

NCO group, Inc.

CONTRACT

This agreement made on the _____ day of _____, 1999, between NCO Financial Systems, Inc. (hereinafter referred to as "Agency"), and William Beaumont Hospital (hereinafter referred to as "Client") located at 500 Stephenson Hwy., Troy, Michigan 48007.

1. Client shall, during the term of this agreement, transfer certain accounts to Agency for collection. Client Agrees not to transfer any such account to any other collection agency while the account is in agency's possession. Referral of accounts to Agency shall be at the Client's discretion.

2. Agency shall use reasonable efforts to effect collections of accounts referred to it by Client. Agency agrees that it shall comply with all provisions of the Fair Debt Collection Practices Act ("FDCPA") and applicable state statutes.

3. Client shall notify Agency of all direct payments, on all referred accounts, at time of receipt to Agency. Client understands and agrees that full commissions are due and payable to Agency on such direct payments. Client further agrees to indemnify Agency as outlined in paragraph 13 below for all losses caused by Client not reporting any such direct payments.

4. All funds collected by Agency on behalf of Client shall be deposited in Agency's escrow account. Client authorizes Agency to endorse negotiable instruments made payable to Client for purposes of depositing funds in said account. Any interest earned on funds shall be retained by Agency.

5. Agency shall remit by the 10th of the month monies collected during the preceding month less commission and shall invoice client with a statement summary.

6. Client acknowledges that in connection with the collection of delinquent consumer debts, the FDCPA requires that Agency provide the consumer with verification of the underlying obligation if that request is made to Agency, in writing, by the consumer within 30 days of our initial communication with the consumer. The law prohibits Agency from collecting on any obligation once a verification request is made to Agency from the consumer, until such time as said verification has been mailed by Agency to the consumer. Client acknowledges that in any situation in which it does not provide Agency with the requested verification, Agency can no longer legally attempt to collect the account. In such case, Client acknowledges that the Agency will return the account to Client.

7. Agency shall return, without charge, any account placed in error.

8. This agreement may be terminated by either party upon thirty (30) days prior written notice to the other. Termination notices shall be sent by certified or registered mail. Any account placed with Agency prior to the effective date of termination of this Agreement will be retained by Agency for further collection.

9. Unless Client indicates otherwise, by checking this box [], Client hereby authorizes Agency to report to credit reporting bureaus all assigned collection account information provided under this agreement. Client agrees not to report to credit reporting bureaus any collection account information authorized to be reported by Agency.

10. Each party shall maintain true and correct records pertaining to the accounts which are subject to this agreement. Each party, upon request, shall have the right to audit sufficiently to verify the accounting of all funds and the accuracy and appropriateness of all charges.

- 11. Agency shall not initiate legal action nor accept settlement of an account without prior written authorization of the Client. Legal action will be brought in the Client's name where applicable. Authorization by client for legal action will be on a claim by claim basis. Unless Client indicates otherwise, by checking this box [X], Client agrees to advance all court costs associated with the filing of legal action on an account placed and agrees it will be reimbursed for such costs if recovered from the debtor. (NCO will advance court costs)
- 12. In consideration for the collection efforts of Agency, a commission shall be retained by Agency of N/A% of the monies collected for first placements, 20 % for second placements and 35 % for all legal accounts.
- 13. Agency hereby agrees to defend, hold harmless and indemnify Client from and against any and all claims, causes of action, damages, losses, and expenses, including Client's legal fees, resulting from Agency's collection activity under this contract; provided, however, that Agency shall have no such obligation to defend, hold harmless or indemnify Client to the extent that any such claim, cause of action, damage, loss or expense is solely caused by an error in information supplied by Client to agency and client was grossly negligent in failing to correct such information prior to providing same to Agency.
- 14. All costs and expenses, including reasonable attorney fees incurred by Agency in order to remedy any breach of this Agreement will be borne by Client.
- 15. This agreement shall be construed, governed and enforced in accordance with the laws of the State of Michigan.
- 16. This agreement is inclusive of the below listed Addendum/Addenda, which are incorporated hereby by reference:

a. _____
 b. Other, Addendum dated _____

17. This agreement constitutes the entire agreement between the parties and cannot be modified or amended except with the written consent of both parties

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have executed this agreement in duplicate on the date above written.

CLIENT: WILLIAM BEAUMONT HOSPITAL

NCO FINANCIAL SYSTEMS, INC.

Signed By: [Signature]

Signed By: [Signature]

Print: **STEPHEN J. FERRIS**
 Title: **CORP CONTROLLER**

Print: Beth Holbrook
 Title: Account Executive

NCO Financial Systems, Inc.

55 Dodge Road
Getzville, NY 14068

(800) 227-4000
(716) 691-6400
Fax (716) 691-6541

*original
sent to
you
July 12th*

July 12, 1999

Stephen Ferrier
William Beaumont Hospital
500 Stephenson Highway
Troy, MI 48007

Re: NCO Financial Systems, Inc. Certificate of Liability Insurance

Dear Mr. Ferrier:

Enclosed please find a Certificate of Liability Insurance for NCO Financial Systems, Inc. Should you have any questions regarding the enclosed, please do not hesitate to contact the undersigned.

