

**CLINICAL AFFILIATION AGREEMENT
(THREE-PARTY)**

This Clinical Affiliation Agreement (this “Agreement”) is entered into by and among the State of Minnesota acting through its Board of Trustees of the Minnesota State Colleges and Universities on behalf xxxxxx (“SCHOOL”), xxxxxx (“FACILITY”), and AEGIS THERAPIES, INC., (“AEGIS”), a Delaware corporation.

WHEREAS, SCHOOL desires to secure a clinical internship program (hereafter the “Program”) with AEGIS and FACILITY, whereby AEGIS would provide instructional training and FACILITY would provide the location where educational opportunities are available for SCHOOL’s therapy students.

WHEREAS, AEGIS is qualified to provide instructional training to therapy students participating in Program.

WHEREAS, FACILITY operates Facility that will provide the location where desired instructional experiences are available for therapy students participating in Program.

NOW THEREFORE, it is agreed as follows:

1. CLINICAL PROGRAM

AEGIS and SCHOOL shall each appoint a program coordinator (each a “Coordinator,” and collectively, the “Coordinators”) who will assist in the implementation of the clinical objectives and criteria for the Program attached hereto and made a part hereof as “Exhibit A.”

2. STUDENT SELECTION AND PERFORMANCE

SCHOOL shall select certain students for placement into the Program who have competently completed the requisite courses for participation in a clinical program and maintain good standing within the SCHOOL. AEGIS shall have the right to approve each student’s selection prior to participation in the Program. SCHOOL and AEGIS shall then develop a roster of approved students, their internship dates and the geographic area where they will be conducting their internship. This student roster shall be attached and made a part hereof as “Exhibit B.” School Coordinator will provide students with current descriptive information and prepare each student to meet the Program’s objectives. SCHOOL hereby represents to AEGIS that each student selected for participation in the Program has been adequately prepared to meet the Program’s objectives. SCHOOL and AEGIS shall work together to determine the procedures and criteria for evaluating the performance of each student participant. The evaluation shall be attached as “Exhibit C.”

Each student, directly or through school records, shall provide documentation to the Program Coordinators before the internship begins that he/she has been tested for tuberculosis within the past 12 months, and that the test was negative. FACILITY will work with AEGIS Coordinator to make sure each student receives an orientation to FACILITY policies and procedures, including, without limitation, those relating to confidential requirements concerning residents and their respective records, prior to the beginning of the Program at FACILITY. FACILITY and the AEGIS Coordinator shall ensure that each student's participation in such orientation program is adequately documented. FACILITY, SCHOOL and AEGIS Coordinator shall ensure that students are aware of requirement of abiding by FACILITY's respective rules, regulations, policies and procedures, including the wearing of proper dress and identification. Each student will be required to follow such policies and procedures while on FACILITY's premises or under the supervision of AEGIS. In addition, each student will be required to adhere to all applicable federal, state and local laws and regulations.

SCHOOL agrees and represents that it will require all students to have completed a background study conducted in accordance with Minnesota Statutes, Chapter 245C, Human Services Background Studies, as a pre-condition to participation in the Program. SCHOOL will not assign a student to AEGIS and/or FACILITY if his/her background study documents ineligibility to have direct contact with AEGIS or FACILITY's patients or residents under applicable law or regulations. If requested, SCHOOL shall provide AEGIS and FACILITY with documentation regarding the completion or results of the background study pursuant to the written consent of the subject.

SCHOOL acknowledges FACILITY's and AEGIS' Corporate Compliance Programs and receipt of the Code of Conduct (the "Code of Conduct"), including its mechanism for reporting suspected fraud, abuse or other illegal or unethical activities (Hotline 800-572-9981). SCHOOL represents and warrants that each student selected for the Program shall read and review the Code of Conduct prior to participating in the Program. SCHOOL agrees to obtain and retain a signed certification from each student that he or she has received, read and understands the Code of Conduct and agrees to abide by the requirements of the Corporate Compliance Program. Such certification shall be obtained prior to participation in the Program, shall be maintained by SCHOOL and shall be made available for review by each FACILITY, AEGIS or their respective agents upon reasonable request.

AEGIS reserves the right to counsel or require the immediate removal of any student from the Program whose performance is inadequate based upon the criteria established in "Exhibit C." AEGIS and FACILITY reserve the right to require the immediate removal of any student whose actions violate AEGIS/FACILITY' policies and procedures, applicable federal, state and local laws and regulations, or disrupt the operation of the Program or a facility, or the well-being of patients, visitors, or AEGIS and/or FACILITY staff. In non-emergency instances, AEGIS and/or FACILITY shall consult with SCHOOL before taking any action to terminate the participation of a student in the Program.

