

## STAFFING SERVICES AGREEMENT

This STAFFING SERVICES AGREEMENT (the "Agreement") is made and entered into as of the 13th day of October, 2015 (the "Effective Date") by and between Terumo BCT, Inc., a Colorado corporation, for itself and its subsidiaries, and having a place of business at 10811 W. Collins Ave., Lakewood, CO 80215 ("we" or "us" or "Terumo BCT") and Corporate Management Group, ("you" or "Company") a Colorado corporation having a place of business at 12000 N. Washington St., Ste. 350 Thornton, CO 80241 which entities are occasionally referred to herein as the "Party(ies)".

WHEREAS, you are in the business of providing Staffing Services for your clients that require Contingent Workers or Regular Employees, and you desire to provide certain Staffing Services to us; and

WHEREAS, we desire to retain you to provide such Staffing Services on an as-needed and nonexclusive basis.

NOW, THEREFORE, for and in consideration of the mutual promises and agreements contained herein, we and you agree to be legally bound to the following terms and conditions:

### 1. Definitions

1.1 "Candidate" means a person possessing the qualifications we specify for an assembler position to be filled by either a Contingent Worker or a Regular Employee.

1.2 "Contingent Worker" means a person: (i) who is selected to perform work within a specified time frame, generally not to exceed six (6) months, (ii) who is not hired as one of our Regular Employees, and (iii) whose services are requested either (a) as a temporary replacement for a Regular Employee or (b) for a specific project over which we exercise minimal supervision and control.

1.3 "Regular Employee" means a person: (i) whom we have hired on either a full-time or part-time basis for an indefinite period, (ii) who is offered all the benefits and privileges of our full-time and part-time employees, and (iii) over whose services we exercise complete supervision and control.

1.4 "Staffing Services" means the activities you customarily supply relating to identifying and supporting the placement of Contingent Workers and Regular Employees, and as generally described in Exhibit A.

### 2. Your Services

2.1 We retain you, on a non-exclusive basis, to provide Staffing Services to us during the term of this Agreement. Upon our request to you for Candidates, you will use reasonable efforts to identify and present qualified Candidates for our evaluation. At your expense, you agree to recruit, interview and test (as appropriate) all Candidates before presenting them to us. We shall determine, in our sole discretion, whether to invite any Candidate you present to us for an interview and whether to accept such Candidate.

2.2 If we request Candidates from you for a position but we have already identified a particular Candidate(s) (e.g., through our own efforts, our own posting of a position, through another staffing service), we will notify you in writing that the Candidate(s) will be excluded from this Agreement.

2.3 You represent and warrant that the Staffing Services and any additional services you provide will be performed in a professional manner and that you will comply with all of our criteria for Candidate screening and selection as outlined in Exhibit A.

2.4 Each quarter, you shall provide us with an electronic report including the information as noted in Exhibit A.

### 3. Your Fees

3.1 As your fee for Staffing Services related to placement of Contingent Workers, you will honor the rates set forth in Exhibit B for a term of 24 months, beginning on the Effective Date. You will invoice us bi-weekly, identifying the Contingent Worker(s) and the supervisor to whom each Contingent Worker(s) reports. We will pay such invoices within forty-five (45) days of receipt.

3.2 Company guarantees that Contingent Workers it places will satisfactorily perform the services ordered by us. If a Contingent Worker is terminated within fourteen (14) days for any reason (not qualified, bad behavior, dress code violations, sleeping, etc.), you will use your best efforts to provide a replacement Contingent Worker as soon as possible.

3.3 If we hire a Contingent Worker as a Regular Employee, we agree to pay you the following fee, if applicable, based upon the time such Regular Employee began as a Contingent Worker:

### **NON-INFORMATION TECHNOLOGY(ASSEMBLER)**

<u>Number of Hours Worked</u>	<u>Fee, a Percentage of Contingent Worker's Expected First Year Take-Home Compensation</u>
0 – 230 Hours	15%
231 – 460 Hours	12%
461 – 640 Hours	6%
Over 641 Hours	0%

3.4 If we hire a Contingent Worker as a Regular Employee, but he or she terminates employment with us or is discharged for cause during the first 520 hours of employment for an Assembler Worker, you will at our sole discretion either: (a) present us with new Candidate(s) for the same position; or (b) refund the fee set forth in Section 3.2. Charges that you have billed us for such former Contingent Worker's hourly bill rate through the time of the former Contingent Worker's termination or discharge are not refundable.

3.6 As your fee for Staffing Services related to placement of a Regular Employee, we will pay you within forty-five (45) days of the Candidate's start date as a Regular Employee 15% of such Regular Employee's starting annual salary. This fee is due within 45 days of such Regular Employee's start date. If such Regular Employee terminates employment with us or is discharged for cause during the first ninety (90) days of employment, you will at our sole discretion either: (a) present us with new Candidate(s) for the same position; or (b) refund the fee set forth in this Section 3.4.

