

MASTER AFFILIATION AND INTERLOCAL AGREEMENT

This Master Affiliation and Interlocal Agreement (this “**Agreement**”), effective as of June 30, 2023 (the “**Effective Date**”), is entered into by and between the Florida Atlantic University Board of Trustees, a public body corporate and agency of the State of Florida (“**FAU**”), and North Broward Hospital District d/b/a Broward Health, an independent special tax district of the State of Florida (“**Broward Health**”). Each of FAU and Broward Health individually shall be referred to as a “**Party**,” and together shall be referred to as the “**Parties**.”

RECITALS

WHEREAS, the legislature of the State of Florida established FAU, which is dedicated to education, research, and service, pursuant to Article IX, Section 7 of the Florida Constitution;

WHEREAS, the Schmidt College of Medicine (the “**College**”) within FAU has the mission to advance collaborative learning and discovery, improve health outcomes in the South Florida area, and create a scholarly environment that fosters excellence in the life-long goals of education, research activity, and compassionate patient care, as well as pursuing the tripartite mission of teaching, research, and public service;

WHEREAS, as an integral part of the College’s mission, the College: (i) conducts Undergraduate Medical Education (“**UME**”) programs in accordance with the Liaison Committee for Medical Education (“**LCME**”), pursuant to which students participate in educational opportunities, receive training and provide certain health services under appropriate supervision; (ii) conducts graduate medical education (“**GME**”) programs, including programs accredited by the Accreditation Council for Graduate Medical Education (the “**ACGME**”) or other similar organizations, pursuant to which FAU employs postgraduate resident physicians, fellows, and other similarly qualified trainees (collectively, “**Residents**”) who receive training and provide medical services in accordance with the guidelines of their training programs; (iii) appoints faculty members (each a “**FAU Physician**”) who are trained and skilled in providing health care services to patients as an integral part of their assigned responsibilities to maintain and improve their skills as educators and practitioners, and to educate and train medical students and Residents; and (iv) maintains clinical medical departments;

WHEREAS, FAU also conducts other educational programs in accordance with appropriate and applicable accreditation and legal requirements, to provide learning and training opportunities to students in other programs including, but not limited to, allied health programs, business and engineering programs, social work and counseling programs, exercise science and public health programs, etc. (in general, students in other programs, residents, fellows, other trainees and medical students are referred to herein as “**Learners**”, and specifically, such Learners receiving education, training, or experience through FAU as “**FAU Learners**”);

WHEREAS, FAU Clinical Practice Organization, Inc. a Florida not-for-profit corporation, is organized and operated exclusively for the support and benefit of FAU as: (i) the FAU faculty practice plan corporate entity under section 1001.706(3)(d), Florida Statutes, Florida Board of Governors Regulations 1.001(8)(a) and 9.017, and FAU Regulation 9.001; and (ii) a FAU direct-

support organization “**FAU-Controlled Affiliate**”) under section 1004.28, Florida Statutes, Florida Board of Governors Regulations 1.001(8)(b) and 9.011, and FAU Regulation 6.013;

WHEREAS, the Florida Legislature established Broward Health under chapter 2006-347, Laws of Florida, as amended (“**Broward Health’s Charter**”), and chapter 189, Fla. Stat., as an independent special district governed by the Board of Commissioners of the North Broward Hospital District (“**Broward Health Board**”) to meet the health care needs of the residents of the northern two-thirds of Broward County, Florida (the “**District**”);

WHEREAS, Broward Health, pursuant to Broward Health’s Charter, operates a public and nonprofit health care system in the District, which includes multiple hospitals and healthcare facilities, one of which is Broward Health North, a 409-bed general acute care hospital (“**BHN**”);

WHEREAS, Broward Health operates several teaching hospitals that train Learners and operates postdoctoral graduate medical, dental and pharmacy education programs that employ medical professionals, practitioners, and contractors to teach, train, and educate such Learners in the provision of medical care at Broward Health’s facilities in accordance with ACGME, the American Osteopathic Association (“**AOA**”), Commission on Dental Accreditation (“**CODA**”), American Society of Health-System Pharmacists (“**ASHP**”), and other educational accrediting agencies (LCME, ACGME, AOA, CODA, and ASHP shall be individually referred to as an “**Accrediting Body**” and collectively as the “**Accrediting Bodies**”);

WHEREAS, BHN serves as one of Broward Health’s safety-net academic medical centers, and BHN is committed to providing the residents and the patients of the District with a comprehensive scope of healthcare services and programs in a caring, compassionate setting; and

WHEREAS, as one of Broward Health’s safety-net and teaching hospitals, BHN affiliates with academic and community institutions to support their teaching and research missions and to ensure the provision of needed healthcare services;

WHEREAS, Broward Health employs physicians (each a “**BHPG Physician**”) in the Broward Health Physician Group, a department of Broward Health’s Ambulatory Division (“**BHPG**”), and contracts with other health care professionals who provide clinical services to the public (“**Clinical Services**”) at BHN and other Broward Health facilities;

WHEREAS, BHN recognizes the benefits of affiliating with an academic institution and desires to develop an integrated approach to cultivating Learners through medical education, cutting-edge clinical operations, research, and innovation with the goal of creating a high-performance academic medical center, to ensure the sustainability for all Parties involved, to encourage physicians to practice within the District and to continue to foster and deliver high quality health care to the District’s residents and BHN’s patients;

WHEREAS, the Florida Interlocal Cooperation Act of 1969, section 163.01, Florida Statutes, encourages and empowers local governmental units such as FAU and Broward Health to cooperate on matters of mutual interest and advantage, to provide services that shall accord best with geographic, economic, population, and other factors influencing the needs and development of local communities;

WHEREAS, the Florida Interlocal Cooperation Act of 1969, section 163.01, Florida Statutes, provides for interlocal agreements between local governmental units, and the Parties mutually desire to enter into an interlocal agreement to strategically affiliate and further advance shared objectives, so that: (i) BHN shall serve as a teaching hospital for FAU; and (ii) FAU and the College shall serve as an academic medical institution for BHN, each in accordance with the respective and common missions of the Parties, and in order: (a) to provide high quality and cost efficient medical care to patients through access to BHN, other facilities of Broward Health, the College and other programs of FAU; and (b) for BHN to provide to College and FAU, pursuant to section 1012.965, Florida Statutes, clinical settings for health care education, research, and patient care services to support and enhance the programs and activities of College;

WHEREAS, in furtherance of the common missions of the Parties, and in order to further enhance the quality, scope, and availability of healthcare services provided to communities served by the Parties or the Parties' Affiliates, the Parties: (i) have entered into this Agreement; and (ii) may enter into further agreements arising out of or relating to this Agreement (collectively, the "**Collaboration Agreements**");

WHEREAS, pursuant to this Agreement and the Collaboration Agreements, the Parties desire to strategically collaborate (the "**Affiliation**") with respect to their services and operations set forth in this Agreement and that are included within the scope of the Collaboration Agreements, in order to achieve the goals set forth in Section 2.2;

