

STAFFING VENDOR AGREEMENT

This **STAFFING VENDOR AGREEMENT** ("**Agreement**") is entered into by and between Synovos, Inc. ("**Synovos**"), a Pennsylvania corporation, and Employer Solutions Staffing Group, LLC, a Minnesota limited liability company ("**Vendor**"), in association with Corporate Management Group, Inc., a Colorado corporation, in consideration of the mutual covenants contained herein, agree to the terms and conditions set forth in this Vendor Agreement (the "**Agreement**").

WHEREAS, Synovos operates storeroom management to various clients throughout the United States and needs temporary coverage to keep uninterrupted services to its client;

WHEREAS, Synovos wishes to engage Vendor for recruiting and staffing of temporary staff, as needed;

WHEREAS, Vendor desires to staff its employees to Synovos on temporary assignments;

WHEREAS, Synovos has agreed to engage Vendor to provide temporary staffing services pursuant to the terms and conditions of this Agreement;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties, intending to be legally bound, hereto agree as follows:

1. Placement Services.

1.1 Upon the execution by Synovos and Vendor (the "**Effective Date**"), Synovos agrees to engage Vendor as a non-exclusive provider of temporary employees for placement at Synovos ("**Placed Employees**"), and Vendor agrees to provide Placed Employees at the request of Synovos in the locations identified on the attached Schedule A – Placement Services Terms.

1.2 Vendor agrees to provide Placed Employees on an "as needed" basis. Within ten (10) days of its receipt of a Placement Request (defined below) from Synovos, Vendor shall transmit to Synovos the profiles of candidates that meet the requirements of both the Placement Request and the Minimum Candidate Requirements identified on Schedule A. Placement Request shall mean a notice from Synovos to Vendor that provides information necessary to fill a particular position at Synovos, and which may be issued, amended or retracted at any time, all at the sole discretion of Synovos. Vendor will only refer candidates that meet the minimum requirements for placement as set forth in the Placement Request.

1.3 Any additional interviews, tests or additional screenings of candidates, along with final acceptance or rejection of a candidate, shall be at Synovos' sole discretion and at Vendor's cost.

1.4 Upon acceptance of a candidate Synovos shall transmit a Notice of Acceptance to Vendor that includes: (i) the terms and conditions of the placement; (ii) the deadline for acceptance by the candidate; and (iii) the start date at Synovos. Acceptance of each candidate shall be conditioned upon the candidate's execution of Placed Employee's Covenants identified in

Schedule A prior to the acceptance deadline in the Notice of Acceptance. Upon acceptance of a candidate, Vendor will complete Schedule B and provide a copy to Synovos.

1.5 Each engagement for the services of a Placed Employee shall run from the start date of the assignment at Synovos until either: (i) the date terminated by Synovos or Vendor, for any reason or no reason; or (ii) the date the Placed Employee declines to provide services in connection with the placement. This obligation will not affect the right of Vendor to hire, assign, reassign, discipline, or terminate its Placed Employees.

2. Vendor Compliance.

2.1 Vendor shall comply with the provisions of the Immigration Reform and Control Act of 1986 with respect to the hiring of Agency Employees.

2.2 Vendor agrees to comply with all federal, state and local laws, regulations and orders including but not limited to: compliance with minimum wage and overtime laws, the Fair Labor Standards Act; Social Security Act, Equal Employment Opportunity laws, the American with Disabilities Act, the Family Medical Leave Act, the Occupational Safety and Health Act, and the Affordable Care Act.

2.3 Vendor agrees to comply with, and this Agreement incorporates, the Equal Opportunity clauses contained in the Regulations relating to Executive Order 11246 (41 CFR 60-1.4 (a) (1) - (7). The Rehabilitation Act of 1973 (41 CFR 60 - 741.4), and the Vietnam era Veterans Readjustment Act of 1974 (41 CFR 60 - 250.4).

2.4 Vendor shall make legally required employment law disclosures to its Employees and perform human resources administration with respect to Placed Employees (e.g., performance appraisals and other non-operational matters).