3. SUPERVISION OF STUDENTS

Each student shall be supervised by a licensed and/or certified (Check all that apply) physical therapist, occupational therapist, speech-language pathologist employed by AEGIS in accordance with supervision guidelines developed and approved by the parties to this Agreement. These supervision guidelines will be provided in "Exhibit D," which is attached hereto and made a part hereof. AEGIS and each FACILITY will be responsible for the quality of patient care at the FACILITY.

AEGIS and FACILITY will determine which FACILITY residents are appropriate for care by students. AEGIS reserves the right to change student assignments based upon the changing needs of the students and/or residents. AEGIS and FACILITY will strive to provide learning experiences which are appropriate to the level of the student and conform to the Program's objectives.

4. INSURANCE

Each party will procure at its sole expense and maintain at all times during the term of this Agreement, the following insurances (or comparable coverage under a program of self-insurance).

a. Commercial General Liability Insurance

SCHOOL will maintain Commercial General Liability insurance in conformance with the Tort Claims limits set forth in Minn. Stat. § 3.736, subd. 4, with limits not less than \$500,000 per person and \$1,500,000 per occurrence for bodily injury and property damage.

SCHOOL will inform each student who participates in the Program that AEGIS and FACILITIES advises that he or she is responsible for maintaining his or her own major medical insurance.

AEGIS and FACILITIES will maintain Commercial General Liability insurance with limits not less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate for bodily injury and property damage.

b. Professional Liability Insurance

SCHOOL will maintain Professional Liability insurance for participating students (and faculty, if applicable) or cause any student participating in the program to maintain Professional Liability insurance, with the limits not less than \$2,000,000 each claim and \$3,000,000 aggregate.

AEGIS and FACILITIES will maintain Professional Liability insurance covering itself and its employees, agents or assigns with limits not less than \$ 2,000,000 each claim and \$ 3,000,000 aggregate.

If insurance covered by claims-made policies is discontinued, then extended reporting period coverage must be obtained and evidence of such coverage shall be provided to the other party.

c. Additional Conditions:

Prior to the commencement of this Agreement, AEGIS, shall provide to SCHOOL and FACILITY a certificate of insurance indicating that such coverage is in effect.

Each party, at its sole expense, shall provide and maintain worker's compensation insurance as such party may be required to obtain by law. SCHOOL is self-insured for Workers' Compensation purposes, and any such insurance extends only to employees of the SCHOOL, not to students.

5. LIABILITY

Each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736 and other applicable laws govern SCHOOL's liability under this Agreement.

6. INDEPENDENT CONTRACTORS

In performance of the duties and obligations of each party to this Agreement and with regard to any services rendered or performed for beneficiaries of each party, it is mutually understood and agreed that AEGIS, SCHOOL and FACILITY are at all times acting and performing as independent contractors and that neither party shall be considered an agent, servant, partner, or joint venturer of the other party.

The parties agree that the SCHOOL'S students are fulfilling specific requirements for clinical experience as part of a degree requirement and therefore the SCHOOL'S students are not to be considered employees of the FACILITY or AEGIS for any purpose, including but not limited to Workers' Compensation or employee benefit programs.

SCHOOL acknowledges that AEGIS and FACILITY will not assume liability under any applicable Workers' Compensation Law for, by, or on behalf of any students while said students are on the premises of FACILITY performing any duty under the terms of this Agreement.

7. NONDISCRIMINATION

AEGIS and FACILITY recognize that it is the policy of the SCHOOL to prohibit discrimination and ensure equal opportunities in its educational programs, activities, and all aspects

of employment for all individuals regardless of race, color, creed, religion, gender, national origin, sexual orientation, veteran's status, marital status, age, disability, status with regard to public assistance, or inclusion in any group or class against which discrimination is prohibited by federal, state, or local laws and regulations. AEGIS and FACILITY agree to adhere to this policy in implementing this Agreement.

8. TERM AND TERMINATION

The term of this Agreement shall commence on _____, 20__, or when fully executed, whichever occurs later, and shall remain in effect for five (5) years, unless earlier terminated as provided herein. Any party may at any time terminate this Agreement, with or without cause, upon sixty (60) days advance written notice to the other parties of its intention to terminate, provided that any student then currently enrolled in Program shall be permitted to complete the then current Program term, unless immediate removal is warranted under Section 2.

Notwithstanding, anything to the contrary, in the event FACILITY terminates for any reason whatsoever during the term of this Agreement, AEGIS shall use its best efforts to place students participating in the Program at another facility within a reasonable distance of the SCHOOL, as determined by AEGIS and agreed to by SCHOOL.

9. HIPAA COMPLIANCE

Each party agrees to comply with the Health Information Portability and Accountability Act of 1996, as amended ("HIPAA") to the extent applicable. SCHOOL agrees to protect the confidentiality of any protected health information ("PHI") as that term is defined by HIPAA, disclosed to it and will not to use or disclose PHI other than as permitted or required by this Agreement or applicable law.

