

## TERMS AND CONDITIONS – LABORATORY DIRECTOR SERVICES

Thank you for your interest in purchasing products from LMSI, LLC d/b/a Lighthouse Lab Laboratory Director Services (referred to herein as “we”, “us”, “our”, “Company”, or “LLS”). We value your business, and our goal is to make your experience as smooth as possible. For the purposes of these Terms and Conditions, the terms “you,” “your,” and “Client” refer to the purchaser of products or services from LLS (each of LLS and Client individually a “Party”). Unless otherwise expressly agreed in writing, your purchase of products or services are subject to the following terms and conditions:

### 1. Agreement Terms

1.1. General Terms. These terms and conditions (“Terms”) govern the relationship between you and LLS for your purchase of products or services from us. You agree to accept and be bound by these Terms by ordering products or services from us.

1.2. Supplementary Terms. Some of our products and services are subject to additional software licenses, limited use label licenses, or other written contract terms that you will not find here (“Supplementary Terms”). You will find any Supplementary Terms that apply in your quote or other signed agreement with LLS (“Statement of Work” and together with the Terms and Supplementary Terms, the “Agreement”), on our website, or in literature that accompanies the product or service.

1.3. Conflicting Terms. If any conditions within the Agreement documents conflict with each other, we will give them the following priority: (a) Statement of Work; (b) any applicable Supplementary Terms; and (c) finally, these Terms. We expressly reject any different terms or provisions contained in any document you provide, and if the terms and conditions in this Agreement differ from the terms of your offer, this Agreement will serve as the governing terms for our contract.

1.4. When the Terms Take Effect. These Terms between us take effect when you receive written or email confirmation that we have accepted your order or that we are kicking off your project.

2. Payment Terms The Fees will be prorated for any partial month, and payment will be due monthly in advance for each month after the Commencement Date. “Commencement Date” is defined as the earlier of (A) the date that the Consultant is listed on the Laboratory’s CLIA documentation in any capacity or (B) confirmation that the Consultant will begin working or upon the filing of a CMS Form 116. The minimum Payment Term will last twelve (12) months, unless stated otherwise in the Statement of Work.

2.1. The Client will receive an invoice from the Company ten (10) days prior to the beginning of each month for the Fees for that respective month. Payment is due within 15 days of invoice (i.e., on the 5<sup>th</sup> day of the month in which Services are rendered). If delinquent, the Client agrees to pay the Company a late fee as outlined below in Section 3 herein. In addition to the Company’s rights under Section 1 of the Statement of Work, the Company may suspend all Consultant services to the Client if Client fails to make any payment when due.

2.2. The Client agrees to reimburse the Consultant for reasonable and actual expenses incurred while travelling to the Client’s location for scheduled on-site visits within fifteen (15) days of receiving receipts for such expenses.

2.3. The Parties agree that all payments under this Agreement shall be made through automated clearing house (ACH) transfers from the Client’s designated operating account (the “Payment Account”) directly to the Company. Payments will be drawn via ACH on the invoices’ respective due dates or the next Business Day if the due date falls on a day when ACH is unavailable. The Client agrees to execute and deliver to Company and Client’s financial institution such authorization documentation or agreements to set up ACH payments whereby, among other things, the Company shall be authorized to initiate ACH transfers from the Payment Account to the Company in the amounts required or permitted under this Agreement. All transfers shall occur on the due date of the individual invoices.

2.4. For so long as the Consultant remains registered on Client's CLIA license, the Client shall: (1) not revoke Company's authority to initiate ACH transfers as required herein; (2) not change, modify, close, or otherwise affect the Payment Account without at least 10 days' written notice to Company and the transition of the above-reference ACH authorization to any new account; and (3) be responsible for all costs, expenses, or other fees and charges incurred by Company as a result of any failed or returned ACH transfers, whether resulting from insufficient sums being available in the Payment Account or otherwise.

2.5. In the event of a failed or returned ACH transfer, the Company may elect to immediately terminate the Services provided to the Client pursuant to this Agreement. The Parties hereby agree to undertake any and all required actions, execute any required documents, instruments, or agreements, or to otherwise do any other thing required or requested by the Company in order to effectuate the requirements of this Section.

2.6. The rates for all services set forth within this section shall be subject to an annual escalation of five percent (5%) to be implemented on July 1<sup>st</sup> of each year, beginning in the year following the Effective Date.