2.5 Vendor shall keep records regarding all candidates, Placed Employees, wages, taxes, insurance, benefits, all items required under Schedule A, and any other documents reasonably generated in the performance of this Agreement: (i) for a period of five (5) years following the end of any Placed Employee's assignment at Synovos; and (ii) for a period of five (5) years from the termination of this Agreement in all other respects.

2.6 In order to confirm Vendor's compliance with the terms of this Agreement, Synovos and its designated agents shall have the right at all reasonable times to inspect, examine and copy at their own expense, the books, records, accounts, and tax returns of Vendor. Synovos shall also have the right, at any time, to have an independent audit made of the books of Vendor.

3. Synovos' Duties and Responsibilities.

3.1 Synovos will properly supervise Placed Employees performing its work and Synovos will be responsible for its business operations, products, services and intellectual property.

3.2 Synovos will properly supervise, control, and safeguard its premises, processes, or systems, and not entrust Placed Employees with unattended premises, cash, checks, keys, credit

cards, merchandise, negotiable instruments, or other valuables without Vendor's express prior written approval or as strictly required by the job description provided to Vendor. Synovos shall not direct, request, or require Vendor's Placed Employees to operate motor vehicles without express permission from Vendor.

3.3 Synovos will provide Placed Employees with a safe work site and provide appropriate information, training, and safety equipment with respect to any hazardous substances or conditions to which they may be exposed at the work site. Synovos further agrees to provide such Placed Employees the proper specific safety training needed to do the assigned jobs and tasks as well as to provide properly fitted and necessary personal protective equipment required to provide adequate protection to such Placed Employees.

3.4 Synovos will not change Placed Employees' job duties without Vendor's express prior written approval.

3.5 Synovos will not offer nor provide Placed Employees any of Synovos' benefit or compensation plans.

3.6 Notwithstanding anything in this section 3, Vendor is not relieved of any of its obligations under this Agreement, including but not limited to Vendor's administration and control of Placed Employees, such as payroll, taxes and employment actions.

4. Payments.

4.1 Placed Employees shall, for all purposes, be employees of Vendor.

4.2 The payment and withholding of wages, benefits, insurance, taxes and all other fees and expenses associated with the Placed Employee's employment by Vendor are the sole responsibility of Vendor. Vendor acknowledges that such payments will need to be made prior to Vendor receiving payment from Synovos.

4.3 Vendor shall require its Placed Employees to submit time cards for approval by Synovos by completing a time card on a weekly basis. Reimbursement for Placed Employee expenses must comply with Synovos' current expense policies.

4.4 The parties agree to use their best efforts to obtain the rates identified on Schedule A for charges to Synovos for Placed Employee services. Final rates charged for each Placed Employee shall be agreed to by Synovos, Vendor and the Placed Employee (the "**Placed Employee Rate**").

4.5 Vendor acknowledges that it receives payment from Synovos for Placed Employees related to this Agreement based on the hours submitted on a weekly basis. Synovos acknowledges that it will submit payment to Vendor within 30 days of receipt of invoice.

4.6 The parties acknowledge that Placed Employees may, at their sole discretion, accept employment directly with Synovos. In the event that a Placed Employee was directly recruited by Vendor, then Synovos shall pay a fee as agreed upon in Schedule A ("**Conversion Fees**"). Synovos shall not owe any Conversion Fees for Placed Employees found and referred by

Synovos to the Vendor (“**Referred Placed Employees**”). Synovos agrees to pay Vendor the Conversion Fee within thirty (30) days of Synovos’ actual conversion.

5. Insurance Requirements.

5.1 Vendor agrees to maintain and at minimum keep in force, at its own expense, the following insurance coverage and limits throughout the term of this Agreement and during any time that a Placed Employee is providing services pursuant to the terms of this Agreement:

5.1.1 Workers’ Compensation Insurance with statutory limits as required by the laws and regulations applicable to Placed Employees who are engaged in the performance of this Agreement. Vendor Workers’ Compensation Insurance will have statutory limits and its Employers Liability Insurance will have minimum limits of at least \$500,000 for each accident or disease.