WHEREAS, in support of the Affiliation, the Parties desire to re-brand BHN as "Florida Atlantic University Hospital at Broward Health North";

WHEREAS, in accordance with section 163.01(7), Florida Statutes, and to manage the Affiliation and to provide certain services and personnel for the Affiliation, both Parties shall form a separate Florida not-for-profit corporation (the "**FAU/Broward Health Academic Practice Plan**"), of which both Parties shall be the initial members, by filing articles of incorporation (the "**FAU/Broward Health Academic Practice Plan Articles**") as agreed upon by the Parties;

WHEREAS, Broward Health shall fund the start-up and operating expenses associated with the FAU/Broward Health Academic Practice Plan, as set forth in an annual budget developed and approved by the Parties in accordance with applicable Law;

WHEREAS, in order to coordinate certain aligned Clinical Services through the FAU/Broward Health Academic Practice Plan, FAU shall employ certain physicians, advanced practice providers, and other healthcare providers, including, but not limited to, nurse practitioners, physician assistants, certified nurse midwives, anesthesia assistants, certified registered nurse anesthetists, psychologists, and other similarly qualified providers (each a "**Provider**"), and, through assignment, Providers shall render services at BHN, subject to staff privilege approvals and the Bylaws of the Medical Staff of Broward Health ("**Medical Staff Bylaws**") and the applicable policies and procedures of BHN;

WHEREAS, the FAU/Broward Health Academic Practice Plan shall be entitled to exercise all of the powers, rights, and authority set forth in this Agreement, the FAU/Broward Health Academic Practice Plan Articles and in the corporate bylaws of the FAU/Broward Health

Academic Practice Plan (the “**FAU/Broward Health Academic Practice Plan Bylaws**”), which bylaws shall be as agreed upon by the Parties (the referenced documents being the “**FAU/Broward Health Academic Practice Plan Documents**,” and the scope of the FAU/Broward Health Academic Practice Plan’s powers, rights, and authority set forth in the FAU/Broward Health Academic Practice Plan Documents being the “**Scope of the FAU/Broward Health Academic Practice Plan**”); and

WHEREAS, all capitalized terms not defined in the above Recitals shall have the meaning ascribed to such terms in Section I of this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the Parties adopt the foregoing Recitals as true and correct and agree to the terms and conditions of the Affiliation set forth in this Agreement.

I. DEFINITIONS.

The words set forth below shall have the following meanings ascribed to them wherever they appear in this Agreement, regardless of whether they are capitalized, unless: (1) the context in which they are used clearly requires a different meaning; or (2) a different definition is prescribed for a particular Section of this Agreement. Words not defined shall be given their common and ordinary meaning unless the context in which they are used requires otherwise.

1.1 “**Accreditation Bodies**” has the meaning set forth in the Recitals.

1.2 “**ACGME**” has the meaning set forth in the Recitals.

1.3 “**Affiliate**” means, with respect to any Party, any Person or entity directly or indirectly controlling, controlled by, or under common control with, such other Person or entity at any time during the period for which the determination of Affiliation is being made. For purposes of this definition, the term “**control**” (including the correlative meanings of the terms “**controlled by**” and “**under common control with**”), as used with respect to either Party, means the possession, direct or indirect, of the power to direct or cause the direction of management of such Party, whether through ownership of voting securities, by contract, or otherwise.

1.4 “**Affiliation**” has the meaning set forth in the Recitals.

1.5 “**Agreement**” has the meaning set forth in the preamble to this Agreement.

1.6 “**AHLA**” has the meaning set forth in Section 10.8.

1.7 “**AOA**” has the meaning set forth in the Recitals.

1.8 “**Approval**” means any approval, authorization, consent, notice, qualification, or registration, or any extension, modification, amendment, or waiver of or from any of the foregoing, or any notice, statement, filing, or other communication to be filed with, or delivered to, any Governmental Authority.

1.9 “**ASHP**” has the meaning set forth in the Recitals.

- 1.10 “**BH SIP**” means the Broward Health Self-Insurance Program.
- 1.11 “**BHN**” has the meaning set forth in the Recitals.
- 1.12 “**BHPG**” has the meaning set forth in the Recitals.
- 1.13 “**BHPG Physician**” has the meaning set forth in the Recitals.
- 1.14 “**Broward Health**” means the fictitious name of the North Broward Hospital District.
- 1.15 “**Broward Health Board**” has the meaning set forth in the Recitals.
- 1.16 “**Broward Health-Controlled Affiliate**” means a Controlled Affiliate wholly owned or affiliated and controlled by Broward Health.
- 1.17 “**Broward Health’s Charter**” has the meaning set forth in the Recitals.
- 1.18 “**Broward Health Employees and Agents**” means Broward Health, Broward Health-Controlled Affiliates, Broward Health’s Residents and fellows, officers and other employees and agents of Broward Health acting within the course and scope of their duties, as assigned by Broward Health.
- 1.19 “**Business Associate Contract**” has the meaning set forth in 45 C.F.R. § 164.504(e).
- 1.20 “**Clinical Services**” has the meaning set forth in the Recitals.
- 1.21 “**CMS**” has the meaning set forth in Section 6.4(b).
- 1.22 “**CODA**” has the meaning set forth in the Recitals.
- 1.23 “**Collaboration Agreements**” has the meaning set forth in the Recitals.
- 1.24 “**College**” has the meaning set forth in the Recitals.
- 1.25 “**Controlled Affiliate**” means, with respect to any Party, any Affiliate directly or indirectly controlled by such Party at any time during the period for which the determination of controlled Affiliation is being made. For purposes of this definition, the term “controlled by,” as used with respect to any Party, means the possession, direct or indirect, of the power to direct or cause the direction of management of such Party, whether through ownership of voting securities, by contract, or otherwise.
- 1.26 “**Current GME Program**” has the meaning set forth in Section 6.2.
- 1.27 “**Development Plans**” has the meaning set forth in Section 4 of Exhibit A.
- 1.28 “**DIO**” has the meaning set forth in Section 6.2.