**3. Billing Disputes, Invoice Due Dates, and Late Fees.** Client must dispute any invoice within 30 days of invoice date to Company; otherwise, invoices shall be deemed an "account stated." The failure to dispute any invoice within 30 days of the invoice date shall be deemed an acknowledgment of the accuracy of the invoiced amount(s) and Client's waiver of any claim for reduction, offset, or discount to be applied against the invoiced amount.

3.1. If delinquent, the Client agrees to pay the Company a compounding late fee equal to the lesser of (i) the maximum amount allowed by state law OR (ii) 1.5% of the unpaid amount, calculated daily and compounding monthly, until the balance is paid in full. The Company and the Client acknowledge and agree that the sums payable under this subsection shall constitute liquidated damages and not penalties. The Parties further acknowledge that the amount of loss or damages from a late payment likely to be incurred is incapable of being estimated or is difficult to precisely estimate, and the amounts specified in this subsection bear a reasonable relationship to, and are not plainly or grossly disproportionate to, the probable loss likely to be incurred by the Company.

**4. Transfer of Agreement.** In the event that the Laboratory is purchased, changes ownership, or there is a change in the party responsible for paying the Consultant's fees, the Client must notify the Company a minimum of thirty (30) days in advance of this change. Regardless of any change in ownership or assignment of this Agreement, the Client shall remain responsible for paying any and all outstanding fees owed to the Company for all outstanding invoices, as well as for thirty (30) days following the date of such notification. If the new employer or payer wishes to continue using the Consultant provided by the Company, the same fees shall apply. In the event that any successor to Client, including any party purchasing substantially all of Client's assets, directly contracts with the Consultant provided by the Company, Client shall be responsible for paying the Conversion Fee described below.

**5. Conversion Fees.** Client agrees that Company is providing a valuable service in identifying and recruiting the Consultant by virtue of the Staffing Services, and that Company's relationship with the Consultant is a valuable asset that required the expenditure of considerable time and resources to develop. Accordingly, for a period of twelve (12) months following the termination or expiration of this Agreement, Client shall not hire or retain the Consultant directly without paying Company a conversion fee as consideration. The conversion fee shall be \$12,500 (the "**Conversion Fee**") and shall be due and payable immediately at such time as Client hires or retains the Consultant on a part-time, full-time, consulting, and/or project basis, whether as an employee or independent contractor, except through the Company. The only exception to this rule is if the Client has been in direct contact with the Consultant within thirty (30) days prior to submittal by Company specifically about employment with the Client, as evidenced by written documentation.

5.1. For the duration of the term of this Agreement and a period of twelve (12) months after the expiration of this Agreement, Client agrees that it will not bypass or otherwise circumvent Company's rights under Section 6 of this Agreement. Prohibited circumvention shall include, but not be limited to, any of the following actions by Client and/or any principal, partner, employee, Consultant, or affiliate of Client, including:

- 5.1.1. Client providing paid assignment(s) or employment to any Consultant introduced to the Client by the Company except in compliance with Section 6 of this Agreement;
- 5.1.2. Client providing direct payment to any Consultant introduced to the Client by the Company for services outside the scope of this Agreement except in compliance with Section 6 of this Agreement; and/or
- 5.1.3. Client circumventing the Client's obligations outlined herein by utilizing a third-party entity or individual.