5.1.2 Employers’ Liability Insurance with a limit of \$1,000,000 per occurrence.

5.1.3 Commercial General Liability Insurance covering claims for bodily injury, death, and property damage, including Premises and Operations, Products and Completed Operations, Independent Contractors, Personal Injury, Blanket Contractual and broad form Property Damage liability, with a combined single limit of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. If applicable to the job, Vendor shall also maintain professional liability in the amount of \$1,000,000 per incident and \$2,000,000 in the aggregate.

5.1.4 Comprehensive Auto Liability Insurance covering all owned, non-owned, hired and other vehicles with a combined single limit of \$1,000,000 per occurrence.

5.1.5 Umbrella Liability with limits of at least \$10,000,000 per occurrence/aggregate and shall follow the forms of the underlying insurance policies. The umbrella will sit excess of the general liability, auto liability and employers’ liability.

5.2 The policies shall contain a provision that same shall not be canceled nor coverage or limits modified without first giving thirty (30) days’ written notice to Synovos and shall be written by insurance companies reasonably satisfactory to Synovos. Any such change, modification or cancellation shall not affect Vendor’s obligation to maintain the insurance coverage set forth above. Vendor shall be responsible for payment of any and all deductibles from insured claims under their policies. The coverage afforded under the Commercial General Liability policy obtained by Vendor pursuant to this section shall be primary coverage in all instances regardless of whether or not Synovos has similar coverage.

5.3 Vendor shall include an alternate employers’ endorsement on the workers’ compensation policy. Synovos, Synovos and each of their respective officers, directors, shareholders, employees and agents shall be named as additional insured’s on Vendor’s Commercial General Liability, Commercial Auto Liability and Umbrella Liability Insurance policies. Vendor shall not self-insure any of the insurance coverage required by this Agreement without the prior written consent of the Synovos. The minimum limits of coverage required by this Agreement may be satisfied by a combination of primary and excess or umbrella insurance policies.

5.4 Upon execution of this Agreement, Vendor shall provide Synovos with a certificate of insurance (COI) in a form acceptable to Synovos, evidencing that coverage required above and providing Synovos with at least thirty (30) days' prior written notice of cancellation or material change in coverage. All such certificates will delete any "endeavor to" and "but failure to notify" provisions from the certificate's cancellation notice language and evidence waiver by the insurers of any subrogation rights with respect to Synovos, except to the extent such waivers are prohibited by law.

5.5 All Vendor insurance will be primary with no right of contribution by Synovos or their respective insurers. Vendor will be solely and fully responsible for any deductibles or self-insured retentions under any required coverage and will declare any deductibles or self-insured retentions that are in excess of \$500,000. Vendor will remain liable for any insurance obligation not satisfied; however, this requirement will in no way restrict or reduce any indemnification obligations contained elsewhere in this Agreement.

6. Indemnification. Vendor agrees to defend and indemnify Synovos and each of their respective shareholders, officers, directors, agents and employees ("Indemnitees"), and to hold each of them harmless from any and all liability, loss, damages, claims or causes of action, including reasonable legal fees and expenses that may be incurred by Indemnitees, arising out of or related in any way to, Vendor's breach of this Agreement and operation of its business, and the acts or omissions of any Placed Employee or candidate, to the extent of the negligent or intentional acts or omissions of Vendor, or its employees or agents. Indemnitees shall provide Vendor with reasonable written notice of any claim for which indemnification is sought and cooperate fully with and allow Vendor to control the defense and settlement of such claim. Vendor may not settle any such claim without Indemnitees' prior written consent, which consent shall not be unreasonably withheld. Indemnitees shall have the right, at each of their own expense, to participate in the defense of any such claim.

7. Representations and Warranties of Vendor. Vendor represents and warrants to Synovos that as of the date of this Agreement, and during the term hereof:

7.1 Vendor is an entity duly organized, validly existing and in good standing under the laws of the state in which it was formed, and has all necessary power and authority to own, lease and operate its properties and other assets and to carry on its business as it is now being conducted. Vendor is duly qualified to do business as a foreign entity and is in good standing in every jurisdiction where the ownership of its properties and other assets or the conduct of its business requires such qualification. No proceedings are pending to limit or impair any of the company powers, rights or privileges of Vendor.