3.7 We shall be under no obligation to pay you unless and until we have accepted a Candidate you have presented in response to a specific request and until such Candidate begins working. We will provide prompt written notice when we have accepted a Candidate whom you have presented. If we accept a Candidate for a position within twelve (12) months of your presentation of that Candidate, and provided the Candidate was not subject to a written exclusion in accordance with Section 2.2, we will pay the service fee set forth in Section 3.4.

3.8 As your fee for Staffing Services related to payroll services of a Regular Non-Information Technology (Assembler) Employee, we will pay you 29% above such Regular Employee's hourly pay rate. You will invoice us bi-weekly, identifying the Regular Employee(s) and the supervisor to whom that Regular Employee(s) reports. We will pay such invoices within forty-five (45) days of receipt of an invoice.

3.9 We will confirm accurate Company rates and will be communicating credit requests for inaccurate rates. Upon confirmation from you that a credit is due, you will submit all credits as a check to us and not as an invoice credit.

#### **4. Employee status**

4.1 You are the employer of all Candidates placed as Contingent Workers in our business. You will train and compensate the Contingent Workers in accordance with your employment standards and practices, and will be solely responsible for disciplining, reviewing, evaluating and terminating Contingent Workers. As the Contingent Worker's employer, you will comply with all applicable federal, state or local laws or regulations applicable to compensation, hours of work or other conditions of employment. You will be solely responsible for all contributions, taxes and assessments with respect to Candidates placed as Contingent Workers, including wage withholding.

4.2 We are the employer of all Candidates and Contingent Workers upon their hiring as Regular Employees. We will comply with all applicable federal, state or local laws or regulations and our personnel

policies with respect to compensation, hours of work, benefits and other employment related matters. We will be responsible for payment of wages and for all contributions, assessments and wage withholding for Regular Employees.

4.3 The Parties have the right to establish the compensation and benefits provided to their respective employees. The compensation each pays to its employees shall be confidential and, if disclosed by either Party to the other Party, shall be maintained in confidence. Furthermore, you shall maintain this Agreement as confidential and the terms of this Agreement as confidential except as reasonably necessary to provide Staffing Services to us.

## **5. Obligations of the Parties**

5.1 A Contingent Worker is required to sign our confidentiality agreement and intellectual property assignment agreement before working for us.

5.2 A Contingent Worker is required to consent to a background verification and drug screen as set forth in Exhibit A before working for us. If we change our background verification and drug screen criteria or requirements, we will notify you of such changes, and the Parties will amend this Agreement and Exhibit A for Contingent Workers who begin working for us after the effective date of such amendment.

5.3 You are an independent contractor under this Agreement, and nothing contained herein will be construed to create a partnership or joint venture or a relationship of principal and agent or of employer and employee between you and us. You acknowledge that this Agreement is not intended to give you the authority to bind us to any contracts with or commitments to any third party unless we provide prior written consent. Unless so authorized by us, we will not be liable for your acts, contracts, commitments, promises or representations.

5.4 Each of the Parties agrees that any information received from the other Party that is identified as confidential will be maintained in confidence.

## **6. Term and Termination**

6.1 The term of this Agreement begins on the Effective Date and continues until the earlier of (i) 24 months or (ii) the date that this Agreement is terminated earlier in accordance with the provisions herein.

6.2 Either Party may terminate this Agreement by providing the other Party with at least thirty (30) days prior written notice.

6.3 Either Party may terminate for cause if the other Party fails to cure any breach after ten (10) days prior written notice.

6.4 Either Party may terminate effective immediately upon the giving of written notice, if the other Party files for bankruptcy, is adjudicated a bankrupt or takes advantage of the insolvency laws of any state, makes an assignment for the benefit of creditors, is voluntarily or involuntarily dissolved, or has a receiver, trustee or other court officer appointed for its property.

## **7. Insurance/Indemnification**

7.1 At all times during the term of this Agreement, you shall maintain at your expense (a) workers' compensation insurance as required by applicable law that provides coverage for all of your Contingent Employees performing services for us, and (b) comprehensive general and liability insurance with a policy limit of not less than one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000.00) in the aggregate. You shall provide certificates of insurance evidencing the above coverage when this Agreement is executed and at every renewal of such coverage during the term of this Agreement.

7.2 To the fullest extent permitted by law, each of the Parties will indemnify and hold harmless the other Party, including their respective officers, agents, employees and directors, from and against any claims, demands, damages, losses, actions, judgments, liability and expense, including reasonable attorney fees but excluding any indirect, consequential, incidental or special damages, arising out of the negligent, willful or wanton acts or omissions of the indemnifying Party, its agents, officers, employees or directors.

7.3 You will indemnify and forever discharge us, our officers, agents, employees and directors, and hold them harmless from and against any and all workers' compensation or unemployment claims of any kind or nature in connection with any injury to any of your employees (specifically including any Contingent

Workers placed in our business) arising from or out of the occupancy or use of our premises or that might occur while working on our behalf.