- 1.29 “**Dispute Resolution Committee**” has the meaning set forth in Section 3.2.
- 1.30 “**Dispute Resolution Committee Representatives**” has the meaning set forth in Section 3.2.
- 1.31 “**District**” has the meaning set forth in the Recitals.
- 1.32 “**Effective Date**” has the meaning set forth in the preamble to this Agreement.
- 1.33 “**Event of Default**” has the meaning set forth in Section 10.2.
- 1.34 “**FAU**” means Florida Atlantic University Board of Trustees.
- 1.35 “**FAU/Broward Health Academic Practice Plan**” has the meaning set forth in the Recitals.
- 1.36 “**FAU/Broward Health Academic Practice Plan Articles**” has the meaning set forth in the Recitals.
- 1.37 “**FAU/Broward Health Academic Practice Plan Board**” has the meaning set forth in Section 3.1.
- 1.38 “**FAU/Broward Health Academic Practice Plan Operating Budget**” has the meaning set forth in Section 3(a) of Exhibit A.
- 1.39 “**FAU/Broward Health Academic Practice Plan Bylaws**” has the meaning set forth in the Recitals.
- 1.40 “**FAU/Broward Health Academic Practice Plan Documents**” has the meaning set forth in the Recitals.
- 1.41 “**FAU/Broward Health Academic Practice Plan Employees and Agents**” means employees and agents of the FAU/Broward Health Academic Practice Plan.
- 1.42 “**FAU/Broward Health Academic Practice Plan Expenses**” has the meaning set forth in Section 3(d) of Exhibit A.
- 1.43 “**FAU/Broward Health Academic Practice Plan Operation Date**” has the meaning set forth in Section 3.1(c)(xi).
- 1.44 “**FAU/Broward Health Academic Practice Plan Revenue**” has the meaning set forth in Section 3(c) of Exhibit A.
- 1.45 “**FAUCOM SIP**” means the FAU College of Medicine Self-Insurance Program.
- 1.46 “**FAU-Controlled Affiliate**” means a Controlled Affiliate wholly owned or affiliated and controlled by FAU.

1.47 “**FAU Employees and Agents**” means FAU, FAU Physicians and providers, FAU clinical supervisors, Residents, and other employees and agents of FAU acting within the course and scope of their duties, as assigned by FAU.

1.48 “**FAU Learner**” has the meaning set forth in the Recitals.

1.49 “**FAU Physician**” has the meaning set forth in the Recitals.

1.50 “**GAO**” has the meaning set forth in Section 9.6(a).

1.51 “**GME**” has the meaning set forth in the Recitals.

1.52 “**GMEC**” has the meaning set forth in Section 6.2.

1.53 “**Governmental Authority**” means any government or any agency, bureau, board, directorate, commission, court, department, official, political subdivision, tribunal, special district, or other part of any government, whether federal, state, or local, domestic or foreign, and any self-regulatory organization.

1.54 “**HHS**” has the meaning set forth in Section 9.6(a).

1.55 “**HIPAA and HITECH**” has the meaning set forth in Section 12.3.

1.56 “**Initial Funding Period**” has the meaning set forth in Section 2(a) of Exhibit A.

1.57 “**Initial Start-Up Budget**” has the meaning set forth in Section 2(b) of Exhibit A.

1.58 “**Issue**” has the meaning set forth in Section 3.2.

1.59 “**Law**” means any governmental constitution, statute, law, ordinance, code, regulation, or judicial or administrative order, ruling, judgment, or decree, as the same may be amended, superseded, or added during the Term, which may apply to or affect this Agreement, or the rights of either Party, or which otherwise governs, controls, or affects the subject matter or property addressed by this Agreement.

1.60 “**LCME**” has the meaning set forth in the Recitals.

1.61 “**Learners**” has the meaning set forth in the Recitals.

1.62 “**Lien**” means any mortgage, conditional sales agreement, deed of trust, lien, pledge, hypothecation, charge, or security interest in, on, or of property, or any portion of property, securing an obligation to pay money.

1.63 “**Management Services Organization**” shall have the meaning set forth in Section 4.4.

1.64 “**Material Expenses**” has the meaning set forth in Section 2(d) of Exhibit A.

1.65 “**Medical Records Agreements**” has the meaning set forth in Section 9.5.

- 1.66 “**Medical Records**” has the meaning set forth in Section 9.5.
- 1.67 “**Medical Staff Bylaws**” has the meaning set forth in the Recitals.
- 1.68 “**Milestone Payments**” has the meaning set forth in Section 4 of Exhibit A.
- 1.69 “**Mission Alignment Payment**” has the meaning set forth in Section 5 of Exhibit A.
- 1.70 “**New GME Program**” has the meaning set forth in Section 6.2.
- 1.71 “**Non-FAU Trainee**” has the meaning set forth in Section 6.3.
- 1.72 “**Party**” or “**Parties**” has the meaning set forth in the preamble.
- 1.73 “**Permit**” means any license, permit, or certificate required to be issued or granted by any Governmental Authority.
- 1.74 “**Person**” means any individual, corporation, trust, limited liability company, general partnership, limited partnership, limited liability partnership, association, joint stock association, joint venture, firm, business trust, land trust, cooperative, foreign association, or similar legal organization.
- 1.75 “**PJO**” has the meaning set forth in Section 3.3(a).
- 1.76 “**Post-Termination Plan**” has the meaning set forth in Section 10.7(d).
- 1.77 “**Program Director**” has the meaning set forth in Section 6.4(b).
- 1.78 “**Provider**” has the meaning set forth in the Recitals.
- 1.79 “**Reconciliation Process**” has the meaning set forth in Section 3(d) of Exhibit A.
- 1.80 “**Residents**” has the meaning set forth in the Recitals.
- 1.81 “**Scope of the FAU/Broward Health Academic Practice Plan**” has the meaning set forth in the Recitals.
- 1.82 “**Tax-Exempt Organization**” means an organization described in section 501(c)(3) of the Internal Revenue Code, which is exempt from federal income taxation pursuant to section 501(a) of the Internal Revenue Code.
- 1.83 “**Term**” has the meaning set forth in Section 10.1.
- 1.84 “**Termination Effective Date**” has the meaning set forth in Section 10.6(a).
- 1.85 “**TJC**” has the meaning set forth in Section 6.4(b).
- 1.86 “**Transferring Personnel**” has the meaning set forth in Section 4.2.

- 1.87 “**Transition Plan**” has the meaning set forth in Section 4.2.
- 1.88 “**UME**” has the meaning set forth in the Recitals.
- 1.89 “**Unwind Plan**” has the meaning set forth in Section 10.7(c).

II. AFFILIATION TENETS

2.1 **Affiliation Status**. The Affiliation is intended to be structured to constitute a “Care Coordination Arrangement to Improve Quality, Health Outcomes, and Efficiency” as defined in 42 C.F.R. § 1001.952 in addition to a “Value-Based Arrangement” as defined in 42 C.F.R. § 42 C.F.R. § 411.351.

