

American Health Resources, Inc. Personal Benefits Plan Agreement

This Agreement ("Agreement") is made by and between _____ (hereinafter the "Client") and American Health Resources, Inc. (hereinafter the "Company"), and _____, hereinafter the "Consultant", together hereinafter the "Parties", each being a "Party", effective this _____ of _____, 20__.

In consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Appointment.

Client hereby appoints Consultant and Company to provide benefits and compensation advice, assist employees of Client with health plan enrollment, provide Benefits Savings Accounts (BSA), Employee Care Plus (ECP), or Health Savings Accounts (HSA) as desired, provide guidance on regulatory compliance, and other services listed in Section 2 below. Client understands and agrees that these services do not constitute a "Group Health Plan" as defined by US Code Title 26, Sec. 5000(b)(1), US Code Title 29 Sec. 1191b(a)(1) or US Code Title 27 Sec. 2791(a)(1).

2. Duties of Company and Consultant.

Company shall, either directly or through Consultant, who is an independent contractor trained and credentialed by Company, provide the following services to Client:

- A. Calculate and advise the equivalent value in general compensation of group health coverage for each current employee, based on out of pocket medical expenses and the actual costs of individual policies available to each employee on public or private health insurance exchanges.
- B. Advise the Client and the employees of the Client on options and strategies to minimize both premium and out of pocket medical expenses.
- C. Educate employees about individual policies as needed, and help them enroll in those policies, as needed, on the appropriate exchanges.
- D. Calculate and advise (as in A above) for each new employee, during the term of this Agreement.
- E. Calculate and advise (as in A above) in the event the health insurance coverage needs of an employee change, during the term of this Agreement.
- F. Provide guidance and advice on maintaining compliance with regulations pertaining to group health plans or benefits provided under this Agreement, during the term of this Agreement.
- G. Company shall provide or cause to be provided those BSA, ECP, HSA accounts as desired by the Client, during the term of this Agreement.
- H. Upon renewal of this Agreement, calculate and advise on changes to the equivalent value (as in A above) given renewal premium changes and changes in employee out of pocket expenses or other circumstances over the course of the previous year.
- I. If elected by Client, provide an Employee Care Plus Program (ECP) to address circumstances that might otherwise adversely affect employees' work and health. Pursuant to IRS Notice 2012-09, those payments are deductible to the employer and not taxable as income to employees. IRS Bulletin 2014-43, DOL Release 10/14 clarified that these are not considered 'group health plans' for the purposes of the ACA, and would not interfere with individuals being eligible for subsidies or cost sharing. Also, 2014-43 and 10/14 allowed for limited dental and vision coverage on the same basis. Company reserves the right to determine the eligibility of any claim submitted by employees of Client, and Client agrees that determination shall be final. The services that this ECP shall cover is limited to these services only, to the dollar limit elected and actually funded by the Client:

- Counseling: financial, family, personal
- Legal and attorney fees
- Substance abuse counseling
- Wellness evaluations and counseling
- Weight Reduction
- Smoking Cessation
- Vision
- Dental
- Unanticipated medical expenses, drugs and tests related to a sudden illness or accident
- Healthcare 'concierge' services
- Flu Shots
- Preventive care not reimbursed by insurance

3. Duties of Client

- A. Client understands and agrees that the methods of analysis, reports and advice given pursuant to this Agreement constitute the stock and trade and valuable intellectual property of the Company, and agrees that the information provided by the Company to the Client shall not be used to adjust Clients' employee salary or wages without compensating the Company as per the terms of this Agreement.
- B. Client agrees to require Client's employees to submit information requested by Consultant by a specific date as agreed upon between Client and Consultant, understanding that full and complete analysis is impossible without timely receipt of that information. Client further agrees to indemnify and hold Consultant and Company harmless for any errors or omissions attributable to incomplete or inaccurate information submitted by Client or any employee of Client.
- C. Client understands and agrees that if Client chooses to fund Benefit Savings Accounts for employees in lieu of providing a group health plan, that funding shall be treated as general compensation that may be used by the employee for any purpose. Client understands that pursuant to federal regulation, limiting the use of that additional compensation to medical care or health insurance would constitute the formation of a group health plan and expose the Client to significant potential fines and penalties. Client agrees to indemnify and hold Company and Company's consultants harmless if Client rejects this advice and limits the use of that additional compensation in such a way as to trigger those fines and penalties.
- D. Client understands and agrees that Consultant is to be compensated by the Company. Client is notified herewith that Consultant is contractually prohibited from soliciting or accepting any compensation for any of the services addressed in this Agreement directly from Client. Client agrees to notify the Company immediately in the event Consultant requests or attempts to negotiate any compensation to be paid directly by Client to Consultant.