**6. Confidentiality.** Each Party may disclose to the other certain non-public information relating to its business including, without limitation, technical, marketing, financial, planning, and other information that is marked confidential or which the receiving party should reasonably know to be confidential given the nature of the information and the circumstance of disclosure ("**Confidential Information**"). Each Party agrees that it will not disclose the other Party's Confidential Information except (A) to the extent necessary for the purpose of performing under this Agreement; or (B) as required to be disclosed by law, to the extent required to comply with that legal obligation, or in asserting its rights or fulfilling its obligations under this Agreement, provided that each Party will promptly notify the other of any such obligation. All of a disclosing Party's Confidential Information, including, without limitation, all materials, documents, duplicates, copies, written abstracts, summaries, notes, and other materials embodying such Confidential Information, will be returned promptly to the disclosing Party thereof, or destroyed (with prompt delivery to such disclosing Party of a writing executed by an officer of the receiving Party thereof certifying such destruction), if and as instructed by such disclosing Party. Notwithstanding the foregoing, Client acknowledges and agrees that, unless Company elects to staff one of its full-time employees as the Consultant, Company is not responsible for enforcing the provisions of this Section as to the Consultant. In order to protect the confidentiality of such information, Client acknowledges and agrees that it must enter into a confidentiality or non-disclosure agreement directly with such Consultant. Client hereby agrees that Company will not be liable to Client for a breach by Consultant of any term or condition related to confidentiality. This Section 6 shall survive the termination of this Agreement. Each Party hereby acknowledges and agrees that the terms, conditions, and restrictions set forth in this Section 6 hereof are reasonably necessary for the protection of the other Party's business and goodwill, and that any breach or threatened breach by such Party of any of such terms, conditions, and restrictions may cause such other Party substantial and irreparable harm for which monetary damages alone may not be adequate, and, accordingly, that in the event of such a breach or threatened breach, the aggrieved Party shall have the right to seek immediate injunctive relief and/or specific performance, in addition to any other remedies available at law or in equity.

**7. Warranty; Disclaimers.** Company warrants that it will staff only candidates who are duly licensed and qualified based on applicable CLIA requirements and state and accreditation organization analog laws, regulations, and requirements affecting clinical laboratories.

7.1. Beyond the warranty described, Company explicitly disclaims liability for acts or omissions of the Consultant in the course of the Consultant's work with Client.

7.2. The Company is retaining the Consultant as a part-time contractor for Client as Client's administrative agent, and accordingly, the Company and the Consultant may provide services for similar or even competitive organizations to Client. Company disclaims liability for all such outside activities or affiliations of the Consultant.

## 8. Obligations of the Client

8.1. **Supervision.** Client acknowledges that Company's obligations under this Agreement are of an administrative nature only, meaning Company is providing the administration of the Consultant's relationship. The Consultant shall work directly with Client and without Company's involvement in the course of the Consultant's ongoing provision of services. Accordingly, the Parties agree and acknowledge that Client shall have sole responsibility for the Consultant's ongoing performance. If Client has any complaint with the Consultant's performance, Client may notify Company of such issues and may request that the Consultant be replaced with another individual, and, in such case, Company shall use commercially reasonable efforts to replace the Consultant promptly.

8.2. **Support Staff: The** Client shall reasonably cooperate with the Consultant's guidance regarding the support staff, space, equipment, and supply needs for Client's lab. The Consultant will provide their own laptop for their remote work. Client is responsible for accommodating the Consultant's reasonable hiring recommendations, including by employing appropriate CLIA required staff including, without limitation, a qualified Clinical Consultant, as defined by CLIA (if not retained under this Agreement), , a General Supervisor, as defined by CLIA a Technical Consultant, as defined by CLIA, and Testing Personnel, with each meeting the CLIA qualifications applicable to such positions. The Client agrees to cause such personnel to timely and competently perform any responsibilities delegated by the Consultant to the reasonable satisfaction of the Consultant and in accordance with CLIA. The Client shall immediately notify the Consultant in the event that any of the aforementioned personnel ceases to meet any such applicable qualifications and provide a replacement possessing the requisite qualifications hereunder.

8.3. **Notice of Events:** The Client will be responsible for providing information, reasonable cooperation, and resources on a timely basis as required for the Consultant to perform services hereunder; this includes providing information about any outstanding legal or liability issues related to the clinical Laboratory, providing the support and resources necessary to achieve the designated outcomes, providing reasonable access to management for ongoing progress reports, discussions, and problems, and providing the support and resources necessary to address and correct any and all regulatory compliance deficiencies and issues.

8.4. **Compliance with Applicable Laws:** The Client agrees, at all times during the Term, to operate the Laboratory in compliance with all applicable laws, industry guidelines and directives, and CLIA standards. The Client agrees to comply and ensure that its employees comply with all federal, state, or local statutes, regulations, or guidance, including, but not limited to, any Medicaid, Medicare, or similar state healthcare or ancillary services' billing requirements, as applicable.