Very truly yours,

Tracey A. Wild

Tracey A. Wild
Vice President, Corporate Legal Department

Enclosure

cc: J. Miserendino
Patricia Feely

*Licensed to practice law in the State of New York

CERTIFICATE OF INSURANCE

PRODUCER:
 Dash & Love, Inc.
 111 Presidential Boulevard, Suite 121
 Bala Cynwyd, PA 19004

INSURER:
 NCO Financial Systems, Inc.
 515 Pennsylvania Avenue
 Fort Washington, PA 19084



This certificate is issued as a matter of information only, and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.

COMPANIES AFFORDING COVERAGE:
 A. St. Paul Fire & Marine
 B. National Union Fire & Insurance Co.

COVERAGE, LIMITS, EXCLUSIONS AND CONDITIONS

This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period in dictated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

CO. ITR	TYPE OF COVERAGE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	ALL LIMITS IN THOUSANDS
A	GENERAL LIABILITY AND COMMERCIAL GENERAL LIABILITY OCCURRENCE BASIS	TE06400732	9/1/98	9/1/99	GENERAL AGENCY - \$1,000 PRODUCER-CORPORATE AGENCY - \$1,000 PERSONAL AND ADVERTISING INJURY - \$1,000 EACH OCCURRENCE - \$1,000 FIRE DAMAGE (Any one fire) - \$1,000 MED. EXPENSE (Any one person) - \$2.5 COMBINED SINGLE LIMIT - \$1,000
A	AUTOMOBILE LIABILITY ANY AUTO - UEA NON-OWNED AUTO	TE06400732	9/1/98	9/1/99	
A	EXCESS LIABILITY	TE06480782	9/1/98	9/1/99	EACH OCCURRENCE - \$10,000 AGGREGATE - \$10,000
A	WORKERS COMPENSATION AND EMPLOYERS LIABILITY	WVA5401762	9/1/98	9/1/99	STATUTORY WC #1 EACH ACCIDENT - \$100 #2 DISEASE - POLICY LIMIT - \$100 #3 DISEASE - EACH EMPLOYEE - \$100
B	EMPLOYEE FIDELITY BOND	8568200	9/1/98	9/1/99	\$10,000
B	ERRORS & OMISSIONS	4898979	11/1/97	11/1/01	\$10,000 PER CLAIM - AGGREGATE \$10,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS:
 * Coverage includes Employee Dishonesty, Depositor's Forgery, Computer Fraud, Money Loss Inside & Outside.

CERTIFICATE HOLDER:
 William Beaumont Hospital
 500 Stephenson Highway
 Troy, MI 48007

 ATTN: Stephan Ferrier

AUTHORIZED REPRESENTATIVES:
 KENNETH A. DASH

Original: Client
 Copy: Dash & Love, Inc., File copy

cont doc

NCO Financial Systems, Inc.

2865 Elizabeth Lake Road
Waterford, MI 48328

(800) 822-3580
(248) 683-0211
Fax (248) 683-3657

Steve Farnier
Corporate Controller
William Beaumont Hospital
500 Stephenson Hwy.
Troy, Michigan 48007

July 13, 1999

Dear Steve,

ANNA
PLS
PROCEED

Attached is a revised NCO contract with section 13 worded per the request of your staff attorney, Michael Nobel. I have also enclosed a copy of NCO's Certificate of Insurance (the original was sent to you from our corporate office yesterday).

If all is satisfactory, please sign the enclosed contract and return to my attention.

Sincerely,



Beth Holbrook
Account Executive



A Professional Debt & Check Collection Agency

COLLECTION AGREEMENT

LJ Ross Associates ("LJRA"), Suite G, 6360 Jackson Rd, Ann Arbor, MI 48103, and Beaumont Hospitals ("Client"), located at 500 Stephenson Hwy, Troy, MI 48063, in consideration of mutual covenants to be bound by the terms of this Collection Agreement, agree as of this 23 day of August, 2004, as follows:

1. **Second Placement Collection Service.** LJRA will provide second placement collection service on Client's patrons' debts referred to LJRA by the Client and at a minimum provide for:
 - 1a. Office hours of 8:00 AM - 8:00 PM, Monday through Thursday and 8:00 AM - 6:30 PM on Friday.
 - 1b. Separate 1-800 telephone service for Client and patients/debtors, current client number 1-800-446-9206 and patient/debtor number to be determined.
 - 1c. Client specific collectors trained and assigned specifically to Beaumont Hospital accounts in numbers to secure the maximum collection rate and where patient/debtor accounts are assigned collectors the day following receipt, and where collector work queues are emptied daily and monitored by management for the same, and where debtor accounts are worked by collectors as per a system initiated strategy - broken promises first, and so on.
 - 1d. Skip tracers assigned in numbers so as to support collectors with useable debtor telephone and address information acquired from the National Change of Address Directory, and/or Phone Disc, and /or Directory Assistance, and/or Accurint, and/or the Internet, and/or LJRA's proprietary databases.
 - 1e. Collection letters in quantity and kind as required under the Fair Debt Collection Practices Act, at a minimum.
 - 1f. Attempted debtor telephone contact as required in LJRA's Standard Operation Procedure.
 - 1g. A person or persons at the manager level to supervise the entire collection effort and maintain needed interface with Beaumont Hospitals.