2.2 **Goals of the Parties**. The goals of the Parties, this Agreement, and the Affiliation are to:

(a) establish an academic medical center meeting the definition set forth at 42 C.F.R. § 411.355(e), to allow for the enhanced and efficient delivery of high-quality health care to the residents of South Florida;

(b) provide an environment that promotes increased access and connectivity that allows for more seamless integrated care delivery for patients;

(c) expand the availability of professional medical services, clinical research, and education, and promote public health, consistent with the charitable, educational, scientific, and medical purposes of the Parties;

(d) grow and retain an academically minded healthcare workforce to improve the quality of care and otherwise increase the Parties’ efficiency in the provision of clinical care to benefit patients in South Florida;

(e) establish and thereafter to maintain BHN as a teaching hospital of FAU, and FAU as a teaching affiliate of BHN, in order to provide health care education and training for FAU Learners and other Learners or health science professionals;

(f) rebrand BHN as “Florida Atlantic University Hospital at Broward Health North” to support the Affiliation between the Parties;

(g) in a legally compliant manner, improve the clinical outcomes and patient experience at BHN for the applicable patient population to enhance the operating results at BHN;

(h) advance medical knowledge and health sciences through the pursuit of research and other scholarly activities of the Parties, including clinical research conducted in compliance with applicable Laws for protection of human research subjects;

(i) create an arrangement designed to facilitate a shared and equitable governance structure and economic model that enhances the strategic and financial positions of both Parties and lowers the tax burden on the public; and

(j) establish the Affiliation and create a longstanding affiliation between the Parties in order to: (i) improve the quality of care for the applicable patient population; (ii) reduce, in an appropriate manner, the cost of, or growth in expenditures associated with, the care of such patient population, while improving the quality of the care furnished to such patient population; (iii) be a platform for the innovation and transition of healthcare delivery and payment from a system based on the volume of items and services provided, to a system based on quality of care and control of the costs of care for such patient population and a move to value-based care, and (iv) ensure an environment optimized for Learners and FAU Learners and cooperate in creating a basis for educational growth and opportunity.

2.3 **Guiding Principles.** The Affiliation and financial arrangement between the Parties (as described in greater detail in Exhibit A to this Agreement) shall be based on the following principles:

(a) Financial investments shall be made to support, strengthen, and expand clinical, academic, and research activities and missions.

(b) The Parties shall look for opportunities to expand and support key clinical programs at BHN.

(c) Any incremental value achieved by the Affiliation shall be shared by both Parties as described herein in accordance with applicable safe harbors under the Anti-Kickback Statute and the Stark Act and in compliance with all applicable Laws and regulations.

(d) Historic investment interests shall be maintained, including continued investment by Broward Health to maintain pre-Affiliation capabilities of academic and clinical programs and services.

(e) Additional investments shall be pursued as needed to advance the clinical, academic, and research activities and missions and achieve the Parties' goals under the Affiliation.

(f) The Parties intend to work together cohesively and to keep the financial structure of the Affiliation simple and relatively easy to administer.

2.4 **Ongoing Communications.** The duly authorized officers and representatives of the Parties shall in good faith openly communicate, establish philosophies, identify policy needs, and cooperate with each other to carry out the intent and purposes of this Agreement and the Affiliation.

III. GOVERNANCE AND MANAGEMENT OVERSIGHT

3.1 FAU/Broward Health Academic Practice Plan Board.

(a) In order to accomplish the common missions, covenants, and goals set forth in this Agreement, the Parties shall jointly establish the FAU/Broward Health Academic Practice Plan which shall be governed by a board of directors (the "**FAU/Broward Health Academic Practice Plan Board**") pursuant to this Section 3.1. Each Party shall appoint four (4) members of the FAU/Broward Health Academic Practice Plan Board in accordance with the FAU/Broward

Health Academic Practice Plan Articles and the FAU/Broward Health Academic Practice Plan Bylaws. It is anticipated that the members of the FAU/Broward Health Academic Practice Plan Board shall be executives from each of the Parties and may include physicians affiliated with the Parties. The FAU/Broward Health Academic Practice Plan Board is designed to serve as the overarching Affiliation governance structure for all joint activities between the Parties, to drive coordination of resources, and to create balanced decision-making. The FAU/Broward Health Academic Practice Plan Board shall provide oversight of Affiliation activities, including, without limitation, the activities of the FAU/Broward Health Academic Practice Plan.

(b) The Parties recognize that, in pursuing the realization of their separate missions, variations, and differences in philosophy and process may occur. The FAU/Broward Health Academic Practice Plan Board is created to advise and make recommendations on shared strategic alignment and planning to support all aspects of the Affiliation.

(c) FAU/Broward Health Academic Practice Plan's Board shall advise and make recommendations to the Parties on the following:

(i) coordinated oversight of the Affiliation, including, without limitation, education, research, finances and funds flow, and identification of opportunities for development and expansion that impact the shared FAU-BHN clinical practice;

(ii) systematic review and evaluation of the common administrative, educational, patient care, and research programs of the Parties to determine their effectiveness, adequacy, and consistency with the Parties' common missions, and to offer advice and recommendations for improvement to the Parties;

(iii) planning and coordination of joint and collaborative research activities of the Parties;

(iv) systematic review and evaluation of College's and BHN's GME Programs, College's UME Program and FAU's other education programs, as well as other collaborative education programs between the Parties, and review of opportunities to collaborate on education programs and to prioritize the placement of FAU Learners at Broward Health facilities;

(v) periodic review of this Agreement, and all other agreements between the Parties, to determine the timely relevance of their tenets and policies, to evaluate compliance with their provisions, and to offer recommendations and amendments designed to enhance their effectiveness;

(vi) adherence to this Agreement, including by consideration of grievances, conflicts, or disputes related to this Agreement, with the dedicated purpose of resolving such grievances, conflicts, or disputes in good faith;

(vii) budget priorities relating to contracts between the Parties, including, without limitation, annual budgets for the FAU/Broward Health Academic Practice Plan and capital investments;

(viii) financial performance and concerns with respect to contracts between the Parties;

(ix) joint philanthropic endeavors between the Parties;

(x) co-branded programs between the Parties;

(xi) Provider-related recruitment and retention priorities for the Affiliation, and other strategic priorities relating to Providers to allow FAU to recruit needed Providers for the shared FAU-BHN clinical practice under this Agreement, which shall be implemented by the FAU/Broward Health Academic Practice Plan on and after the date mutually determined by the Parties (the “**FAU/Broward Health Academic Practice Plan Operation Date**”), taking into account community need, evolving care models, and growth initiatives across the clinical, educational, and research missions of the Parties;

(xii) coordination of certain Clinical Services, by advising the Parties of programs, policies, and infrastructure necessary for the Parties to monitor, evaluate, modify, and enforce such clinical protocols and guidelines, and such standards and goals; and

(xiii) other matters deemed by the Parties to be relevant to the Affiliation.

(d) In fulfilling the functions and purposes of the FAU/Broward Health Academic Practice Plan, the Parties shall cooperate in good faith to balance the goals of (i) carrying out the advisory functions and purposes of the FAU/Broward Health Academic Practice Plan in an effective manner; and (ii) protecting confidential, proprietary, or sensitive information of the Parties. The Parties shall cooperate in good faith to agree to a set of policies and procedures for the FAU/Broward Health Academic Practice Plan Board, which shall take into account the goals set forth in the previous sentence.

