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**EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (“Agreement”) is entered into as of March 8, 2021 (~~“Effective Date”~~) by and between North Broward Hospital District d/b/a Broward Health (“Broward Health”) and Shane Strum (“Employee”).

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**WHEREAS**, Broward Health, by and through the North Broward Hospital District’s Board of Commissioners (“Board of Commissioners”), desires to employ Employee and to enter into an agreement embodying the terms of such employment; and

**WHEREAS**, Employee desires to accept such employment agreement.

**NOW, THEREFORE**, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties agree allows:

1. Employment.

(a) Title, Position. Broward Health agrees to employ Employee as President & CEO of Broward Health, commencing March 29, 2021, (the “Effective Date”), and Employee agrees to such employment and to serve in such position, subject to the terms and conditions of this Agreement.

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(b) Term: At-Will. The term of this Agreement shall commence on the Effective Date and shall continue for a period of three (3) years from the Effective Date, expiring on March 28, 2024, subject to the extension of the term as hereinafter provided, unless earlier terminated as further provided in this Agreement. The Agreement may thereafter be extended by mutual consent of Broward Health and Employee for additional successive one-year periods. The initial term of this Agreement, together with any and all agreed upon extensions of the initial term, shall be referred to as the “Term” of the Agreement. Regardless of any other provision in this Agreement, the parties agree that Employee’s employment is “at will,” which is exempt from accruing or receiving any property rights other than as set forth in this Agreement, and which means that either party may terminate the employment relationship at any time “Without Cause” as defined in Section 3 (b) on ninety (90) days’ notice. Further, Employee understands and agrees that Employee waives any rights Employee may have pursuant to Florida Statutes or any other applicable local, state, and federal law now in effect or subsequently adopted to any prescribed notice or hearing prior to termination.

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(c) Duties and Responsibilities. (See Appendix A). During the Term, Employee shall have such authority and responsibility and perform such duties customary to Employee’s office and as are necessary to the business and operations of Broward Health. Broward Health reserves the right, in its sole discretion, to add, modify, delete, or otherwise change Employee’s duties, responsibilities, authority, reporting structure, and work location. During the Term, Employee shall perform Employee’s duties honestly, diligently, competently, in good faith, in the best interests of Broward Health, and shall use Employee’s best efforts to promote the interests of Broward Health. The Employee shall be subject to the policies and rules and regulations of Broward Health and the directives and decisions of the Board of Commissioners as

applied and amended from time to time. Employee acknowledges and agrees that Employee owes a fiduciary duty of loyalty, fidelity, and allegiance to act in the best interests of Broward Health and to do no act that would injure the business, interests, or reputation of Broward Health. Broward Health and Employee understand and agree that Employee shall be permitted to serve on industry, trade, civic, or charitable boards or committees provided that (i) such activities do not conflict with the goals and objectives of Broward Health, (ii) such activities do not interfere with the performance of the Employee's duties and responsibilities to Broward Health, and (iii) Employee is devoting substantially all of Employee's business time to Employee's duties and obligations under this Agreement. Further, Employee shall be permitted to make personal appearances, attend seminars, and/or lecture on matters relevant to Broward Health so long as such appearances promote and market the healthcare services provided by Broward Health.

- (d) Employee understands that Broward Health's Charter, Bylaws and Resolutions are incorporated into this Agreement and shall constitute a material provision of this Agreement.

## 2. Compensation.

- (a) Base Salary. In consideration for Employee's services hereunder and the other obligations contained herein, Employee shall be paid an annual base salary of Nine Hundred Twenty Thousand Dollars (\$920,000.00) subject to any withholdings required by law (the "Base Salary"), payable in accordance with Broward Health's customary payroll practices. Employee may be entitled to such increases in Employee's Base Salary, if any and at any time during the Term, as may be determined from time-to-time by the Board of Commissioners. Employee understands any evaluations of performance are not necessarily related to compensation increases and positive performance evaluations do not guarantee increases in compensation or promotions.
- (b) Incentive Compensation. Employee shall be eligible to receive financial performance-based compensation (sometimes referred to as Incentive Compensation) in addition to Employee's Base Salary in accordance with the terms and conditions of that compensation plan. Employee shall be entitled to Incentive Compensation in a maximum amount of thirty percent (30%) of Employee's Base Salary consistent with Appendix B. For the purpose of this Agreement, the President & CEO will be considered a Tier 1 Employee and all rules governing the At-Risk Compensation Plan will apply. Except as set forth in Section 3(f), Employee shall not be eligible to receive any such Incentive Compensation to the extent Employee is not employed by Broward Health at the time the Incentive Compensation is paid and/or if Employee's employment is terminated as provided under Section 3(a), (c), or (d).
- (c) Benefits. During the Term, Employee shall be entitled to participate in any insurance program, pension plans, and other fringe benefit plans and programs as are from time-to-time and maintained for the benefit of Broward Health's employees of comparable rank and status as Employee, subject to the provisions of such plans and programs.
- (d) Paid Time Off. During the Term, Employee will be entitled to paid vacation days, sick

