connection with the provision of the Services, CONTRACTOR shall comply with all applicable statutes and regulations, all applicable rules, policies and procedures of INTERMED and Lenco Diagnostic Laboratories Inc. ("Lenco"), and with the requirements of any third-party payors, as applicable.
- (e) The Services shall be rendered by individuals approved by INTERMED. In the event INTERMED is not satisfied with the services of any such individual, INTERMED shall have the right to immediately prohibit such individual from rendering services on behalf of INTERMED. In such case, CONTRACTOR shall immediately substitute another individual who shall be satisfactory to INTERMED.

2. Representations.

CONTRACTOR hereby represents and agrees that: (i) CONTRACTOR is not, and (a) shall not be during the Term of this Agreement, bound by or obligated under, or a party to, in any manner, any other agreement or arrangement inconsistent with the terms of this Agreement or which might reasonably interfere or conflict with the duties and obligations of INTERMED or CONTRACTOR hereunder; (ii) CONTRACTOR is authorized to enter into and perform under this Agreement; (iii) the Services of CONTRACTOR under this Agreement are not inconsistent with, or in breach or violation of, any other agreement, arrangement, duty or obligation to which CONTRACTOR may be bound; (iv) CONTRACTOR is not currently the subject of a voluntary or involuntary petition in bankruptcy, does not currently contemplate filing any such voluntary petition, and is not aware of any claim for the filing of an involuntary petition; (v) CONTRACTOR, nor its employees or members of its workforce have been excluded or served a notice of exclusion, or have been served with a notice of proposed exclusion, or, to such party's best knowledge, have committed any acts which are cause for exclusion or from participation in, or had any sanctions, or civil or criminal penalties imposed under, any federal or state healthcare program, including, but not limited to, Medicare and Medicaid, or have been convicted, under federal or state law (including, without limitation, a plea of nolo contender or participation in a first offender deferred adjudication or other arrangement whereby a judgment of conviction has been withheld), of a criminal offense related to (a) the delivery of an item or service, including the performance of management or administrative services related to the delivery of an item or service, under a federal or state healthcare program, (b) fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct in connection with the delivery of a healthcare item or service or with respect to any act or omission in any program operated by or financed in whole or in part by a federal, state or local governmental agency, or (c) interference with, or obstruction of, any investigation into any criminal offense described in (a) through (c) above. CONTRACTOR further agrees to notify INTERMED immediately after it becomes aware that any of the foregoing representations and warranties may be inaccurate or may become incorrect.

3. <u>Fees and Expenses</u>.

(a) <u>Compensation to CONTRACTOR</u>. As compensation for the performance of the Services under this Agreement, INTERMED shall pay to CONTRACTOR a monthly sum of Four Thousand Dollars (\$4,000.00) (the "Administrative Services Fee"). Additionally, INTERMED shall pay to CONTRACTOR the additional monthly sum of One Thousand Five Hundred Dollars (\$1,500.00) for each full-time employee which CONTRACTOR engages to provide services on INTERMED's behalf (the "Employee Fee"), with such amounts to be pro-rated in the event that such employee does not provide services on INTERMED's behalf for the entirety of that month.

CONTRACTOR agrees that following the conclusion of each calendar month, CONTRACTOR will furnish to INTERMED an invoice reflecting the number of employees which CONTRACTOR has engaged to provide services on INTERMED's behalf, and the amount of the total Administrative Services Fee and Employee Fee which is due to CONTRACTOR for that

month. The Administrative Services Fee and Employee Fee shall be paid by INTERMED within fifteen (15) days after each such Invoice is rendered.

In view of the status of CONTRACTOR as an independent contractor of INTERMED, INTERMED shall not be obligated to withhold or pay any amounts, for taxes or otherwise (including, without limitation, for payroll, withholding, Social Security or similar taxes, or for any unemployment or workman's compensation insurance), from the Fee paid to CONTRACTOR hereunder. CONTRACTOR shall not be entitled to reimbursement from INTERMED for reasonable expenses incurred by CONTRACTOR in connection with the performance of CONTRACTOR's Services hereunder, except as set forth below, and CONTRACTOR shall not be provided with any benefits (including, without limitation, any paid vacation). The Fee has been determined in an arms' length transaction and reflects the fair market value of the Services to be provided.