3.2 **Dispute Resolution Committee.** In addition to the FAU/Broward Health Academic Practice Plan Board, the Parties shall create a separate committee, the “**Dispute Resolution Committee**,” to resolve any disputes concerning the Affiliation when the FAU/Broward Health Academic Practice Plan Board cannot reach a resolution. The Dispute Resolution Committee shall be an ad-hoc committee composed of an equal number of senior executives from both of the Parties (the “**Dispute Resolution Committee Representatives**”), as determined by the Parties. The Dispute Resolution Committee shall consider, and in good faith attempt to resolve, grievances, disputes, conflicts, or other issues (each an “**Issue**”) that may arise between the Parties in connection with this Agreement or any of the Collaboration Agreements, including any notices of breach or default. Either Party may refer any Issue to the Dispute Resolution Committee when the FAU/Broward Health Academic Practice Plan Board cannot resolve the Issue. If an Issue is referred to the Dispute Resolution Committee, the co-Chairs of the Dispute Resolution Committee shall call and convene a meeting to be held no later than twenty-one (21) calendar days after the referral of the Issue unless otherwise agreed to by both Parties. The Dispute Resolution Committee Representatives shall be provided no less than seven (7) calendar days advance written notice of such meeting, absent emergency circumstances. The Dispute Resolution Committee shall consider the Issue, and in good faith attempt to resolve the Issue by internal negotiation, mediation, or recommendation of a resolution; provided, however,

that Dispute Resolution Committee recommendations shall not be binding on the Parties. If a Dispute Resolution Committee recommendation is not accepted by the Parties, either Party may refer the Issue for mediation under Section 10.8.

3.3 **Leadership**. In order to further the common missions of the Parties as set forth in this Agreement, allow for the continued development of the Affiliation, and coordinate and align interests, the Parties agree to implement the following leadership structure:

(a) The President of Joint Operations (“**PJO**”) shall be appointed upon mutual agreement of the Parties and shall be employed by FAU or Broward Health, upon the mutual agreement of the Parties, to serve in a leadership and executive capacity. The PJO may also be a member of the FAU/Broward Health Academic Practice Plan Board, upon the mutual agreement of the Parties. The PJO shall perform the following duties:

(i) Manage and oversee day-to-day operations of the FAU/Broward Health Academic Practice Plan;

(ii) Collaborate with Broward Health’s and FAU’s leadership to coordinate clinical program development initiatives and education program planning, including GME and UME programs;

(iii) Report and be accountable to the FAU/Broward Health Academic Practice Plan Board;

(iv) Develop business plans to align the individual activities of each respective Party to the overarching Affiliation strategy, in conjunction with input from both FAU and Broward Health executive leadership;

(v) Maintain oversight for financial and operational performance in conjunction with Broward Health and FAU leadership;

(vi) Foster collaboration with staff, faculty, clinicians, and leadership across the Affiliation and with FAU and Broward Health;

(vii) Participate in executive level meetings at both Party’s organizations;
and

(viii) Any other additional responsibilities that the Parties may delegate to the PJO.

(b) The Parties recognize that the responsibilities designated to the PJO may increase and broaden as the Affiliation develops. Moreover, the Parties acknowledge that an additional management structure with other individuals besides the PJO serving in leadership roles may need to be implemented in the future.

3.4 **Reserved Powers**. In regards to certain additional actions or decisions related to the operations of the Affiliation, this Agreement may require approval from FAU, College,

Broward Health, or any other Controlled Affiliate of each or both Parties. The following actions shall require such approvals:

(a) Approval of annual operating and capital budgets for the Affiliation, following the adoption of such budgets by the FAU/Broward Health Academic Practice Plan Board;

(b) Approval of the strategic plans for the Affiliation, following the adoption of such plans by the FAU/Broward Health Academic Practice Plan Board;

(c) Approval of the FAU/Broward Health Academic Practice Plan budget, following adoption of such budget by the FAU/Broward Health Academic Practice Plan Board; and

(d) Any major change in the scope and intended operation of the Affiliation.

IV. FAU/BROWARD HEALTH ACADEMIC PRACTICE PLAN AND CLINICAL ALLIANCE

4.1 **Formation of the FAU/Broward Health Academic Practice Plan.** On or after the Effective Date: (a) the Parties shall cause to be filed with the Florida Secretary of State the FAU/Broward Health Academic Practice Plan Articles, as reviewed and jointly agreed to in writing by Broward Health and FAU; and (b) the FAU/Broward Health Academic Practice Plan shall adopt the FAU/Broward Health Academic Practice Plan Bylaws following approval by the FAU/Broward Health Academic Practice Plan Board. The FAU/Broward Health Academic Practice Plan Articles and Bylaws shall set forth the governance of the FAU/Broward Health Academic Practice Plan and, together with the rest of the FAU/Broward Health Academic Practice Plan Documents, shall set forth the Scope of the FAU/Broward Health Academic Practice Plan. Neither Party shall interfere with the exercise by the FAU/Broward Health Academic Practice Plan of all of its rights, powers, and authority within the Scope of the FAU/Broward Health Academic Practice Plan, except as is permitted under the FAU/Broward Health Academic Practice Plan Articles, the FAU/Broward Health Academic Practice Plan Bylaws, and the FAU/Broward Health Academic Practice Plan Documents.

4.2 **Transfer of Employees.** Within one hundred and eighty (180) days after the Effective Date, the Parties shall (a) prepare a list of job titles, current employers, departments, locations, compensation and benefits, and other appropriate information to be agreed upon by both Parties, of the clinical personnel of BHPG who primarily work at BHN, or any other Broward Health-Controlled Affiliate as agreed to by the Parties, to be employed by FAU to provide Clinical Services coordinated and supported by and through the FAU/Broward Health Academic Practice Plan, serving as the Management Services Organization for these FAU-employed Physicians (the "**Transferring Personnel**"); and (b) prepare a mutually agreed-upon transition plan ("**Transition Plan**"). The Transition Plan shall set forth the anticipated timeframe by which the Transferring Personnel shall be employed by FAU. The timeframe shall be no later than one (1) year after the Effective Date for the clinical personnel of BHPG who primarily work at BHN, unless otherwise agreed to by both Parties. The Parties shall mutually agree to a timeframe for any other clinical personnel of a Broward Health-Controlled Affiliate who the Parties agree shall transition to the

employ of FAU. The Transition Plan shall set forth the manner, duties, regulatory notices, and other details necessary for FAU to employ the Transferring Personnel and take into consideration any due process rights applicable to such Transferring Personnel. After the finalization of the Transition Plan, each Party shall use its good faith and commercially reasonable efforts to carry out its respective duties under the Transition Plan to enable FAU to employ the Transferring Personnel and for the FAU/Broward Health Academic Practice Plan to coordinate the delivery of certain aligned Clinical Services and to be operational as of the FAU/Broward Health Academic Practice Plan Operation Date.