All collection services performed by LJRA hereunder will comply with applicable federal, state, local laws, and Beaumont Hospital policy.

2. **Consideration.** LJRA's commission shall be on a contingency basis and paid monthly at a rate of 29.5% of dollars collected.
 - 2a. With Beaumont Hospital approval, LJRA will forward accounts requiring legal action/suit to a Beaumont Hospital approved attorney. As the forwarding agent, LJRA's commission on dollars recovered shall be 40% of dollars collected.
 - 2b. Debts forwarded to an agency or attorney out of state and collected shall carry a contingency of 40% of dollars collected.
 - 2c. LJRA shall advance necessary court cost and filing fees.

LJRA is entitled to a commission as stated above, upon recovery, after either verbal or written demand is made to the debtor. Beaumont Hospital will immediately notify LJRA of any payments it received on accounts referred to LJRA.

3. **Customer Obligations.** Client shall make available to LJRA personnel reasonable training and resources to facilitate LJRA personnel retrieving second placement accounts to be collected. Such retrievals shall take place not less than monthly. LJRA shall be authorized to settle any account owed Beaumont Hospital for 15% off the balance owing without prior Beaumont Hospital approval.

6360 Jackson Rd., Suite G ■ Ann Arbor, MI 48103
 Phone: (800) 446-9206 ■ Fax: (734) 662-1296

COLLECTION AGREEMENT

4. Indemnification. Each party hereto agrees to indemnify and hold harmless the other from any claims, actions or liabilities of any kind arising, directly or indirectly, from the indemnifying party's failure to perform its obligations.
5. Reporting and Remittance. LJRA will report and mail remittance monthly. Standard reports shall be furnished by LJRA at no cost to the Client upon request. Custom reports shall be provided at cost. An account may be returned to the Client upon either party's request. LJRA shall remit to Client, net of applicable commission, and not greater than monthly all dollars collected.
6. Independent Contractor. This agreement shall constitute LJRA as an independent contractor, Client being interested only in the results of the Collection Services.
7. Termination. The term of this Agreement shall be twenty-four months from the date of receipt of the first debts to be collected. Either party may terminate this Agreement at any time and for any reason upon 30 days prior written notice.
8. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.
9. Severability. If any provision in this agreement is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Agreement.
10. Entire Agreement and Modifications. This Agreement represents the entire understanding of the parties with respect to the subject matter hereof and may not be altered, modified or amended unless writing signed by both parties.

CLIENT:
 By: [Signature]
 Title: VP & CIO
 Vice President & CIO
 Signature: 8/23/04
 Dated: _____

L J ROSS ASSOCIATES:
 By: Melissa D. Plunkey
 Title: VP & General Mgr.
 Signature: Melissa D. Plunkey
 Dated: 9/10/04

6360 Jackson Rd., Suite G ■ Ann Arbor, MI 48103
 Phone: (800) 446-9206 ■ Fax: (734) 662-1296

ADDENDUM
BUSINESS ASSOCIATE

This Addendum sets forth the terms and conditions under which the Parties agree to manage Protected Health Information pursuant to the terms and conditions in the Agreement or Purchase Order dated August 23, 2004 (hereinafter "Agreement") between William Beaumont Hospital ("Beaumont") and LJ Ross Associates, Inc., 6360 Jackson Rd, Suite G, Ann Arbor, MI. 48103 ("Business Associate"). The following terms describe the intended use within this Addendum and the Agreement:

"Designated Record Set" is a group of records maintained by or for Beaumont that includes: (a) the medical records and billing records about individuals maintained by or for a health care provider; (b) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (c) used, in whole or in part, by or for Beaumont to make decisions about individuals.

"HIPAA Privacy Regulations" means the Health Insurance Portability and Accountability Standards for Privacy of Individually Identifiable Health Information, 45 CFR Parts 160 and 164.

"Individually Identifiable Health Information" according to HIPAA Privacy Regulations is information that is a subset of health information, including demographic information collected from an individual, and: (a) is created or received by a health care provider, health plan, employer, or health care clearinghouse; (b) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (c) identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

"Protected Health Information" according to HIPAA Privacy Regulations is Individually Identifiable Health Information that is transmitted by electronic media, maintained in any medium, or transmitted or maintained in any other form or medium.

"Secretary" means the Secretary of the Department of Health and Human Services or designee.