(b) <u>Initial Expenses of CONTRACTOR</u>. Following the execution of this Agreement, INTERMED will provide to CONTRACTOR the initial sum of Sixty-Five Thousand Dollars (\$65,000.00) in order to facilitate the acquisition of equipment and personnel necessary to perform CONTRACTOR's duties under this Agreement. Additionally, INTERMED will be responsible for providing necessary technology and hardware, including but not limited to computer workstations, printers, scanners, copiers, telephones, fax machines, and internet routers ("Equipment") to the extent necessary for CONTRACTOR to effectively perform its duties under this Agreement.

4. Termination.

- (a) Either Party may terminate this Agreement upon the provision of at least thirty (30) days' prior written notice to the other Party.
- (b) INTERMED may terminate this Agreement immediately, upon the provision of written notice to CONTRACTOR, in the event of a breach of this Agreement or misrepresentation hereunder by CONTRACTOR.
- (c) In the event of termination, CONTRACTOR shall provide INTERMED with a final status report as of the date its responsibilities hereunder cease in a format determined by INTERMED within one (1) week of termination, as well as any other information determined by INTERMED. Additionally, all data and information in CONTRACTOR's possession relating to INTERMED and/or the Services shall be immediately provided to INTERMED in a format determined by INTERMED.
- (d) Upon termination, all Equipment procured by CONTRACTOR for the purposes of this Agreement shall be returned to INTERMED. INTERMED shall be responsible for coordinating the pick-up of the Equipment.

5. Confidentiality.

(a) All documents, materials and information provided to CONTRACTOR, or otherwise accessed or received by CONTRACTOR, in connection with this Agreement or the

provision of the Services (collectively, the "Confidential Information"), shall be maintained by CONTRACTOR on a confidential basis. For purposes of clarification, Confidential Information shall include, without limitation, all information, documents and records relating to the business, staff, billing, finances, services, operations, trade secrets, information technology, intellectual property, patients, owners, affiliates, customers, contracts and plans of INTERMED. Except as otherwise provided herein, CONTRACTOR shall not, following the date hereof, use, communicate, disclose or disseminate, in any manner whatsoever, any of the Confidential Information, other than in connection with CONTRACTOR's good faith performance hereunder or upon the prior written consent of INTERMED. In the event of the termination of this Agreement for any reason, CONTRACTOR shall immediately provide the INTERMED with a copy of all Confidential Information in its possession, and a report detailing the status of all matters and claims billed in a form acceptable to INTERMED. The foregoing provisions of this paragraph shall survive any expiration or termination of this Agreement.

- (b) At such time that CONTRACTOR begins to perform services on behalf of INTERMED under the terms of this Agreement, INTERMED will provide to CONTRACTOR a password or passwords ("Passwords") such that employees of CONTRACTOR may use Lenco's internal computer database (the "Lenco System"). All such Passwords provided by INTERMED are to be held by CONTRACTOR in strict confidence subject to the provisions of Paragraph 5(a), above. In the event that CONTRACTOR discovers or holds the reasonable belief that any unauthorized third-party has knowledge of such Passwords, the CONTRACTOR is required to immediately inform INTERMED of the same and take all reasonable steps to prevent any unauthorized access to the Lenco System.
- (c) In addition to and without limitation of the foregoing, if and to the extent, and for so long as, required by the Health Insurance Portability and Accountability Act of 1996 and the rules and regulations promulgated thereunder, all as amended from time to time (collectively referred to as "HIPAA"), CONTRACTOR (as required of a subcontractor of a Business Associate) will appropriately safeguard, in accordance with HIPAA, any and all Protected Health Information (as such term is defined in HIPAA) (hereinafter "PHI") made available to CONTRACTOR by or obtained by CONTRACTOR from INTERMED (or any employees, contractors or agents of INTERMED). The obligations with respect to safeguarding such information shall be outlined in the Business Associate Agreement attached hereto as **Exhibit A** and made a part hereto.
- (d) CONTRACTOR expressly agrees that within the scope of any and all services rendered on behalf of INTERMED under this Agreement, all exchange, input, alteration or transmission of data by CONTRACTOR and its employees shall be facilitated within the Lenco System. CONTRACTOR and its employees or contractors are prohibited from copying, recording or transferring any data relating to Lenco or Lenco's patients/clients outside the Lenco System. CONTRACTOR specifically represents and warrants that neither CONTRACTOR nor its employees or contractors will scan or email PHI to any third-party.
- 6. <u>Records</u>. INTERMED or Lenco shall be and remain the sole owner of any and all records generated in connection with Services rendered by CONTRACTOR hereunder. Without the prior written consent of INTERMED, CONTRACTOR shall not have any right to keep or maintain any such records, including, without limitation, after any expiration or termination of this Agreement.