4.3 **FAU/Broward Health Academic Practice Plan Physicians and Recruitment.**

The Parties and the FAU/Broward Health Academic Practice Plan, through the FAU/Broward Health Academic Practice Plan Board, shall be responsible for identifying and recruiting eligible physicians to provide Clinical Services under the Affiliation. The Parties understand and agree that all identified physicians shall first be offered employment by FAU. If FAU offers employment, and the recruited physicians accept FAU employment, then FAU shall assign these FAU-employed Physicians to the FAU/Broward Health Academic Practice Plan, which coordinates the administrative and clinical support services for these FAU Physicians. If the identified physicians reject the offer of employment, Broward Health shall not employ these physicians at Broward Health North, but may employ them at another Broward Health-Controlled Affiliate.

4.4 **FAU/Broward Health Academic Practice Plan Functions.** The FAU/Broward Health Academic Practice Plan shall serve as a “**Management Service Organization,**” which is defined as health care specific administrative and management engine that provides a host of administrative and service functions necessary to be successful in the ever changing healthcare environment. The FAU/Broward Health Academic Practice Plan, as a Management Services Organization, shall be responsible for developing and/or outsourcing the infrastructure required to perform medical group management functions pertaining to the Affiliation, including, but not limited to, patient access, registration, scheduling, revenue cycle management, finance and accounting, human resources, information technology, physician recruiting and contracting, and payor contracting and credentialing.

V. **CLINICAL PROGRAMMING**

5.1 **Clinical Programs.** The Parties intend, through the Affiliation, to promote the development and growth of certain clinical programs at BHN, to improve care delivery and coordination, create new clinical educational opportunities, and help drive growth to the Affiliation. The following clinical programs at BHN shall be prioritized for initial development and investment: (i) Cancer; (ii) Neurosciences; (iii) Internal Medicine; (iv) Surgery; and (v) Cardiovascular Services.

VI. **CLINICAL EDUCATION AND TRAINING**

6.1 **Access to Facilities.** BHN and other Broward Health facilities, as appropriate and over time, shall serve as teaching hospitals for FAU’s educational programs, including UME and GME programs, and shall prioritize the education and training of FAU’s Learners. The Parties shall, consistent with the Collaboration Agreements, ensure the availability of their respective facilities and resources for the education and training of FAU’s Learners and Broward Health’s

Learners, and for the maintenance of the accreditation of FAU's and Broward Health's educational programs, including UME and GME programs conducted at BHN (or other Broward Health facilities), for the pursuit of scholarly activities and research, and for the clinical practice of FAU Physicians and Residents. In recognition of the benefits to be attained through this Agreement, FAU shall continue the pursuit of efforts to attract and maintain outstanding scholars and practitioners within the various medical, health sciences, or other applicable disciplines, and assure the assignment of FAU Providers and Learners to BHN to provide services, in accordance with Broward Health's policies and procedures, the Medical Staff Bylaws and other rules and regulations governing Broward Health's medical staffs, Broward Health's personnel members' usual and customary responsibilities, and the Collaboration Agreements.

6.2 **GME Programs.** The Parties each separately sponsor GME Programs as of the Effective Date (a "**Current GME Program**") and acknowledge that nothing contained within this **Section 6.2** is intended to, or shall be construed or interpreted as, eliminating, revoking, reducing, or otherwise delegating any oversight duties or authority of each Party's Graduate Medical Education Committee ("**GMEC**") over its respective Current GME Programs, unless otherwise approved by such Party. The Parties also recognize the need to expand GME opportunities within the State of Florida to enhance access to quality healthcare for the citizens of the State. The Parties intend to create new GME opportunities within BHN, and potentially other Broward Health facilities, designed to support the goals of the Affiliation (a "**New GME Program**"), without limiting the ability of either FAU or BHN to independently sponsor Current GME Programs or establish other GME programs, subject to the considerations described herein. If either Party is interested in developing a New GME Program, the Party shall bring such Program to the FAU/Broward Health Academic Practice Plan Board for determination of whether the New GME Program falls within the scope of the Affiliation. Any New GME Program shall not be developed without the requisite approvals from the applicable Party's GMEC, applicable designated institutional officials ("**DIO**"), the applicable Accrediting Bodies (to the extent required), and the FAU/Broward Health Academic Practice Plan Board. If the FAU/Broward Health Academic Practice Plan Board determines the New GME Program is not within the scope of the Affiliation, then either Party may start the GME program without the participation of the other Party. Any disagreements pertaining to New GME Programs that cannot be resolved by the FAU/Broward Health Academic Practice Plan Board shall be brought to the Dispute Resolution Committee. To the extent the Dispute Resolution Committee is unable to resolve an Issue, such Issue shall be referred to mediation under **Section 10.8**. Any resolution shall at all times comply and be consistent with, the standards set forth in the Institutional Requirements and Common Program Requirements promulgated by ACGME.

6.3 **Broward Health Responsibilities.** Broward Health shall serve as the sponsoring institution for its Current GME Programs, any of its current non-GME programs, and shall be responsible for ensuring the appropriate accreditation requirements are met for all such Current GME Programs and current non-GME Programs. For those Affiliation programs recommended by the FAU/Broward Health Academic Practice Plan Board, and approved by Broward Health's GMEC and its DIO, the FAU/Broward Health Academic Practice Plan Board shall work with FAU and Broward Health to determine the role of each Party with respect to sponsoring the program, consistent with accreditation requirements. To oversee all GME programs at BHN, Broward Health, with input of the FAU/Broward Health Academic Practice Plan Board, shall appoint a Chief Academic Officer, subject to appropriate GMEC approval, who shall provide no less than

quarterly reports to the FAU/Broward Health Academic Practice Plan Board about the GME programs at BHN. It is anticipated that the Chief Academic Officer shall be affiliated with FAU. In addition, Broward Health shall be responsible for primary source verification for all students, residents, fellows, and other trainees who are assigned to BHN from institutions other than FAU (each a “**Non-FAU Trainee**”), and for ensuring that Non-FAU Trainees have completed the appropriate academic prerequisites and have other appropriate credentials for their programs and activities at BHN. FAU shall have no authority or responsibility for training, instruction, supervising, or controlling Non-FAU Trainees, except as specifically may be agreed to in writing by the Parties.

6.4 **FAU Responsibilities**. FAU shall have the following responsibilities under this Agreement:

(a) FAU shall serve as the sponsoring institution for its Current GME Programs, any of its current non-GME programs, those non-GME programs designated by the FAU/Broward Health Academic Practice Plan Board and potential New GME Programs, as determined by the FAU/Broward Health Academic Practice Plan Board and the Parties in future discussions. FAU shall be responsible for ensuring the appropriate accreditation requirements are met for its Current GME Programs and its current non-GME programs.