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days, holidays, and leave during each year of the Term in accordance with the policies of Broward Health in effect for its employees.

(e) Expenses. In accordance with and as allowed by Florida law, Employee shall be reimbursed for out-of-pocket expenses reasonably incurred by Employee on behalf of or in connection with the business of Broward Health. This may include professional dues and subscriptions for Employee's participation in national, regional, state, and local associations and organizations and travel and per diem expenses of Employee while on Broward Health business, while attending functions as the representative of or on behalf of Broward Health, or while attending short courses, institutes, and seminars. Any request for reimbursement shall be subject to the review and approval by the Board of Commissioners (which review and approval must be obtained before incurring liability or expense) and shall be subject to the standards, guidelines and policies applicable to Broward Health.

(f) Sign-On Bonus. Employee shall be entitled to a one-time sign-on bonus (the "Sign-On Bonus"), payable in cash, less applicable withholdings, within thirty (30) days following the Effective Date. If, on or before the first anniversary of the Effective Date, Employee's employment is terminated by Broward Health "With Cause," as defined below, or Employee resigns without "Good Reason," as defined below, Employee shall promptly return the after-tax amount of the Sign-On Bonus, in cash, to Broward Health.

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3. Termination.

(a) ~~(a)~~ With Cause. Employee's employment with Broward Health may be immediately terminated by Broward Health "With Cause" upon written notification to Employee upon the occurrence of any of the following events: (i) Employee engages in any act of theft, fraud, embezzlement, misappropriation, material breach of fiduciary duty, or other act of dishonesty in the performance of Employee's duties to Broward Health; (ii) Employee is convicted of, or pleads guilty or no contest to, any felony crime or any misdemeanor involving a crime of moral turpitude (other than misdemeanor, traffic violations); (iii) Employee's ~~repeated~~ reporting to work under the influence of illegal drugs or unauthorized prescription drugs, Employee's use of (or testing positive for) illegal drugs or unauthorized prescription drugs while at work ~~or scheduled to be at work, or Employee's, or Employee's~~ possession, sale, or distribution of illegal drugs or unauthorized prescription drugs ~~(whether or not~~ at the workplace); (iv) Employee's insubordination or substantial and repeated failure or refusal after reasonable notice to perform the duties and responsibilities required to be performed by Employee under the terms of this Agreement; (v) Employee's threatened or actual physical violence at the workplace; (vi) Employee's repeated and substantial harassment, or engagement in discriminatory or retaliatory conduct at the workplace; (vii) Employee's intentional or grossly negligent conduct in the performance of his duties to Broward Health that ~~may risk or~~ causes substantial injury to oneself, another person, or Broward Health property; ~~or~~ (viii) Employee's ~~inability to perform Employee's duties and responsibilities as provided herein due to Employee's death or disability (as defined in Section 3); or~~ (ix) Employee material breaches of any other material provisions of this Agreement, or other wise-material failures to perform any material provision of this Agreement, and such breach or failure continues uncured for a period of thirty (30)

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days after a written notice to Employee specifying the nature of the alleged breach or failure thereof.