Section 1. Use and Disclosure of Protected Health Information. As a "Business Associate" to Beaumont, the Business Associate is required to ensure that its directors, officers, employees, contractors and agents do not use or disclose Protected Health Information (PHI) received from Beaumont or another party or created on behalf of Beaumont as maintained in a designated record set in any manner other than as defined by the Agreement and this Addendum, including a manner that would constitute a violation of the HIPAA Privacy Regulations if so used or disclosed by Beaumont. Business Associate may use and disclose the minimum necessary of PHI to carry out its duties and obligations under the Agreement, which may be amended from time-to-time to include other duties and obligations related to PHI, or use or disclose PHI as required by law. In addition, Business Associate may use PHI for its own management and administration provided the disclosures are required by law, or, after obtaining the prior consent of Beaumont, which consent shall not be unreasonably withheld, in instances where the disclosure of PHI is not required by law, Business Associate shall obtain reasonable assurances from the person to whom the PHI is disclosed that the information remain confidential and used or re-disclosed only as required by law or for the purpose for which it was disclosed. Furthermore, Business Associate shall require the person to immediately notify Business Associate of any instances of which it is aware that a breach of confidentiality occurred.

Section 2. Safeguards Against Misuse or Wrongful Disclosure of Protected Health Information. Business Associate agrees that it will use reasonable and appropriate safeguards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement, this Addendum, or as required by law.

Section 3. Reporting of Wrongful Disclosures of Protected Health Information. Within five (5) days of the Business Associate's lead client service partner becoming aware of an unauthorized disclosure of PHI in violation of the Agreement, this Addendum, or law, the Business Associate shall report the wrongful disclosure to Beaumont's Privacy Officer.

Section 4. Agreements with Subcontractors or Agents. If Business Associate enters into an agreement with any agent or subcontractor in fulfillment of its obligations under the Agreement and the agent or subcontractor will have access to PHI, Business Associate must assure that agent or subcontractor is bound with respect to PHI by the same restrictions, terms and conditions of the Agreement including this Addendum.

Section 5. Access to Protected Health Information. Business Associate shall notify Beaumont within fifteen (15) days of a request by a patient for access (inspection or receipt of a copy) to PHI in its possession. The Parties agree to arrange for inspection and copying of the information as requested by the patient in compliance with Beaumont's privacy practices, policies, and HIPAA Privacy Regulations, including charging the patient for photocopying. Beaumont is responsible to respond to the patient's request for access to PHI.

Section 6. Amendment of Protected Health Information. Business Associate shall notify Beaumont within fifteen (15) days of receipt of a request by a patient to amend any PHI in its possession. Any patient request to amend PHI shall follow Beaumont's privacy policies, practices, HIPAA Privacy Regulations, and Michigan law. The Parties agree that Beaumont shall be responsible to respond to the patient's request for amendment, Business Associate may amend PHI only upon the express written direction of Beaumont.

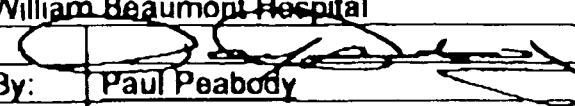
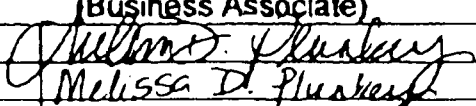
Section 7. Accounting of Disclosures. Business Associate may only disclose PHI as described in the Agreement and Section 1 above. Furthermore, Business Associate shall provide to Beaumont the following information within fifteen (15) days of receipt of Beaumont's request for an accounting of all disclosures made of a patient's PHI: (a) the date of the disclosure; (b) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (c) a brief description of the PHI disclosed; and (d) a brief statement of the purpose of such disclosure. In the event a patient requests an accounting of disclosures of his or her PHI directly from Business Associate, Business Associate shall within five (5) days forward such request to Beaumont. Beaumont is responsible to respond to such request.

Section 8. Availability of Books and Records. Business Associate agrees to make its practices, books and records, including policies and procedures relating to the use and disclosure of PHI received from Beaumont or another party on Beaumont's behalf or created on Beaumont's behalf available to Beaumont and/or the Secretary during normal business hours for purposes of determining Beaumont's compliance with the HIPAA Privacy Regulations. Business Associate shall immediately notify Beaumont's Privacy Officer if the Secretary requests access to its practices, books or records.

Section 9. Termination Upon Breach of Provisions Applicable to Protected Health Information. The Agreement may be terminated by Beaumont in response to a material breach by Business Associate of its obligations hereunder after providing Business Associate a thirty (30) day period in which to cure the breach. If cure is not possible, Beaumont may immediately terminate the Agreement. However, if the material breach by Business Associate pertains to a use or disclosure of PHI not otherwise permitted herein, Business Associate shall use its best efforts to cure the breach within five (5) business days, but shall have up to ten (10) business days to cure the breach. Furthermore, in the event that termination of the Agreement is not feasible, Business Associate acknowledges that Beaumont shall have the right to report the breach to the Secretary.