9. **Indemnification, Insurance.** The Client shall defend, indemnify and hold harmless the Company and its members, managers, officers, employees and/or agents from all claims, demands, liabilities, suits, costs, expenses and damages, including reasonable attorney's fees and court costs ("**Losses**") from any claims, lawsuits, investigations, demands, or other proceedings, in each case initiated by third-parties, arising out of, or related to, or in connection with any negligent, reckless, or intentionally wrongful acts or omissions of the Client, its officers, directors, agents and/or employees. The Company shall defend, indemnify and hold harmless the Client and its members, managers, officers, employees and/or agents from all claims, demands, liabilities, suits, costs, expenses and damages, including reasonable attorney's fees and court costs ("**Losses**") from any claims, lawsuits, investigations, demands, or other proceedings, in each case initiated by third-parties, arising out of, or related to, or in connection with any negligent, reckless, or intentionally wrongful acts or omissions of the Client, its officers, directors, or employees.

9.1. Each Party agrees that it will maintain in effect throughout the Term of this Agreement comprehensive general liability insurance coverage with limits not less than \$1,000,000/\$3,000,000 covering such party's obligations under this Agreement. Client shall also maintain general liability, professional liability, and such other coverages as needed to, at a minimum, insure against liability caused by Client's business and laboratory operations and professional services of Client, including the Consultant. Client represents and warrants that, as of the Effective Date, it possesses commercially reasonable professional liability insurance coverage, and covenants to maintain such coverage sufficient to insure Client's Laboratory operations for the duration of the Term, with limits, at a minimum, of \$1,000,000/\$3,000,000.

## 10. Choice of Laws, Alternative Dispute Resolution

10.1. **General.** The Parties desire to avoid and to settle without litigation any controversy, claim or dispute arising out of or relating in any way to this Agreement, (each, a “**Dispute**”). Accordingly, except with regards to Company’s efforts to collect any compensation, fees, or payments due to or owed to Company, or a Party’s efforts to enforce Section 6 of this Agreement, the Parties agree to utilize the procedures described in this Subsection 11 to resolve any Dispute.

10.2. **Informal Resolution.** A Party to this Agreement that has a Dispute will notify the other Party of the nature of and basis for the Dispute (a “**Dispute Notice**”). Within thirty (30) days after such Dispute Notice is given, the Parties, each represented by a senior executive, will meet and confer in good faith to attempt to resolve the Dispute described in the Dispute Notice informally.

10.3. **Mandatory Meet and Confer Regarding Alternative Dispute Resolution; Arbitration.** If the Parties are unable to resolve the dispute or to agree upon a mechanism to resolve the dispute within thirty (30) days after a Dispute Notice or if the Party responding to the Dispute Notice fails or refuses to attend any meet and confer required by this Section 11, then either Party may commence arbitration. Any Dispute referred to arbitration under this Section 12 shall be resolved through arbitration administered by the American Health Lawyers Association Dispute Resolution Service and conducted pursuant to the AHLA Rules of Procedure for Arbitration. Judgment on the award may be entered and enforced in any court having jurisdiction. Unless the Parties mutually agree otherwise, all disputes submitted to arbitration will be decided by a single arbitrator who must be a retired judge or a licensed attorney with at least five years of experience in healthcare law and selected in accordance with the AHLA Rules of Procedure for Arbitration. In determining the limits of discovery, the arbitrator shall give due regard for eliminating undue burden and expense and the Parties’ agreement to favor the expedited and lower cost nature of arbitration. Any arbitration hearing shall be held in Holly Springs, North Carolina, and this Agreement shall be governed and construed in accordance with the laws of the State of North Carolina, without regard to choice or conflict of law provisions or rules.

10.4. **Confidentiality of Alternative Dispute Resolution.** The Parties agree to maintain confidentiality about the proceedings arising out of any Dispute and disclose the existence of any arbitration, information about what has taken place or may take place in any arbitration, the award, or information about the outcome of any arbitration, only as needed to: (i) present claims and defenses in arbitration; (ii) pursue or oppose legal remedies in court pertaining to an arbitration, including enforcement of an award; (iii) submit claims to or meet the requirements of insurance carriers; (iv) obtain the services of outside legal counsel; (v) comply in good faith with applicable laws, rules, regulations, court orders, or other legal requirements; or (vi) comply with the award. In all other respects, the Parties agree to keep this arbitration strictly confidential. The Parties reserve the right to enter into, or request from the arbitrator, a more detailed confidentiality agreement or protective order. Nothing within this Section 11 shall be deemed to bar a party from seeking injunctive relief before a tribunal of competent jurisdiction if necessary to prevent or mitigate irreparable damages to the applying party or to pursue claims excepted from the arbitration requirements stated herein.