- (b) Without Cause. Broward Health may terminate Employee's employment hereunder at any time "Without Cause" by giving written notice to Employee at least ninety (90) days prior to the proposed date of termination. Notwithstanding anything to the contrary herein, the expiration of the Term (whether during the initial term or an extension of the initial term) due to a non-renewal by Broward Health pursuant to Section 1(b) shall constitute a termination by Broward Health "Without Cause," provided that Employee was willing and able to execute a new contract providing terms and conditions substantially similar to those in this Agreement and to continue providing such services.
- (c) Voluntary Termination of Employment by Employee without Good Reason. Employee may voluntarily terminate Employee's employment with Broward Health ~~hereunder~~ without Good Reason at any time by giving written notice to Broward Health at least ninety (90) days prior to the proposed date of termination ("Proposed Date of Termination"). Upon receipt of such notice, Broward Health may, at its sole discretion, advance (accelerate) the effective date of such termination of employment to any earlier date ("Actual Date of Termination") in which case Broward Health shall pay Employee the balance of Employee's Base Salary, Incentive Compensation (if permitted under the terms of the applicable plan), benefits (in accordance with the terms of the applicable plan), paid time off (if permitted under the terms of the applicable plan), and expenses (submitted in accordance with Broward Health's policies) for the period commencing on the Actual Date of Termination and ending on the Proposed Date of Termination. Such payments and benefits shall be paid or provided in accordance with Broward Health's normal payroll practices and procedures and in accordance with the terms of the applicable benefit plans following the Actual Date of Termination. Payment will be made net of all applicable payroll withholding and taxes.
- (d) Death or Disability. The employment relationship between Broward Health and Employee shall automatically terminate upon the death or ~~d~~Disability of employee. "Disability" shall mean Employee's inability due to injury or illness, to substantially perform his/her duties under this Agreement, with reasonable accommodation, for a period of ninety (90) consecutive days. Upon termination and pursuant to this paragraph, for death or Disability, Employee or the personal representative or guardian ad litem of Employee's estate, as the case may be, shall be entitled to receive any unpaid Base Salary, Incentive Compensation (if permitted under the terms of the applicable plan), benefits (in accordance with the terms of the applicable plan), paid time off (if permitted under the terms of the applicable plan), and expenses (submitted in accordance with Broward Health's policies) through the effective date of termination, payable within thirty (30) days following termination of employment unless otherwise provided in the applicable plan or by applicable law.
- ~~(e) Effect of Termination of Employment;~~
- (e) Termination of Employment by Employee For Good Reason. Employee may terminate Employee's employment with Broward Health for Good Reason within one hundred and eighty (180) days of the initial existence of the circumstances or event constituting

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Good Reason. "Good Reason" means the occurrence of any of the following events without Employee's consent: (i) a material diminution in Employee's Base Salary or Incentive Compensation entitlement; (ii) a material diminution in Employee's authority, duties, or responsibilities, including, without limitation, any circumstances where Employee is no longer the single most senior executive officer of Broward Health and/or any parent entity of Broward Health; (iii) a material diminution in the budget over which Employee retains authority; (iv) Employee being required to report to another person or entity other than to the Board of Commissioners<sup>1</sup> of Broward Health; or (v) any other action or inaction that constitutes a material breach by Broward Health of this Agreement. Employee must provide Broward Health with a written notice detailing the specific circumstances alleged to constitute Good Reason within ninety (90) days after the first occurrence of such circumstances, and Broward Health shall have thirty (30) days following receipt of such notice to remedy the conditions.

(f) Severance Pay and Benefits. In the event of a termination of Employee's employment "Without Cause" pursuant to section 3 (b) or Employee's resignation for "Good Reason" pursuant to Section 3(e), in addition to all accrued amounts, Employee shall be entitled to receive ~~payment~~ the following payments and benefits:

(i) Payment in an amount equal to twenty-four (24) months (the "Severance Period") of Employee's Base Salary as determined as of the date of termination of Employment ("Severance Pay").

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(ii) Notwithstanding anything to the contrary in the plan governing the Incentive Compensation, payment of a pro-rata portion of Employee's Incentive Compensation for the fiscal year in which Employee's termination occurs, based on actual results for such year (determined by multiplying the amount of such Incentive Compensation which would be due for the full fiscal year by a fraction, the numerator of which is the number of days during the fiscal year of termination that Employee is employed by Broward Health and the denominator of which is 365), payable in a lump sum at the same time as the Incentive Compensation would have been paid if Employee had continued to be employed by Broward Health, but in any event no later than the fifteenth (15<sup>th</sup>) day of the third month following the end of the fiscal year of Broward Health in which Employee's termination of employment occurs.