7.2 Vendor is in compliance with all federal, state and local laws and regulations regarding the activities contemplated by this Agreement, including, but not limited to, any registrations as a temporary staffing or employee placement business, as required by the states in which it operates.

7.3 Vendor has duly filed all federal, state, local and other tax returns that are required to be filed and has paid all taxes and assessments which have become due pursuant to such returns or pursuant to any assessment received by Vendor. All taxes and other assessments and levies

which Vendor is required by law to withhold or to collect have been duly withheld and collected and have been paid over to the proper governmental authorities or are properly held by Vendor for such payment.

8. Term and Termination.

8.1 This Agreement shall be for an initial term of one (1) year from the Effective Date (the "**Initial Term**") and shall automatically renew for consecutive one (1) year terms thereafter (each a "**Renewal Term**"), unless earlier terminated by either party for any reason or no reason upon ten (10) days prior written notice to the other party.

8.2 Upon termination of this Agreement each Placed Employee will continue the assignment until mutually agreed. Synovos shall pay Vendor for such services as required under this Agreement for services already performed.

9. Covenant Not to Solicit. Vendor covenants and agrees that except as otherwise approved in writing by Synovos, during the term of this Agreement and for a continuous uninterrupted period of two (2) years commencing upon the date of the termination or expiration of this Agreement, it shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or legal entity, solicit any employees of Synovos to any other company or joint venture.

10. Confidential Information.

10.1 All manuals, records, files, documents, client and client lists, client and client data, prices, candidate lists, candidate data, databases, methods of operation, inventions, data, business techniques, know-how, software, experimental or developmental work, plans, policies, names and addresses of suppliers or representatives, investigations or other matters of any kind or description relating to the services, suppliers, clients, sales, trade secrets and the like relating to Synovos and/or Synovos's business, and the terms of this Agreement, but not known to the general public (the "**Confidential Information**") shall remain the property of Synovos. During the term of this Agreement, except in performance of services for Synovos, and at any time after the termination or expiration of this Agreement, Vendor agrees that it shall not disclose to any third party or use for the benefit of any other person or entity any of the Confidential Information.

10.2 Vendors shall provide the general onboard, Drug Screen and Background Checks listed below for all candidates prior to placement. Vendor shall utilize the screening company of their choice provided the attached Schedule B - Background and Drug Screen Verification Completion Form is completed and submitted prior to placement.

10.3 In the event of the termination or expiration of this Agreement, or upon the reasonable request of Synovos, Vendor will promptly deliver to Synovos all documents, data, records and other information or tangible property so requested and which Vendor may possess.

10.4 Notwithstanding the foregoing, Vendor shall have the right to disclose Confidential Information in response to a legally issued subpoena to do so or as otherwise required by law; provided, however, that Vendor shall notify Synovos at least ten (10) days prior to making any such disclosure.

10.5 The provisions of this Section 9 shall survive the termination or expiration of this Agreement.

11. Relationship of Parties.

11.1 The parties to this Agreement are independent contractors, and nothing in this Agreement in any way creates a relationship of principal and agent, joint venturers, partners, or employment, as between Synovos and Vendor. Neither Synovos nor any of its employees, nor Vendor nor any of its employees or Placed Employees, shall act or attempt to act or represent itself or themselves directly or by implication as an agent of each other. Each of the parties shall have no authority hereunder to enter into any contract of any kind, including, but not limited to, sale or employment on behalf of each other, except pursuant to express written authorization of each of the parties.

11.2 All recruiting activities of prospective employees by Vendor will specify that employees will be employees of Vendor. Vendor will not use Synovos' trademarks, service marks, trade names, logos or other indicia of origin in any manner whatsoever without obtaining the prior written consent of Synovos.