Section 10. Return or Destruction of Protected Health Information upon Termination. Upon termination of the Agreement, Beaumont and Business Associate shall mutually determine whether Business Associate is to return, destroy, or retain all PHI in any form in its possession. If Business Associate is required to retain PHI, the terms and conditions of this Addendum shall survive termination of the Agreement, and such PHI shall be used or disclosed solely for the purpose or purposes which prevented the return or destruction of the PHI. If Business Associate is required to return or destroy PHI, it shall not keep a copy of the PHI. Furthermore, if Business Associate is required to destroy PHI it shall use reasonable methods of destruction to assure that a breach of confidentiality does not occur during the process.

IN WITNESS WHEREOF, the Parties hereto execute this Addendum.

William Beaumont Hospital		(Business Associate)	
By:	 Paul Peabody	By:	 Melissa D. Plunkert
Title:	Vice President and CIO	Title:	Vice President & General Mgr.
Date:	August 23, 2004	Date:	9/10/04

**DOCUMENTS CONCERNING
ESTABLISHMENT OF
COLLECTION AGENCY**

May 31, 1995

Confidential
William Beaumont Hospital

AGREEMENT

THIS AGREEMENT ("Agreement") is made effective as of the ___ day of _____, 1995, by and between WILLIAM BEAUMONT HOSPITAL, a Michigan nonprofit corporation, which is located at 3601 West 13 Mile Road, Royal Oak, Michigan 48073 (the "Hospital"), and [REDACTED] (the "Agency"), a newly formed Michigan corporation, which is located at [REDACTED] (the "Agency").

RECITALS:

It is proposed and agreed that, effective Nov 15th, 1995, Agency will provide collection services to and serve as the exclusive collection agent for Hospital, pursuant to the terms and conditions negotiated by Hospital and Agency as set forth in this Agreement. The Hospital acknowledges that, as of the effective date of this Agreement, the Agency is to simultaneously enter into an agreement with Sinai Hospital of Detroit ("Sinai"), which contains terms and conditions identical to those stated herein.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS.

1.1 Accounts. All Accounts, designated as Accounts Receivable Divisions 1, 2, 3 and 4, not to include accounts which Hospital intends to transfer to an attorney for collection, which Hospital intends to exclusively transfer to Agency for collection of payment as contemplated by this Agreement and which are assigned after the Effective Date.

1.2 Costs of Operation. All reasonable costs incurred by Agency in the operation of its collection business, exclusive of any management fees or loan repayments. Costs of Operation shall include, for example, rent, telephone, utilities, salaries and benefits of employees, professional fees, office supplies, insurance premiums and depreciation.

1.3 Hospital's Share of Costs of Operation. For the first year that this Agreement is in effect, the Hospital's Share of Costs of Operation shall be 56 percent of the Costs of Operation. Thereafter, Hospital's Share of Costs of Operation shall be adjusted on a monthly basis based on the dollar volume of Hospital's Accounts serviced by Agency in relation to the total dollar volume of accounts serviced by Agency during the previous month.

1.4 Effective Date. The Effective Date of this Agreement is the date of execution.

*1996
DN
9-10-95*

1.5 **Gross Collections.** All amounts collected by Agency from the Accounts turned over by Hospital during the month less any returned items.

1.6 **Net Collections.** Gross Collections less Hospital's Share of the Costs of Operation.

1.7 **Southeastern Michigan.** The counties of Lapeer, Macomb, Oakland, Washtenaw and Wayne in the State of Michigan.

1.8 **Trust Account.** A bank account separate from any other bank account of Agency designated for the benefit of Hospital and into which Agency shall deposit all funds collected on behalf of Hospital. Agency, through its designated and authorized representatives, shall be the sole signatory to the accounts.

2. TRANSFER OF ACCOUNTS TO AGENCY.

2.1 **Initial Transfer of Accounts.** Hospital shall within ten (10) days of the Effective Date transfer to Agency its Accounts as well as all necessary information relating to the Accounts, to permit Agency to initiate its collection efforts on the Accounts as herein provided.

2.2 **Monthly Transfer of Current Accounts.** Following the initial transfer of accounts, Hospital shall, by the tenth day of each month, transfer to Agency all current Accounts, as well as all necessary information relating to the Accounts.

2.3 **Ownership.** All Accounts, all funds collected, as well as any records or other documents (including copies, summaries, diskettes, or other medium for electronic storage of information) prepared or acquired by Agency for the benefit of Hospital in performance of this Agreement shall be the sole and exclusive property of Hospital and shall be surrendered to Hospital by Agency upon termination of this Agreement.

3. COLLECTION OF ACCOUNTS BY AGENCY.

3.1 **Collection.** Agency shall take all action reasonably necessary, using due diligence, to successfully collect from the Accounts which have been transferred to Agency by Hospital.

3.2 **Collection of Funds.** All funds collected by Agency from Hospital's Accounts shall be deposited into the Trust Account.

3.3 Agency Personnel. Hospital shall have the right to direct that any specified agent or employee of Agency cease and desist from performing any work on Hospital's Accounts. Agency shall consider any such directive and promptly take steps it considers necessary to remedy any problem. Notwithstanding the Hospital's directive, any decision about such agent's or employee's continued employment shall be the sole responsibility of Agency.