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(iii) If Employee has elected coverage under any of Broward Health's group health plans, dental plan, vision plan and/or prescription drug plan as of the date of his termination of employment, Employee shall be eligible to continue coverage under such employee benefit plans during the Severance Period in the same manner as similarly situated active executives of Broward Health, provided that Employee continues to meet the portion of the cost of coverage charged to similarly situated active employees. At the expiration of the Severance Period, Employee will be eligible to elect to continue group health plan coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or similar state law ("COBRA") without any contribution by Broward Health. For the avoidance of doubt, Employee's entitlement to COBRA coverage shall not run

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concurrently with the Severance Period, and Employee shall be entitled to elect COBRA coverage following the termination of the Severance Period.

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As a condition to receiving the Severance Pay and other benefits set forth in clauses (i), (ii) and (iii) (together, the "Severance Benefits"), Employee must sign and not revoke a severance agreement containing a general release and waiver of all claims in favor of Broward Health, its current and former successors, assigns, agents, legal representatives, employees, officers, commissioners, directors, and attorneys, ~~as well as other reasonable terms and conditions as required by Broward Health in the form attached hereto as Appendix C<sup>2</sup> ("Severance Agreement and Release").~~ Broward Health will provide Employee with a copy of the Severance Agreement and Release when Employee's Employment terminates. Broward Health must provide a copy of the Severance Agreement and Release to Employee within five (5) days of the date of his termination of employment. To be eligible to receive the Severance Benefits Pay under this Agreement, Employee must sign and deliver the Severance Agreement and Release to Broward Health within forty-five (45) days of receipt of the Severance Agreement and Release. To the extent Employee signs and does not revoke the Severance Agreement and Release, the Severance Pay shall be paid in equal installments in accordance with Broward Health's normal payroll practices and procedure, the first such installment to be made on the first payroll date falling on or first following the sixtieth (60th) day following the expiration of any revocation ~~Employee's termination, with such first installment including any amount that would have been paid in such sixty (60) day period contained in the Severance Agreement and Release.~~ The Severance ~~Pay Benefits~~ will be ~~made paid or provided~~ net of all applicable payroll withholding and taxes. ~~Employee will be able to continue Health Insurance, Dental Insurance, Vision Insurance and/or Prescription Insurance Coverages (as per the Employee's insurance coverage(s) as of the date of termination of Employment) at the Employee rate and Employee and will be solely responsible for payment of said insurance contributions. At the expiration of the severance period, Employee will be eligible to continue Insurance coverage pursuant to applicable law without any contribution by Broward Health.~~

4. Confidentiality. Employee acknowledges that as a result of Employee's employment with Broward Health, Employee has had or may have access to confidential, proprietary, trade secret, and/or non-public information concerning the business or affairs of Broward Health or its subsidiaries and affiliates, including but not limited to information concerning patients, suppliers, licensees, licensors, distributors, vendors, contracts, or arrangements with patients, suppliers, licensees, licensors, distributors, vendors (including special terms and deals), employees, marketing plans, business plans, operations, pricing, promotions, and business practices and strategies and methods (collectively "Confidential Information"). Accordingly, both during and after employment with Broward Health (regardless how it ends), Employee (i) shall use the Confidential Information solely in connection with Employee's employment with Broward Health and for no other purpose, (ii) take all precautions necessary to ensure that the Confidential Information shall not be, or be permitted to be, shown, copied, or disclosed to third parties, other than as intended within the scope of Employee's employment or as otherwise approved by Broward Health in writing, and (iii) observe all policies implemented by Broward Health from time-to-time with respect to the Confidential Information that are not in conflict with this Agreement. In the event that Employee is ordered to disclose any Confidential Information, whether in a legal or regulatory proceeding,

<sup>2</sup> NTD: Please attach a form of release.

Employee shall provide Broward Health with notice within five (5) days of such request, subpoena, or order so that Broward Health may seek to prevent disclosure if necessary.