SCHOOL shall direct its students to comply with HIPAA and the policies and procedures of FACILITY and AEGIS, including those governing the use and disclosure of individually identifiable health information under federal law, specifically 45 CFR parts 160 and 164. SCHOOL agrees to require students to de-identify, as that term is defined by 45 CFR 160.514(b)(2)(i), any report concerning the training which is the subject of this Agreement. Solely for the purpose of defining the students' role in relation to the use and disclosure of FACILITY or AEGIS PHI, the students are defined as members of AEGIS' workforce, as that term is defined by 45 CFR 160.103, when engaged in activities pursuant to this Agreement. However, the students are not and shall not be considered to be employees of AEGIS or the FACILITY.

9. ENTIRE AGREEMENT AND AMENDMENTS

This Agreement represents the entire agreement between the parties and supersedes any and all prior agreements. All prior negotiations have been merged into this Agreement and there are no

extemporaneous understandings, representations, or agreements oral or written, express or implied other than those set forth herein. The terms of this Agreement may not be changed, modified or amended except by written agreement signed by each party.

10. NOTICE

Any notice required to be provided under this Agreement shall be in writing and either delivered personally or sent by registered or certified mail, return receipt requested, to AEGIS, FACILITY and SCHOOL at the addresses listed below:

AEGIS:

AEGIS Therapies, Inc.
1000 Fianna Way
Fort Smith, AR 72919-2741
Attention: Legal Department

FACILITY:

Attn: Administrator/Executive Director

SCHOOL:

All notices shall be deemed given on the date of delivery if delivered personally or three (3) business days after such notice is deposited in the United States mails, addressed and sent as provided above.

11. CONTROLLING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota.

12. SEVERABILITY

The provisions of this Agreement are severable and, to the extent that any provision may be unenforceable or may impair the enforcement of any provision, shall be modified or deleted.

13. ASSIGNMENT

This Agreement may not be assigned by a party without the written consent of the other parties.

14. CAPTIONS

All section captions and headings in this Agreement are provided for informational purposes only and shall not be relevant to or affect the interpretation or construction of any provision of this Agreement.

15. CORPORATE ACCEPTANCE

This Agreement is not binding on the parties until it is accepted by each party's duly authorized representative as evidenced by his/her signature below.

16. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. GOVERNMENT DATA PRACTICES ACT

AEGIS and FACILITY and SCHOOL must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by the SCHOOL in accordance with this Agreement, and as it applies to all data created, collected, received, stored, used, Maintained, or disseminated by AEGIS or FACILITY in accordance with this Agreement. The civil remedies of Minnesota Statutes § 13.08 apply to the release of the data referred to in this clause by either AEGIS or FACILITY or the SCHOOL.

In the event that AEGIS or FACILITY receives a request to release the data referred to in this clause, AEGIS or FACILITY must immediately notify the SCHOOL. The SCHOOL will give AEGIS or FACILITY instructions concerning the release of the data to the requesting party before the data is released.

18. FERPA

The parties acknowledge that the Family Educational Rights and Privacy Act, 20 U.S.C. 1232g and 34 C.F.R. 99 ("FERPA"), apply to the use and disclosure of education records that are created or maintained under this Agreement. For purposes of this Agreement, pursuant to FERPA, the SCHOOL hereby designates FACILITY and AEGIS as school officials with legitimate educational interests in the educational records of the students who participate in the Program to the extent that access to the records are required by the FACILITY and AEGIS to carry out the Program. FACILITY and AEGIS agree to maintain the confidentiality of the educational records in accordance with the provisions of FERPA.

19. FINANCIAL CONSIDERATION

SCHOOL AEGIS, and FACILITY shall each bear their own costs associated with this Agreement and no payment is required by either the SCHOOL, AEGIS, or FACILITY to the other party. AEGIS and FACILITY are not required to reimburse the SCHOOL students for any services rendered to AEGIS or FACILITY or its patients or residents pursuant to this Agreement.

(Signature page to follow)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives the day and year first above written.

AEGIS: AEGIS Therapies, Inc.

By: _____

Title: Vice President Recruitment & Staffing

Date: _____

FACILITY:

By: _____

Title: Administrator/Executive Director

Date: _____

SCHOOL:

By: _____

Title:

Date: _____

EXHIBIT A

CLINICAL OBJECTIVES AND CRITERIA FOR THE PROGRAM

(to be provided by the School, agreed to by the parties and attached hereto)

EXHIBIT B [PRIVATE EDUCATION RECORD]

STUDENT ROSTER

EXHIBIT C

FORM OF STUDENT EVALUATION

(to be provided by the School, agreed to by the parties and attached hereto)

EXHIBIT D

STUDENT SUPERVISION GUIDELINES

(to be provided by the School, agreed to by the parties and attached hereto)