3.4 Employment of Professionals. Agency shall have the right to employ accountants, attorneys or other professionals, as Agency deems necessary in its sole discretion, to assist Agency in its obligations under this Agreement; provided, however, that Agency shall consult with Hospital concerning the identity and level of compensation of any such professional. Any fees paid by Agency to any professionals shall be considered a part of the Costs of Operation. However, if a professional is retained by Agency in connection with a particular Account, any professional fees incurred shall be charged against the amount collected on the particular Account.

4. AGENCY FEES.

4.1 Initial Seven Months. During each of the first seven (7) full months after the Effective Date of this Agreement, Hospital shall pay to Agency a monthly fee, which shall be the greater of:

(a) 1.5 percent of Gross Collections plus 3.5 percent of Net Collections; or

\$5,000 ~~\$10,000~~

Signed: James R. Heuer Signed: Scotty Gold

(b) ~~\$5,000~~

Dated: 9-12-15

Dated: 8/24/15

4.2 Subsequent Months. For each month after the seventh full month after the Effective Date of this Agreement, Hospital shall pay Agency a monthly fee of 1.5 percent of Gross Collections plus 3.5 percent of Net Collections, as provided in Section 7.1.

5. EXCLUSIVITY.

5.1 Exclusive Agreement. This Agreement shall be an exclusive agreement with respect to Accounts. However, Hospital consents to and acknowledges that, as of the Effective Date of this Agreement, Agency is to simultaneously enter into an agreement with Sinai, which contains the same terms and conditions as this Agreement. Accordingly, Hospital and Sinai shall utilize Agency as their sole collection agent and Agency is to serve as a collection agent only on their behalf.

5.2 Consent of Hospital. During the entire term of this Agreement, Agency, its agents, servants, employees, directors, shareholders or any entity controlled by any of the foregoing may enter into an agreement whereby Agency provides collection services to another participant only if Hospital provides its written consent to the proposed agreement between Agency and the new participant. If Hospital refuses to consent to the proposed agreement, Agency may only enter into such an agreement as provided in Paragraphs 5.3, 5.4, or 5.5 below. The agreement entered into between Agency and Sinai, referred to above, is not implicated by this Paragraph.

5.3 Agency Prohibited for Two Years From Entering Into Similar Agreement With Entity Located Outside of Southeastern Michigan. Agency, and its agents, servants, employees, or directors shall not be permitted to enter into an agreement the same or similar to this Agreement with any other entity located outside of Southeastern Michigan for a period of two (2) years from the Effective Date without the prior written consent of Hospital. Hospital shall be entitled to injunctive relief and any other remedy provided by law if Agency violates this Paragraph.

5.4 Agency Prohibited For Ten Years From Entering Into Similar Agreement With Entity Located in Southeastern Michigan. Agency, its agents, servants, employees, directors, shareholders or any entity controlled by any of the foregoing shall not enter into an agreement the same or similar to this Agreement with any other entity located in Southeastern Michigan, for a period of ten (10) years from the Effective Date without the prior written consent of Hospital; thereafter, any such agreement must first be offered to Agency which shall have not less than thirty (30) days to accept or reject the same after consultation with Hospital. Hospital shall be entitled to injunctive relief and any other remedy provided by law if Agency violates this Paragraph. The agreement entered into between Agency and Sinai is not in violation of this Paragraph.

5.5 Shareholder Contracts. After one (1) year has elapsed since the Effective Date, Agency's shareholders may enter into an agreement the same or similar to this Agreement with any other entity located within or outside of Southeastern Michigan without first obtaining the written consent of Hospital; provided, however, that with respect to any agreement with any entity located within Southeastern Michigan, such agreement must first be offered to Agency which shall have not less than thirty (30) days to accept or reject the same after consultation with Hospital. Prior to expiration this one (1) year period, the written consent of Hospital must be obtained.

6. WARRANTIES AND INDEMNIFICATION.

6.1 Agency Warranties. Agency warrants and represents to Hospital that:

(a) Agency is duly licensed by the state of Michigan as a collection agency. Agency's license is in good standing and has never been revoked or suspended.

(b) Agency shall at all times comply with all applicable federal and state laws, and with all regulations, rules, and ordinances relating to collection agencies and debt collection practices.

(c) While this Agreement is in effect, Agency shall carry all automobile, malpractice, professional liability, general liability, workers' compensation, or other insurance in such amounts as required by law or by a reasonably prudent business person.

6.2 Indemnification of Hospital. Agency agrees to indemnify, defend and hold Hospital harmless from all claims, liabilities or damages including, but not limited to, reasonable attorneys' fees, arising out of any action or failure to act of Agency or due to Agency's breach of this Agreement. This right of indemnification does not extend to any professional liability claims asserted against Hospital. In addition, this right of indemnification is conditioned upon Hospital giving Agency reasonable notice of the claim and an opportunity to participate in the defense of the claim.