7. <u>Insurance</u>. CONTRACTOR, at its sole expense, shall obtain commercially reasonable general liability insurance and errors and omissions, on its behalf, which shall cover CONTRACTOR and all of CONTRACTOR's Services, acts and omissions hereunder, and which shall include, without to the extent applicable, any and all requisite tail insurance and reporting endorsements. Such general liability insurance and errors and omissions insurance shall have coverage limits of at least One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) in the aggregate. Such policies shall name INTERMED as a named insured. Prior to the Commencement Date, and from time to time thereafter promptly upon request by INTERMED, CONTRACTOR shall provide INTERMED with evidence of the existence, validity and terms of such insurance.

8. Miscellaneous.

- This Agreement: (i) may be amended or modified only by a written instrument executed by both Parties; (ii) may not be assigned or delegated by either Party without the prior written consent of the other Party (provided that INTERMED may freely assign and delegate this Agreement to any affiliate or successor entity); (iii) shall be governed by and construed in accordance with the laws of the State of New York; (iv) sets forth the entire agreement between the Parties with respect to the matters contained herein, and supersedes all prior discussions and understandings between them with respect thereto; and (v) may be executed in counterparts. Signed facsimile copies or emailed PDF copies of this Agreement hereof shall be deemed to be originals of this Agreement. Each Party has had the opportunity to participate fully in the review and development of this Agreement, and to consult with legal and other advisors. In interpreting this Agreement, any rules of construction that favor the non-drafting Party shall not apply. The failure of either Party to insist upon strict compliance with any terms, covenants or conditions of this Agreement shall not be deemed a waiver of such terms, covenants or conditions, nor shall any waiver or relinquishment of any right or power hereunder at any one time be deemed a waiver or relinquishment of such right or power at any other time or times. The headings and captions of the paragraphs of this Agreement are for convenience of reference only and do not form a part thereof, and do not in any way modify, interpret or construe the intent of the Parties or affect any of the provisions of this Agreement. If any dispute shall arise under this Agreement, the parties agree that the exclusive appropriate judicial forum for deciding any such disputes will be the Supreme Court of the State of New York, Kings County, and that jurisdiction and venue will be proper therein.
- (b) CONTRACTOR shall indemnify, defend and hold INTERMED harmless from and with respect to any and all liabilities, claims, actions, costs and expenses (including, without limitation, reasonable attorneys' fees) that may be incurred by INTERMED as a result of: (i) CONTRACTOR's performance of the Services hereunder; or (ii) any breach, default or misrepresentation by CONTRACTOR under this Agreement.
- (e) CONTRACTOR shall provide Services hereunder solely as an independent contractor. Nothing in this Agreement is intended to create, nor shall be deemed or construed to create, any employment, partnership or any other relationship between the parties hereto, other than that of independent contractor.

(d) All notices and other communications hereunder shall be in writing addressed to the Party at its address set forth on the first page hereof, and shall be deemed delivered four (4) days after mailing if sent by certified or registered mail, return receipt requested, or one (1) day after mailing if sent by nationally recognized overnight delivery service; provided that notice of change of address shall be deemed valid only upon receipt.

IN WITNESS WHEREOF, the Parties hereto have set their respective hands and seals as of the day and year first above written.

D. M. Laboratorni Poslugy Ukraine
By:
Intermed Enterprises, Inc.
By: Leonid Tylman

SCHEDULE A

Services

- 1. Checking Lenco requisitions for accuracy;
- 2. Lenco call center-customer service; and
- 3. Posting payments on behalf of Lenco.

INTERMED and CONTRACTOR shall meet telephonically on a weekly basis, or as otherwise determined by INTERMED, to discuss status updates. CONTRACTOR shall also provide INTERMED with a report on a weekly basis, or as otherwise determined by INTERMED, demonstrating the amounts billed, collected and outstanding accounts receivable, and other information determined by INTERMED.