12. General.

12.1 Dispute Resolution. Except as otherwise provided herein, all disputes or claims relating to this Agreement, the rights and obligations of the parties hereto, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement, shall be settled solely and exclusively by final and binding arbitration at the office of the American Arbitration Association located in Philadelphia, Pennsylvania and pursuant to its then applicable Arbitration Rules for Commercial Disputes. The following shall supplement and, in the event of a conflict, shall govern such arbitration. The parties shall select one arbitrator from a list provided by the American Arbitration Association. The American Arbitration Association shall only list available attorneys with at least ten (10) years of experience in the practice of commercial law. In selecting the arbitrator from the list provided by the American Arbitration Association, each party shall make the selection by the striking method. Each party shall each bear all of its own costs of arbitration; provided, however, the fees of the arbitrator shall be divided equally between them. Nothing herein contained shall bar Synovos' right to obtain injunctive relief against threatened conduct that will cause it loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions.

12.2 Governing Law. This Agreement shall be subject to and governed in all respects by the statutes and laws of the Commonwealth of Pennsylvania without regard to the conflicts of laws principles thereof. For all actions not subject to arbitration the Court of Common Pleas of Montgomery County, Pennsylvania and the United States District Court for the Eastern District of Pennsylvania shall have exclusive jurisdiction and venue, and each party hereby irrevocably consents to such exclusive and personal jurisdiction and venue.

12.3 Entire Agreement. This Agreement, including any schedules attached hereto, constitutes the final and entire Agreement and understanding between the parties and integrates all prior discussions between them related to its subject matter. No modification of any of the terms

of this Agreement shall be valid unless in writing and signed by an authorized representative of each party.

12.4 Assignment. Vendor may not assign any of its rights or delegate any of its duties under this Agreement, or otherwise transfer this Agreement (by merger, operation of law or otherwise) without the prior written consent of Synovos. Any attempted assignment, delegation or transfer in derogation hereof shall be null and void.

12.5 Notices. All notices required or permitted hereunder shall be given in writing addressed to the respective parties as set forth above and shall either be (a) personally delivered or (b) transmitted by nationally recognized private express courier and shall be deemed to have been given on the date of receipt if delivered personally, or two (2) days after deposit with such express courier. Either party may change its address for purposes hereof by written notice to the other in accordance with the provisions of this Subsection.

12.6 Waiver. Any waiver, either expressed or implied, by either party of any default by the other in the observance and performance of any of the conditions, covenants of duties set forth herein shall not constitute or be construed as a waiver of any subsequent or other default.

12.7 Headings. The headings to the Sections and Subsections of this Agreement are included merely for convenience of reference and shall not affect the meaning of the language included therein.

12.8 Severability. Except as otherwise set forth in this Agreement, the provisions of this Agreement are severable, and if any one or more such provisions shall be determined to be invalid, illegal or unenforceable, in whole or in part, the validity, legality and enforceability of any of the remaining provisions or portions thereof shall not in any way be affected thereby and shall nevertheless be binding between the parties hereto. Any such invalid, illegal or unenforceable provision or portion thereof shall be changed and interpreted so as to best accomplish the objectives of such provision or portion thereof within the limits of applicable law.

12.9 Attorney's Fees. In the event of any action, suit, or proceeding brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to receive its costs, expert witness fees, and reasonable attorney's fees and expenses, including costs and fees on appeal.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above.

SYNOVOS, INC.

Witness/Attest

By: _____

Patrick J. Sabine

Printed Name

SVP HR

Title

**EMPLOYER STAFFING SOLUTIONS
GROUP, LLC.**

Witness/Attest

By: _____

Chris Levine

Printed Name

CEO

Title

CORPORATE MANAGEMENT GROUP, INC.

[Signature]

Witness/Attest

By: _____

Matt Foss

Printed Name

President

Title

**SCHEDULE A
PLACEMENT SERVICES TERMS**

1. **PLACED EMPLOYEE RATES.** In accordance with the terms of this Agreement, Vendor shall assign its Placed Employees to Synovos, at Synovos' request, at the following billing rates:

Vendor Recruited Placed Employees Rate	1.40
Referred Placed Employees Rate	1.32

2. **CONVERSION OF PLACED EMPLOYEES.** In accordance with the terms of this Agreement, if Synovos agrees to directly employ Placed Employees, the following rates constitute the all-inclusive Conversion Fees.

Hours Worked on Assignment	Prorated Conversion Fee
0-150	15% of annual salary
151-300	10% of annual salary
300-480	5% of annual salary
481 or more	No fee

In accordance with the terms of this Agreement, any Referred Placed Employees will not be subject to any Conversion Fees.