6.3 Indemnification of Agency. Hospital agrees to indemnify, defend and hold Agency harmless from all claims, liabilities or damages including, but not limited to, reasonable attorneys' fees, arising out of any action or failure to act of Hospital or due to Hospital's breach of this Agreement. This right of indemnification does not extend to any professional liability claims asserted against Agency. In addition, this right of indemnification is conditioned upon Agency giving Hospital reasonable notice of the claim and an opportunity to participate in the defense of the claim.

7. REPORTS AND AUDITS.

7.1 Monthly Statement. Agency shall conduct two separate and distinct accountings on a monthly basis:

(a) Financial Statement: Agency shall distribute its monthly financial statement to Hospital, prepared in accordance with Generally Accepted Accounting Principles consistently applied (GAAP), by the tenth day of the month following the month for which payment is owed. Agency shall employ accrual basis accounting in the preparation of its financial statements. Hospital shall remit to Agency its fees, as determined under Paragraph 4, by the last day of the month in which Hospital receives Agency's monthly financial

statement if received by the tenth of such month; otherwise, within thirty (30) days of such receipt.

(b) Trust Remittance Statement. Agency shall provide Hospital with a trust remittance statement by the fifteenth day of the month following the month for which payment is owed. The statement shall detail all sums collected and deposited in the Trust Account with respect to each Account, and itemize each cost or fee to be charged to Hospital for the preceding period. Agency shall thereafter deduct from the Trust Account all costs and fees charged to Hospital as indicated in the statement. After the costs and fees are deducted, Agency shall immediately forward to Hospital all funds remaining in the Trust Account. The trust remittance statement shall be prepared pursuant to the guidelines published for trust accounting by the State of Michigan Department of Licensing and Regulation.

7.2 Fiscal Year. The Agency's fiscal year shall end on June 30th of each year.

7.3 Inspection; Annual Audit. Hospital shall have the right to inspect any and all books and records of Agency during normal business hours at Agency's place of business at a date and time specified by Hospital, provided the Agency receives written notice of the inspection at least one (1) day in advance. Hospital shall have the right to obtain an annual audit of Agency's books and records, which is to be performed by an independent third party. Agency shall pay all expenses incurred as a result of the audit.

8. DEFAULT AND REMEDIES.

8.1 Default. The failure of either party to perform a term, condition or covenant made or undertaken by it or the violation of any warranty or representation in this Agreement shall be deemed a default under this Agreement. If a non-monetary default occurs and remains uncured by the defaulting party for ten (10) days after the other party has given a written Notice of Default, the non-defaulting party shall have the right to immediately terminate this Agreement. Notice of Default shall be given in accordance with Paragraph 10.7. If a monetary default occurs under this Agreement, the defaulting party shall have five (5) days from the date payment was due within which to make the required payment (a "5-day grace period"). Notice of Default is not required in the case of a monetary default. If the payment is not made within the 5-day grace period, the non-defaulting party shall have the right to immediately terminate this Agreement.

8.2 Remedies. The right to terminate this Agreement shall be cumulative and in addition to any and all other rights and remedies available to the parties. The assertion by any party of any right or remedy shall not preclude the assertion by such party of any other

rights or the seeking of any other remedies. No waiver of any right or remedy on one occasion shall be a waiver of that right or remedy on any future occasion.

9. TERM AND TERMINATION.

9.1 Term of Agreement; Termination. The initial term of the Agreement shall be two (2) years from the Effective Date. Upon expiration of the initial term, the Agreement will automatically extend for consecutive 1-year terms, unless either party provides the other party with written Notice of Intent to Terminate the Agreement, in accordance with Paragraph 10.7, at least ninety (90) days prior to the end of the prior term. Upon delivery of its Notice of Intent to Terminate, Hospital shall no longer be obligated by this Agreement to transfer its Accounts as provided in Paragraph 2.2. If Agency terminates pursuant to this Paragraph, Agency, its shareholders, agents, servants, employees or directors shall not be permitted to enter into an agreement the same or similar to this Agreement with any other entity located in Southeastern Michigan for a period of one (1) year from the date of termination.

9.2 Termination During Initial Term. Either party may deliver Notice Intent to Terminate the Agreement to the other party, in accordance with Paragraph 10.7, prior to the expiration of the initial term of the Agreement only as provided in Paragraph 8.1.

9.3 Turnover of Accounts. Upon termination of this Agreement, Agency shall, within ten (10) days of the date of termination, turn over to Hospital all Accounts and all books, records, documents, computer information, and any and all other items relating to Hospital's Accounts in Agency's possession and shall cease and desist from its collection efforts regarding Hospital's Accounts.

9.4 Turnover of Funds. Upon termination of this Agreement, within ten (10) days of the date of termination, Agency shall pay to Hospital all sums, less Hospital's Share of the Costs of Operation and fees as provided by Paragraph 4.2, that Agency has deposited in the Trust Account on behalf of Hospital, and provide Hospital with the final monthly statements as set forth in Paragraph 7.1.