5. Employee Representation. Employee represents and warrants to Broward Health that (i) Employee's employment with Broward Health and/or the execution, delivery, and performance of this Agreement by Employee do not and shall not conflict with, breach, violate, or cause a default under any contract, agreement, instrument, order, judgment, or decree to which Employee is a party or which by Employee is bound and (ii) Employee is not a party to or bound by any employment agreement, non-compete agreement, confidentiality agreement, or other post-employment obligation with any other person or entity that would limit Employee's job duties or obligation with Broward Health in any way. Employee further represents that Employee has been instructed by Broward Health and certifies that Employee will not disclose to Broward Health, any confidential, non-public, and/or proprietary business information and trade secrets belonging to any former employer.

6. Inventions, Patents, and Copyrights.

(a) Ownership of Developments. All copyrights, patents, trade secrets, or other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, or working of authorship developed or created by Employee during the course of performing work for Broward Health or its patients, suppliers, licensees, licensors, distributors, vendors (collectively, the "Work Product") shall belong exclusively to Broward Health and shall, to the extent possible, be considered a work made by Employee for hire for Broward Health within the meaning of Title 17 of the United States Code. To the extent the Work Product may not be considered work made by Employee for hire for Broward Health, Employee agrees to assign, and automatically assign at the time of creation of the Work Product, without any requirement of further consideration, all right, title, or interest Employee may have in such Work Product. Upon the request of Broward Health, Employee shall take such further actions, including execution and delivery of instruments of conveyance, as may be appropriate to give full and proper effect to such assignment.

(b) Books and Records. All Confidential Information, books, records, reports, writings, notes, notebooks, computer programs, sketches, drawings, blueprints, prototypes, formulas, photographs, negatives, models, equipment, reproductions, proposals, flow sheets, supply contracts, patient lists, and other documents and/or things relating in any manner to the business of Broward Health and its subsidiaries and affiliates (including but not limited to any of the same embodying or relating to any Confidential Information), whether prepared by Employee or otherwise coming into Employee's possession, shall be the exclusive property of Broward Health and shall not be copied, duplicated, replicated, transformed, modified, or removed from the premises of Broward Health except pursuant to the business of Broward Health and its subsidiaries and affiliates and shall be returned immediately to Broward Health on termination of Employee's employment hereunder or on Broward Health's request at any time.

7. Non-Disparagement. Employee agrees that Employee will not disparage the products, services, employees, officers, and director of Broward Health. "Disparage" means remarks, comments, or statements that impugn the character, honesty, integrity, morality, business acumen, or abilities in connection with any aspect of the operation of that business of the individual or entity

being disparaged. This provision is not to be construed as interfering with or limit Employee's ability to communicate with any government agencies or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including testifying or providing documents or other information, without notice to Broward Health.

8. Notices. All notices, demands, and other communications to be given or delivered under or by reason of the provisions of this agreement shall be writing and shall be deemed to have been given (i) when personally delivered, or (ii) one day after being sent by reputable overnight express courier (charges prepaid) or (iii) five days following mailing by certified or registered mail, postage prepaid. Unless another address is specified in writing, notices, demands, and other communications to the parties shall be sent to the addresses indicated below:

Shane Strum  
President & CEO  
2415 NE 26th Avenue  
Fort Lauderdale, FL 33305

North Broward Hospital District, Attn: Board Chairperson  
1800 NW 49th Street  
Fort Lauderdale, FL 33309

Copy to:  
North Broward Hospital District, Attn General Counsel  
1800 NW 49<sup>th</sup> Street  
Fort Lauderdale, FL 33309

9. Independent Obligations; Severability; Survival. Each of the provisions herein is considered independent of any other provision in this Agreement or any other agreement executed by Employee. Further, Employee's obligations hereunder are independent of any Broward Health obligation. The existence of any claim or cause of action by Employee against Broward Health shall not constitute a defense to the enforcement by Broward Health of the covenants herein. If any one or more of the provisions contained in this Agreement are, for any reason, held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect the other provisions of this Agreement as the parties agree that the legal authority shall revise the provisions contained herein to cover the maximum scope permitted by law. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal, or unenforceable in any jurisdiction (and it is not capable of modification as described above), it shall be severed and such invalidity, illegality, or unenforceability shall not affect the enforceability of the provision in any other jurisdiction, nor shall it affect the enforceability of any other provision of this Agreement.

10. Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matters including but not limited to all prior arrangements respecting Employee's employment, whether written or verbal. None of the parties have made any oral representations in connection with this Agreement.