11. **Entire Agreement.** This Agreement supersedes and replaces all prior agreements and constitutes the entire agreement between Company and Client relative to the subject matter hereof (including without limitation, any purchase order issued by Client), and no other understanding which modifies the terms hereof shall be binding unless made in writing by both Company and Client or as set forth on any time report signed by Client, which are hereby incorporated and made part of this Agreement. Handwritten revisions made to this Agreement, which are not initialed and dated by Company, will be deemed to have been rejected. Intending to be legally bound, each party warrants that this Agreement is executed by their respective authorized representatives, inclusive of the total pages represented as constituting this document.

12. **Limitation of Liability; Damages Cap.** TO THE FULL EXTENT ALLOWED BY LAW, IN NO EVENT SHALL COMPANY BE RESPONSIBLE OR LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES, OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF ANY PROVISION OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND (C) THE LEGAL OR EQUITABLE THEORY

(CONTRACT, TORT, INDEMNIFICATION, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL COMPANY'S AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE SERVICES, OR THE PARTIES' RELATIONSHIP, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY, EXCEED THE TOTAL OF THE AMOUNTS PAID TO COMPANY HEREUNDER IN THE PREVIOUS TWELVE MONTHS OR \$100,000, WHICHEVER IS LESS. EACH PARTY ACKNOWLEDGES AND AGREES THAT THE PARTIES ENTERED INTO THE AGREEMENT IN RELIANCE ON THE LIMITATIONS OF LIABILITY SET FORTH IN THIS SECTION 13, THAT THE SAME REFLECT AN ALLOCATION OF RISK BETWEEN THE PARTIES (INCLUDING THE RISK THAT A CONTRACT REMEDY MAY FAIL OF ITS ESSENTIAL PURPOSE AND CAUSE CONSEQUENTIAL LOSS), AND THAT THE SAME FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

**13. Choice of Forum.** As proceeding or claim brought outside of the provisions of Section 11, the Parties agree and acknowledge that this Agreement has been executed in North Carolina, and any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of North Carolina, in the County of Wake, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. The Parties irrevocably and unconditionally waive any objection to venue of any suit, action, or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

**14. Interpretation.** No provision of this Agreement shall be interpreted for or against either Party because that Party's legal representative drafted such provision.

**15. No Third-Party Benefit.** This Agreement is intended for the exclusive benefit of the Parties hereto and their respective successors and assigns, and nothing contained in this Agreement shall be construed as creating any rights or benefits in or, to any third Party and shall not be enforceable by any third Party, except insofar as Client's payment, legal compliance, and cooperation obligations are intended to benefit the staffed Consultant.

**16. Liquidated Damages.** In the event of Client's early termination, not in accordance with Statement of Work Section 2 or Client's material breach of the Agreement (the "Client Breach"), Client shall pay to LLS an amount equal to 50% of the monthly rate set out in Section 3 of the Statement(s) of work for the number of months remaining in the Agreement. The parties intend that the Liquidated Damages constitute compensation, and not a penalty. The parties acknowledge and agree that the harm caused by Client's Breach would be impossible or very difficult to accurately estimate as of the Effective Date of the Agreement, and that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from a Client's Breach. The Client's payment of the Liquidated Damages is the Client's sole liability and entire obligation and the Customer's exclusive remedy for any Client Breach.

**17. Miscellaneous.** This Agreement shall be binding upon the parties, their affiliates, agents, successors, and assigns. If any provision of this Agreement is determined to be invalid, illegal, or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall not affect the remainder of this Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms. The Parties, in performing their respective duties and obligations under this Agreement, are at all times acting and performing as independent contractors with respect to each other, and noting in this Agreement is intended to create, nor shall be construed to create, an employer/employee relationship, a partnership, a joint venture, or any other form of relationship between the parties to this Agreement other than that of independent parties contracting pursuant to the term hereof. Those provisions that by their terms extend beyond the Term of this Agreement shall survive the termination or expiration of this Agreement. This Agreement may be executed in multiple counterparts, and by facsimile or electronic signature, each of which shall be deemed an original and all of which shall constitute one and the same instrument.