3. **MINIMUM CANDIDATE REQUIREMENTS.** The following requirements must be met by all candidates to become a Placed Employee. The costs of these additional services are to be paid and incurred by Vendor.

- A. Completed W-4 Form
- B. Completed I-9 Form with valid, approved identification
- C. Three County Criminal Background Check (seven year)
- D. Social Security Number Verification (e-verify is acceptable)
- E. Five (5) Panel Drug Screening Test (unless otherwise requested)
- F. National Offender Trace (through Search America)
- G. Reference Check; verify two (2) references
- H. Educational Verification of highest level of education (only as requested)
- I. Department of Motor Vehicle Record (only as requested)
- J. Credit Pre-Employment Check (only as requested)
- K. Office of Foreign Assets Control, U.S. Treasury Department list of Specially Designated Nationals (SDNs) and Blocked Persons

4. **PLACED EMPLOYEE COVENANTS.** Every Placed Employee shall covenant in individual agreements with Vendor, prior to the beginning of each assignment:

- A. Confidentiality Agreement;
- B. Employer Acknowledgment: Vendor as Sole Employer;
- C. Employee Waiver: Placed Employee will not be entitled to holidays, vacations, disability, insurances, pensions or retirement plans, or any other benefits offered or provided by Synovos to its staff employees;
- D. Temporary Work Agreement: between Vendor and Placed Employee; and
- E. Safety Manual Acknowledgement: all Placed Employees shall abide by Synovos safety policies and the policies in any specific locations.

**SCHEDULE B
BACKGROUND AND DRUG SCREEN VERIFICATION FORM**

VENDOR NAME: _____

VENDOR ADDRESS: _____

VENDOR CONTACT NAME: _____

CONTACT TELEPHONE NO.: _____

BACKGROUND CHECK WAS PERFORMED FOR

NAME OF VENDOR EMPLOYEE: _____

DATE BACKGROUND CHECK WAS COMPLETED: _____

In accordance with the Agreement referenced above, Vendor hereby represents and warrants to Synovos that Vendor has performed a complete background check of the Vendor Personnel named above including, as permitted under applicable law, (i) a search of criminal records (including federal, state and local criminal records check); (ii) verification of the Vendor Personnel's residence and social security number (or the local equivalent, if any); (iii) confirmation that the Vendor Personnel does not appear on the Office of Foreign Assets Control, U.S. Treasury Department list of Specially Designated Nationals (SDNs) and Blocked Persons (<http://www.treasury.gov/offices/enforcement/ofac/sdn/>); (iv) verification of Vendor Personnel's applicable licenses, education and former employment; and (v) in jurisdictions where criminal record searches are not common practice, Vendor shall conduct a passport check and an INTERPOL check (rather than the criminal records search described in (i) above) (collectively "**Background Check**"). Media checks are not considered Background Checks.

The Background Check was performed in accordance with industry best practices and in full compliance with the federal Fair Credit Reporting Act ("**FCRA**"), 15USC §§1681 et seq., for Vendor Personnel providing any services in the United States, and all applicable federal and state laws. The FCRA is available in full text at <http://www.ftc.gov>.

Vendor warrants that the results of the Background Check for the above named Vendor Personnel are satisfactory. Vendor agrees to immediately notify Synovos if the status of the Vendor Personnel's Background Check changes.

Once completed, this form is incorporated in this Agreement by reference and becomes a material term of this Agreement as if set forth therein in full text.

VENDOR

By: _____

Name: _____

Title: _____

Date: _____

Non – California Business Form

Vendor / Payee Name

Corporate Management Group, Inc.

Vendor / Payee Address

12000 N. Washington St, Suite 350

Street

Thornton CO 80241

City

State

Zip Code

Taxpayer Identification Number: 20-1535646

I certify that the entity or individual named on this form is a Non-California resident, not performing services in the state of California and therefore is exempt from the California withholding tax requirement.

Vendor / Payee Name Matt Fox Title President

Vendor / Payee Signature [Signature] Date 4/17/19