(b) FAU shall, and Broward Health recognizes that FAU shall, maintain responsibility over its faculty appointment process and, through its administration and faculty, authority and control over its Current GME Programs, its UME programs, and non-GME academic and research programs at BHN, including the assignment of GME and non-GME FAU Learners. The College therefore has appointed, and shall continue to appoint, program directors (each a “**Program Director**”), for its GME programs, and FAU may appoint, to the extent applicable, Program Directors for other educational programs in accordance with applicable accreditation requirements. The Program Directors shall be responsible for defining the rules, responsibilities, rotations, discipline, and supervision of the FAU Learners within each program in accordance with the applicable essentials and standards of the ACGME, the LCME, or other applicable Accreditation Bodies, or the pertinent specialty or subspecialty board, the Medical Staff Bylaws, the policies and procedures of Broward Health, and the regulatory requirements of the Centers for Medicare and Medicaid Services (“**CMS**”) and The Joint Commission (“**TJC**”), to the extent applicable. The Program Directors and BHN’s personnel shall work cooperatively towards furthering the goals and missions of this Agreement, and neither shall interfere unreasonably with the independent responsibilities of the other. Any material conflict between a Program Director and BHN personnel that cannot be resolved by the FAU/Broward Health Academic Practice Plan Board shall be referred to the Dispute Resolution Committee for resolution.

6.5 **Other Educational Opportunities**. The Parties shall seek to expand and coordinate other educational opportunities, including UME opportunities, by coordinating and creating rotation opportunities for FAU Learners at Broward Health’s facilities, including BHN. FAU, through designated Program Directors and other FAU faculty, shall be responsible for defining the rules, responsibilities, rotations, discipline, and supervision of the FAU Learners within each educational program in accordance with the applicable essentials and standards of the ACGME, the LCME, or other Accreditation Bodies, or the pertinent specialty or subspecialty

board, the Medical Staff Bylaws (to the extent applicable), the policies and procedures of Broward Health, and other applicable regulatory requirements.

VII. RESEARCH AND INNOVATION

7.1 **Research Collaboration.** The Parties intend to collaborate to enhance the functionality of their individual and shared research functions, with the intention of developing a collaborative arrangement and shared goals of increasing FAU's research ranking, the breadth of opportunities for BHN and BHN patients in clinical trials, increasing external research funding, and promoting the common, aligned research mission between the Parties.

7.2 **Accomplishment of Objectives.** The FAU/Broward Health Academic Practice Plan Board shall recommend the best arrangement to accomplish the Parties' collective and individual objectives, which may include: (a) developing a culture of research and innovation; (b) increasing devoted resources; (c) enhancing technology transfer, commercialization, intellectual property and management functions; (d) integration of research infrastructure and operations (e.g., grants department, institutional review board); (e) developing a joint recruitment strategy to recruit and retain biomedical, health services, social sciences, public health and other researchers to the region; and (f) partnering with public and private partners on research and innovation.

VIII. FINANCIAL MATTERS PERTAINING TO THE AFFILIATION

8.1 **Compensation.** The Parties agree the funding structure of the Affiliation and of the FAU/Broward Health Academic Practice Plan is set forth in Exhibit A, attached hereto and incorporated herein by reference, and is structured to appropriately foster the Affiliation and collaboration of the Parties in the provision of quality health care and education consistent with the Goals of the Parties provided in Section 2.2 of this Agreement and the Guiding Principles provided in Section 2.3 of this Agreement.

IX. OTHER AFFILIATION TERMS

9.1 **Branding.** Each Party shall remain the sole and exclusive owner of its respective brand and name. However, the Parties shall coordinate their marketing and communications efforts, as appropriate and to the extent permitted under applicable Law, including re-branding BHN as follows: BHN shall be referred to primarily as "Florida Atlantic University Hospital at Broward Health North" for branding and marketing purposes; but for contracts, billing statements, and other legal documents, the complete formal name "North Broward Hospital District for and on the behalf of Florida Atlantic University Hospital at Broward Health North" shall be used. The Parties shall cooperate in good faith to agree, on or before the FAU/Broward Health Academic Practice Plan Operation Date, to pursue the re-brand of BHN and take all appropriate action to effectuate the re-brand, as well as develop a branding policy to address the joint branding for the Affiliation, the use of logos and trademarks of the Parties, the placement and prominence of such logos and trademarks, style guides, and other aspects of advertising and promotion of the Parties relating to the Affiliation. Further, the Parties agree that FAU/Broward Health Academic Practice Plan may develop a brand and marketing standards that align with both Parties and represent the Affiliation in a seamless manner, upon the approval of the FAU/Broward Health Academic

Practice Plan Board. The failure to reach such an agreement, however, shall not delay the FAU/Broward Health Academic Practice Plan Operation Date.

9.2 **Fundraising**. The Parties shall, as appropriate and to the extent permitted under applicable Law, coordinate and encourage charitable giving across the Parties' clinical enterprises in connection with the Affiliation, including through mutually agreed upon joint and collaborative fundraising activities as they relate to the Affiliation. In no event, however, shall either Party be prohibited from engaging in lawful fundraising activities to support its own individual mission. The Parties shall also work together in good faith, through the FAU/Broward Health Academic Practice Plan Board, to review any philanthropic conditions attached to gifts and to honor the intentions of the donor individual or entity bestowing the gift. Further, the Parties shall cooperate in good faith to agree, on or before the FAU/Broward Health Academic Practice Plan Operation Date, to a joint fundraising strategy with respect to the Affiliation. The failure to reach such an agreement, however, shall not delay the FAU/Broward Health Academic Practice Plan Operation Date.

9.3 **Insurance and Claims Management**. The Parties to this Agreement are governmental entities per the provisions of section 768.28, Florida Statutes, as amended, liable up to the limits as set forth in section 768.28, Florida Statutes, for the independent acts of negligence or omissions which result in claims or suits against FAU, Broward Health, or the FAU/Broward Health Academic Practice Plan, respectively, and agrees to be liable to the limits set forth in section 768.28, Florida Statutes, for any damages proximately caused by said acts or omissions. Nothing herein shall be construed as consent by either Party to be sued by third parties in any matter arising out of any contract.

(a) **FAU and Broward Health**. Each Party maintains its own self-insurance program. Each Party is self-insured up to its legal limits of liability. Upon request, each Party shall provide evidence of such self-insurance.

(b) **FAU/Broward Health Academic Practice Plan Insurance and Procedures**. The FAU/Broward Health Academic Practice Plan shall maintain comprehensive general liability insurance, including professional liability insurance. FAUCOM SIP shall provide general and professional liability insurance to the FAU/Broward Health Academic Practice Plan to the extent of, and in the amounts permitted by, section 768.28, Florida Statutes.

(c) **Claims Investigation**. FAUCOM SIP shall provide claims investigation, including pre-suit investigation pursuant to Chapter 766, Florida Statutes, and litigation management for liability claims against the FAU/Broward Health Academic Practice Plan, when an FAUCOM SIP participant is involved or potentially involved. FAUCOM SIP shall keep BH SIP informed of its findings from such investigations and, if requested, Broward Health shall be provided the documents, information, and findings from such investigations. Notwithstanding, nothing herein shall preclude BH SIP from conducting its own independent investigation or participating with FAUCOM SIP in such investigations to the extent that BH SIP reasonably determines that a claim or potential claim may implicate Broward Health or any Broward Health Employees and Agents.