10. GENERAL PROVISIONS.

10.1 Confidentiality. In the course of performance of this Agreement, Hospital may communicate information to Agency in order to permit Agency to perform its obligations under this Agreement. Agency may also have access to information about Hospital, its employees, patients and other entities during the course of performing this Agreement. Agency agrees:

(a) To treat, and to obligate all of Agency's employees, agents, directors or shareholders to treat, all information as secret and confidential, whether or not it is identified as confidential;

(b) Not to disclose to any third party, or use (except as provided in this Agreement) any reports, recommendations, opinions and conclusions which Agency makes of or for the Hospital; and

(c) Not to use or to disclose to any person or organization, without the prior written consent of Hospital, any trade secrets or other confidential information relating to Hospital that Agency may acquire during the performance of this Agreement.

The terms and existence of this Agreement shall also be treated as confidential by Agency. Hospital shall be entitled to injunctive relief and any other remedy provided by law if Agency violates this Paragraph.

10.2 Independent Contractor. All services rendered by Agency to Hospital shall be performed by Agency as an independent contractor. Agency is not Hospital's employee, partner, joint venturer or agent. Agency shall not make any representations or commitments on behalf of Hospital without Hospital's prior written consent.

10.3 Nonassignable. This Agreement and the rights under it may not be assigned by Agency, nor may Agency delegate any duties, or subcontract any work without the prior written consent of Hospital. Any unauthorized attempt to assign, delegate or subcontract shall be void.

10.4 No Third-Party Beneficiaries. The parties do not intend to confer any benefits on any person, firm or entity other than Agency and Hospital.

10.5 Time. Time is of the essence in performance of this Agreement.

10.6 Survival of Covenants, Warranties and Representations. All representations, warranties, covenants, and agreements of each of the parties to this Agreement shall survive the termination of this Agreement.

10.7 Notices. All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed given upon mailing by registered mail, postage prepaid and addressed as follows:

(a) If to Hospital:

William Beaumont Hospital
Attention: Chief Financial Officer
3601 West 13 Mile Road
Royal Oak, Michigan 48073

(b) If to Agency:

Ladd Enterprises, Inc.
Attention: Mr. Scott C. Ladd
5815 East Clark Road
Bath, Michigan 48808

or to such other address as each party may designate in writing.

10.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Michigan, exclusive of its choice of law rules.

10.9 Jurisdiction and Venue. The parties agree and consent to the exclusive jurisdiction for the resolution of claims arising out of this Agreement of the Circuit Court for Oakland County, Michigan or any other court in such county with jurisdiction over the dispute. The parties also agree and consent to the personal jurisdiction of that court for purposes of such actions. The parties also waive, to the extent that they may effectively do so, any objection to the venue of any action brought in either court and any claim that any action has been brought in an inconvenient forum. Further, that the parties agree that the final judgment in any such action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

10.10 Partial Invalidity. Whenever possible, each provision of this Agreement shall be interpreted in such a way as to be effective and valid under applicable law. If a provision is prohibited by or invalid under applicable law, it shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

10.11 Successors and Assigns; Parties in Interest. This Agreement shall be binding on and inure to the benefit of the parties to it and their successors and assigns, provided no assignment to the extent assignment is authorized by this Agreement, shall relieve the assigning party of its obligations under the Agreement.

10.12 Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original agreement, but all of which shall be considered one instrument and shall become a binding agreement when one or more counterparts have been signed by each of the parties and delivered to the other.

10.13 Titles and Headings. Title and headings to articles, sections or paragraphs in this Agreement are inserted for convenience of reference only and are not intended to affect the interpretation or construction of the Agreement.

10.14 Entire Agreement; Amendments. This Agreement constitutes the entire agreement among the parties to it and supersedes any prior or contemporaneous understanding or agreement with respect to the transactions contemplated. It may be amended only by a written instrument executed by both parties.

10.15 Corporate Authority. The execution, delivery and performance of this Agreement by Hospital and Agency has been duly authorized by all of the necessary corporate action of each and is enforceable in accordance with its terms. The execution, delivery and performance will not:

(a) Result in a material breach of any provision of, or constitute a material default under, the Articles of Incorporation or Bylaws of Hospital or Agency, or any agreement or instrument to which Hospital or Agency is a party or by which either is bound, or

(b) Require the consent or approval of any other person or governmental agency or authority.

Agency and Hospital have executed this Agreement on the date stated on the first page of this Agreement.

10.16 Promissory Note.

WILLIAM BEAUMONT HOSPITAL

By James R. Herrick
Its VP Finance, CFO
"Hospital"

By Scott C. [Signature]
Its President
"Agency"

STATE OF MICHIGAN)
: ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 10 day of September 1995, by James Herrick of WILLIAM BEAUMONT HOSPITAL, a Michigan nonprofit corporation, on behalf of the nonprofit corporation.

Cynthia Wheatly

Notary Public, Oakland County, Michigan.

My commission expires: 01-04-2000

STATE OF MICHIGAN)

: ss.

COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24 day of AUGUST 1995, by Scott Lapp of LAPP ~~ENTERPRISES~~ a Michigan corporation, on behalf of the corporation.

Cindy Wheatly

Notary Public, Oakland County, Michigan.

My commission expires: January 4, 2000