11. Amendment; Waiver. This Agreement may not be modified, amended, supplemented, canceled,

or discharged, except by written instrument executed by all parties. No failure to exercise, and no delay in exercising, any right, power, or privilege under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude the exercise any other right, power, or privilege. No waiver of any breach of any provision shall be determined to be a waiver of any proceeding or succeeding breach of the same or any other provision, nor shall any waiver implied from any course of dealing between the parties. No extension of time for performance of any obligations or other acts hereunder or under another agreement shall be deemed to be an extension of the time for performance of any other obligations or any other acts. Title rights and remedies of the parties under this Agreement are in addition to all other rights and remedies, at law or equity that they may have against each other.

12. Assignment. This Agreement, and Employee's rights and obligations hereunder, may not be assigned or delegated to any Employee. Broward Health may assign its rights and delegate its obligations hereunder to any affiliate, successor, or assign.

13. Governing Law & Arbitration. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida, without regard to the principles of conflicts of law. The parties agree to settle by final and binding arbitration before the American Arbitration Association any and all claims and controversies arising out of or relating to Employee's employment by Broward Health, including, but not limited to: (i) any claim involving conduct alleged to be in violation of local, state, or federal statutory or common law; (ii) any contract or tort theories; and (iii) any claim arising out of or relating to the recruiting, hiring, employment with, and ending of Employee's employment with Broward Health, including but not limited to any pre-existing disputes, acts or omissions, known or unknown (collectively "Arbitrable Claims"). All disputes concerning the validity, interpretation, and application of this Agreement, including all disputes whether a claim is subject to arbitration, shall be decided by the arbitrator. This Agreement does not apply to or cover the following claims: (i) claims for workers' compensation benefits, except any claim for retaliation in violation of a workers' compensation law is deemed an Arbitral Claim; (ii) claims for unemployment compensation benefits; and (iii) claims based upon a pension or benefit plan that contain an arbitration or other dispute resolution procedure, in which case the provisions of such plan shall apply. Employee is not waiving the right to file or institute a complaint or charge with any government agency authorized to investigate or resolve employment-related matters (e.g., a charge of discrimination), or any other comparable local, state, or federal agency. The arbitration shall take place in Broward County, Florida, in the English language. Nothing herein shall prohibit a party from obtaining temporary injunctive relief or other provisional judicial relief from the arbitrator or any court of competent jurisdiction if necessary to avoid a breach of the confidentiality provisions detailed in paragraph 4 above. If a party should obtain temporary injunctive relief from a court of competent jurisdiction to avoid a breach of the confidentiality provisions detailed in paragraph 4 above, the arbitrator may later vacate, modify, or make permanent such relief. Except as otherwise provided in this Agreement, or as agreed in writing by the parties, the existence or potential existence of an arbitration, the content of the arbitration, the results of the arbitration, and all information disclosed during the arbitration process will be kept confidential to the maximum extent permitted by law.

14. Attorneys' Fees and Costs. If either party breaches this Agreement, or any dispute arises out of or relating to this Agreement, then the prevailing party shall be entitled to recover reasonable attorneys' fees and costs, whether incurred before suit, during suit, or at the appellate level. The prevailing party also shall be entitled, to recover reasonable attorneys' fees and costs incurred in litigating the entitlement to attorney's fees and costs, as well as in determining or quantifying the amount of recoverable attorney's fees and costs. The reasonable costs to which the prevailing party is entitled shall include cost that are

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taxable under any applicable statute, rule, or guideline, as well as non-taxable costs including but not limited to costs of investigation, copying costs, electronic discovery costs, mailing and delivery charges,

15. Headings. The paragraph headings in this Agreement are for purposes only and shall not effect in any way the meaning or interpretation of this Agreement.

16. No Strict Construction. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

17. Consultation with Counsel: Voluntary Agreement. The parties acknowledge that they have had the opportunity to freely consult with attorneys of their own choosing and are fully aware of their rights, responsibilities, and the consequences of the execution of this Agreement prior to signing. Employee represents and agrees that this Agreement was reached through arm's length negotiation in which Employee had the opportunity to be represented by counsel. This Agreement was reached knowingly and voluntarily and that there was no undue influence, overreaching, collusion, or intimidation.

18. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument.