4. Compensation and payments

Client shall compensate Company in the amount of \$_____ per employee per month for each employee for whom one or more accounts listed in 2(G) above is provided by Company, payable upon the date on which this Agreement becomes effective, subject to the following provisions:

- A. The Company shall invoice the Client on or about the 1st of each month, based on the number of active employees for whom Company is providing accounts. Company shall waive all further compensation for employees who have been terminated by the Client. By way of example, if an agreement becomes effective in January, and an employee terminates during February, the Company shall accept the monthly installments for January and February as payment in full for that employee.
- B. Compensation for new employees for whom services have been provided shall be added to that invoice, at the monthly rate stated above.
- C. Client shall remit payment to the Company in time to ensure that payment is received by the Company no later than the last business day of the month for which the invoice applies. Client understands and agrees that Company cannot remit benefits payments to employees of Client unless those funds have been deposited with Company. Therefore, timely payment of invoices is of the essence to maintain employee satisfaction with their benefits plan.

5. Term, Renewal, Termination and Assignment.

- A. This Agreement shall commence on the date written above and be effective for a period of 1 (one) year from that date unless terminated prior to that date as provided herein. This Agreement shall automatically renew for additional 1 (one) year terms unless notice of termination is provided, in writing, at least 30 (thirty) days in advance of the date of termination. This Agreement may be terminated with or without cause by any Party upon 60 days' notice provided in writing to the other Parties. This Agreement shall be deemed terminated with cause in the event of insolvency, bankruptcy or appointment of a receiver which remains in effect for a period of 30 days or more, failure to perform, or any misrepresentation made by the Client, Consultant, or the Company.
- B. This Agreement may not be transferred or assigned without the prior written consent of all Parties. However, if a Party to this Agreement is acquired by another person or entity, their rights and responsibilities under this Agreement shall inure to that acquiring person or entity.

6. Indemnification.

Company, Consultant and Client agree to indemnify and hold each other harmless from any and all claims, damages or lawsuits (including attorneys' fees) initiated by any third party, should one exist, to this Agreement.

7. Confidentiality.

Client, Consultant and Company mutually acknowledge that by reason of this Agreement, the Client, Consultant and Company, and their respective employees, will have access to certain information and materials that are confidential and subject to privacy laws, or may be of substantial value, which value would be impaired or become the subject of civil or criminal law if such information were disclosed to third parties. The Parties mutually agree to abide by all applicable law pertaining to the safeguarding of protected or private information, and that such information shall not be used or disclosed in any way that would damage the Company, the Client, or any employee of the Client. This provision shall survive

termination of this Agreement and remain binding on all Parties.

8. Notices.

Any notices required or permitted by this Agreement shall be deemed given if sent by certified mail, postage paid, return receipt requested or by recognized an overnight delivery service such as FedEx:

If to Company or Consultant: American Health Resources, Inc., 11 N. 2nd Avenue, St. Charles, IL 60174.

If to Client: _____
Name of responsible party

Address and phone number

Email address to which invoices are to be sent

9. Entirety of Agreement.

The terms and conditions set forth herein constitute the entire agreement between the parties and supersede any communications or previous agreements with respect to the subject matter of this Agreement. There are no written or oral understandings directly or indirectly related to this Agreement that are not set forth herein. No change can be made to this Agreement other than in writing and signed by all parties.

10. Governing Law.

This Agreement shall be governed by the laws of the State of Illinois and any dispute under this Agreement must be brought in that venue and no other.

11. Headings in this Agreement

The headings in this Agreement are for convenience only, confirm no rights or obligations of any Party, and do not alter any terms of this Agreement.

12. Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

In Witness whereof, the Parties have executed this Agreement as of the date first written above.

American Health Resources, Inc.

Client

Signature

Signature

Print name

Print Name

Date

Date

Consultant

Signature

Print name

Date