## **8. Notices**

8.1 All notices provided for or required by this Agreement shall be in writing and shall be delivered personally to the other Party, or mailed by certified or registered mail, return receipt requested, or delivered by a courier service to the address for the receiving Party set forth in the first paragraph of this Agreement. Either Party may change the address to which notice is to be sent by providing written notice to the other Party in accordance with this Section 8.1.

## **9. Governing Law/ Dispute Resolution**

9.1 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Colorado without regard to the conflicts of law principles of such state.

9.2 In the event of any dispute, claim or controversy (a "Claim") arising out of or relating to this Agreement, the Parties agree to make a good faith attempt to negotiate an amicable resolution for any and all such Claims. If any Claim is not resolved by the Parties within thirty (30) days after delivery of written notice thereof from a Party to the other Party, before commencing a cause of action in any court of law, the Parties shall submit the Claim to non-binding mediation in the county where the non-complaining Party has its principal place of business. The Parties shall use their best efforts to schedule mediation within thirty (30) days from the date the Claim is submitted to mediation. If the Parties in good faith do not settle the dispute through mediation, either Party may file an action in the United States District Court for the District of Colorado or Colorado state court. Each Party shall pay its own attorneys' fees and expenses, except that mediation fees shall be split between the Parties. If a prevailing Party in court is required to initiate proceedings to enforce the award or confirm judgment, the prevailing Party shall be entitled to recover its costs and attorneys' fees associated with such action.

## **10. General Provisions**

10.1 Each of the Parties affirms that it is an equal opportunity employer. The management and staff of each Party are dedicated to ensure equal employment opportunities without regard to race, sex, sexual orientation, religion, age, national origin, disability, color, citizenship, veteran status or other protected classifications as established by applicable law.

10.2 If the performance of any part of this Agreement by either Party, or if any obligation under this Agreement, is prevented, restricted, interfered with, or delayed as a result of any cause beyond the reasonable control of the Party liable for performance, the Party so affected shall, upon giving written notice to the other Party, be excused from such performance to the extent of such prevention, restriction, interference or delay, provided that the affected Party shall use its reasonable best efforts to avoid or remove such causes of nonperformance and shall continue performance with the utmost dispatch whenever such causes are removed. When such circumstances arise, the Parties shall discuss what, if any, modification of the terms of this Agreement may be required for an equitable solution.

10.3 This Agreement, including any Exhibits attached hereto, contains the entire agreement and understanding between the Parties with respect to the subject matter hereof. This Agreement may be modified only by a writing executed by both Parties. Any purported alteration of this Agreement, whether or not intended, through additional terms set forth in a invoice, confirmation, invoice, acknowledgement or correspondence shall be void and of no effect, and this Agreement supersedes and replaces in total all other terms.

10.4 No waiver of any term or provision of this Agreement or of any default hereunder will affect a Party's rights thereafter to enforce such term or provision or to exercise any right or remedy in the event of any other default.

10.5 Neither Party may assign this Agreement, in whole or in part, without the prior written consent. We may assign our rights and obligations hereunder to an affiliate that we own or control, that owns or controls us, or that is under common ownership or control with us, by giving notice to you of such assignment and without the requirement of prior consent.

10.6 This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns.

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

10.8 If any provision of this Agreement shall be held by a court of adequate jurisdiction to be void, voidable, invalid or inoperative, the remaining provisions will remain in full force and effect and given such intent as would permit them to be valid and operative.

10.9 This Agreement is the joint product of negotiations between the Parties and shall not be interpreted or construed against either Party, regardless of which Party has been primarily responsible for its preparation.

10.10 Upon the reasonable request of the other Party, each Party agrees to take any and all actions necessary or appropriate to give effect to the terms and conditions set forth in this Agreement.



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### EXHIBIT A

All Contingent Workers must successfully complete the following requirements before they begin working for us:

NOTE: Background and drug testing fees are to be billed only for candidates who actually begin work.

Drug Test – 5 panel instant mouth swab (no charge) Out of house screen required for any positive results.

Background Test – Initial instant background screening.

\*While candidates may start their assignment after initial screening, their employment is contingent upon completion of in depth background check, verification to include:

- a. Employment Verification (previous 3 employers)
- b. Criminal Search up to two addresses – All names / All counties
- c. Education Verification
- d. Dept of HHS Office of Inspector General Excluded Entities List (HHS OIG)
- e. Excluded Parties List System Search (EPLS)
- f. Social Security Number Use Verification

Reference Checking (if applicable and requested)

For each Contingent Worker providing services to us, you will provide a Quarterly Utilization Report to include:

Contract Worker Name(s)  
Hiring Manager(s)  
Project (if applicable)  
Total Hours Worked  
Bill Rate(s)

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#### **Skills Testing May Include:**

TBD

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EXHIBIT B RATES

<u>Billing Multiplier</u>	<b>Rates</b>
<b><u>Recruited rate- 30 Day terms</u></b> <i>CMG actively recruits employee</i>	1.39
<b><u>Payrolled rate</u></b> <i>After 90 days or 520 hours</i>	1.29
<b><u>Overtime and PTO rate</u></b>	1.29