19. Code Section 409A and Code Section 457(f).

(a) The intent of the parties is that payments and benefits under this Agreement shall comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations and guidance promulgated thereunder (collectively "Code Section 409A"). A termination of Employee's employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation subject to Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service," within the meaning of Code Section 409A, by Employee from Broward Health. for purposes of Code Section 409A, Employee's right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments.

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(b) With respect to any reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation subject to Code Section 409A: (i) in no event shall any fees, expenses or other amounts eligible to be reimbursed by Broward Health under this Agreement be paid later than the last day of the calendar year next following the calendar year in which the applicable fees, expenses or other amounts were incurred; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits that Broward Health is obligated to pay or provide, in any given calendar year shall not affect the expenses that Broward Health is obligated to reimburse, or the in-kind benefits that Broward Health is obligated to pay or provide, in any other calendar year; and (iii) Employee's right to have Broward Health pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit.

(c) If it is determined that all or any portion of the Severance Pay is subject to Section 457(f) of the Code and becomes taxable to Employee prior to the date of payment set forth in Section 3(f), then, to the extent permitted by Code Section 409A without resulting in the imposition of taxes pursuant to Code Section 409A(a)(1)(B), payment of such portion of the Severance Pay shall be made in a single lump sum as soon as reasonably practicable following the date on which it is includible in Employee's income pursuant to Section 457(f) of the Code.

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IN WITNESS WHEREOF, Employee and the North Broward Hospital District d/b/a Broward Health, have caused this Agreement to be executed as of the date first above written Effective Date.

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**Employee:**

**North Broward Hospital District:**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Appendix A**  
**Duties and Responsibilities**

[See Attached Job Description which reflects the job duties for the President/CEO]

## Appendix B

### Incentive Compensation

The purpose of the Employee's Incentive Plan ("Incentive Plan"), as the President/CEO, is to provide a tool to support and promote collaborative business goals among Broward Health's leadership to drive operational performance.

The Incentive Plan is self-funding. Therefore, Broward Health must generate sufficient funds to cover the cost of the incentive plan payouts without creating any fiscal shortfall or deficit to the budget. The annual cost for the Incentive Plan's payout is anticipated to be up to 30% of the annual base salary of the Employee as provided in Section 2 of the Agreement. The annual base salary takes into consideration any pay adjustment during the Incentive Plan period as well as the payroll taxes Broward Health would be responsible for.<sup>3</sup> Annual base salary does not include bonus, benefits, or other compensation.

The Incentive Plan is tied to achievement of the following two (2) performance measures:

1. **Balanced Scorecard:** Incentive payout will be based on the performance of the approved Balanced Scorecard total system targets with an opportunity of up to 20% of base salary. The balanced scorecard is subject to review and approval annually by the Board.
2. **Reduction in the Reliance on Tax Funds:** Incentive payout calculation will be based on the reduction in reliance on tax funds in the amount of 1% per million more than the rolled-back rate with an opportunity of up to 10% of base salary.

To be eligible under the Incentive Plan, the Employee must be appointed by the Board and in the designated position at least six (6) months or longer during the fiscal year starting on July 1st through June 30th. To the extent Employee was employed for six (6) months or longer but less than the full fiscal year, then the Employee shall receive a pro-rata portion of the incentive payout based upon meeting the performance standards above. Further eligibility under the Incentive Plan also is subject to the following:

- If Employee separates from Broward Health prior to the date of the Incentive Plan payout approved by the Board, Employee forfeits all rights to an Incentive Plan payout. No pro-rata portion of the incentive plan payout will be paid upon Employee's separation. Notwithstanding the foregoing, Employee will be entitled to a pro rata portion of the Incentive Plan payout for the year of his termination of employment if his employment is terminated by Broward Health without Cause or Employee terminates his employment for Good Reason, as set forth in Section 3(b) or Section 3(e) of the Agreement.
- If Employee is on an unpaid leave of absence on the date of the Incentive Plan payout, Employee will receive Employee's Incentive Plan payout when Employee returns to work in an active status; however, the Incentive Plan payout shall be forfeited if Employee fails to return to work in an active status.

<sup>3</sup> NTD: Does this mean that the target incentive compensation is 30% of Employee's Base Salary, plus the employer portion of FICA and any unemployment taxes that are payable by Broward Health?

Appendix C  
Form of Release