(d) **Insurance and Claims Committee**. On a case-by-case basis, a committee of

representatives from both FAUCOM SIP and BH SIP will cooperate in determining an efficient investigation process for handling matters covered by FAUCOM SIP and BH SIP that may arise in relation to the FAU/Broward Health Academic Practice Plan's services. In the event of a settlement, dismissal, or judgment on a claim or lawsuit FAU and Broward Health shall apportion costs accordingly.

(e) Reporting Obligation. Should any patient allege an injury or otherwise reportable adverse event at BHN or any Broward Health-Controlled Affiliate while any FAUCOM SIP participant is providing patient care, BH SIP and FAUCOM SIP, upon learning of the incident, must report such incident to the other Party's self-insurance program.

(f) Patient Notification. The Parties acknowledge that, subject to certain notice provisions, section 1012.965, Florida Statutes precludes an employee or agent of the FAU Board of Trustees providing medical care at a hospital or other health care facility, pursuant to an affiliation agreement, from being deemed to be an agent of such hospital or other health care facility in any civil action. In support of the implementation of section 1012.965, Florida Statutes, BHN shall notify patients at its hospital and health care facilities that they shall be receiving care from FAU employees and/or agents and that liability, if any, that may arise from that care is limited as provided by law, and each patient shall acknowledge receipt of this notice in writing.

(g) Patient Consent. Broward Health further agrees that it shall incorporate FAUCOM SIP's Agreement to Mediate provision and the Risk Management and Dispute Resolution provision, as provided to Broward Health by the FAUCOM SIP, into patient consent and authorization forms at BHN and other Broward Health facilities where FAUCOM SIP participants may provide care.

(h) Policy Establishment. The Parties shall work together to establish a policy governing notification to FAUCOM SIP and BH SIP for matters that may be covered by FAUCOM SIP and/or BH SIP.

(i) Mutual Cooperation. Each Party shall, to the maximum extent possible, fully cooperate with the other Party in the investigation and defense of any professional liability claim or action arising out of the activities of FAU Employees and Agents assigned to BHN or other Broward Health-Controlled Affiliates. Such cooperation shall include, but not be limited to, (i) proper communication and timely reporting to the other Party of any such claim or action which either Party may become aware; (ii) providing reasonable assistance when requested; and (ii) timely providing relevant Medical Records and other reasonably requested documentation and information to the other Party (including to designees of the FAUCOM SIP and BH SIP) at no expense to the requesting Party.

9.4 Relationship of the Parties.

(a) Independent Contractors. FAU and Broward Health, as well as each of FAU's and Broward Health's Controlled Affiliates involved in the performance of the Affiliation, respectively, are independent contractors of one another. Further, FAU and Broward Health, as well as each of FAU's and Broward Health's Controlled Affiliates, are independent contractors of the FAU/Broward Health Academic Practice Plan. Nothing in the Affiliation shall be deemed to

create a partnership, joint venture, association, employment, or agency relationship between FAU and Broward Health or any of either Party's Controlled Affiliates, between FAU or any FAU-Controlled Affiliate and the FAU/Broward Health Academic Practice Plan, or between Broward Health or any Broward Health-Controlled Affiliate and the FAU/Broward Health Academic Practice Plan. FAU Employees and Agents shall not be deemed Broward Health, BHN or the FAU/Broward Health Academic Practice Plan Employees or Agents for any reason, Broward Health Employees and Agents shall not be deemed FAU or the FAU/Broward Health Academic Practice Plan Employees or Agents for any reason, and the FAU/Broward Health Academic Practice Plan Employees and Agents, to the extent the FAU/Broward Health Academic Practice Plan has Employees and Agents, shall not be deemed FAU Employees or Agents or Broward Health Employees or Agents for any reason.

(b) Stipulations. FAU shall stipulate (and take no position to the contrary) in any action, suit, or proceeding that any FAU Employees and Agents are, with respect to all acts and omissions within the scope of their employment or agency functions, FAU Employees or Agents, and not Broward Health or the FAU/Broward Health Academic Practice Plan Employees or Agents. Broward Health shall stipulate (and take no position to the contrary) in any action, suit, or proceeding that any Broward Health Employees and Agents are, with respect to all acts and omissions within the scope of their employment or agency functions, Broward Health Employees or Agents, and not FAU or the FAU/Broward Health Academic Practice Plan Employees or Agents. The FAU/Broward Health Academic Practice Plan shall stipulate (and take no position to the contrary) in any action, suit, or proceeding that any the FAU/Broward Health Academic Practice Plan Employees and Agents, to the extent the FAU/Broward Health Academic Practice Plan has Employees and Agents, are, with respect to all acts and omissions within the scope of their employment or agency functions, the FAU/Broward Health Academic Practice Plan Employees or Agents, and not FAU or Broward Health Employees or Agents.

(c) No Referrals. No benefit, if any, to either Party under this Agreement is bestowed (a) in return for the referral of patients; or (b) in return for purchasing, leasing, or ordering items or services from the other Party. Each Party may refer patients to the other Party, and shall make such referrals, if any, based only on the professional medical judgment of the Provider and the needs and desires of the relevant patient. Nothing in this Agreement shall be construed to: (i) preclude Providers from obtaining medical staff privileges at any other institution, whether or not in direct competition with Broward Health or FAU; (ii) require referrals by either Party or its Affiliates to the other Party or its Affiliates; or (iii) restrict the professional judgment of any Provider to use any medical facility deemed necessary or desirable in order to provide appropriate treatment and care to a patient or to comply with the wishes of a patient.

9.5 **Medical Records**. The Medical Records of FAU and any FAU-Controlled Affiliate are the sole and exclusive property of FAU, but Broward Health and Broward Health-Controlled Affiliates or the FAU/Broward Health Academic Practice Plan may use or disclose such Medical Records as permitted by Law, in accordance with Section 12.3, and in compliance with any applicable Business Associate Contracts and other agreements between or among the FAU/Broward Health Academic Practice Plan, either or both Parties, and/or one or more Affiliates of either or both Parties, which agreements govern the use and disclosure of Medical Records (collectively, the "**Medical Records Agreements**"). The Medical Records of Broward Health and any Broward Health-Controlled Affiliate are the sole and exclusive property of Broward Health or

such Broward Health-Controlled Affiliate, but FAU, any FAU-Controlled Affiliate, or the FAU/Broward Health Academic Practice Plan may use or disclose such Medical Records as permitted by Law, in accordance with Section 12.3, and in compliance with the Medical Records Agreements. The Medical Records of the FAU/Broward Health Academic Practice Plan are the sole and exclusive property of the FAU/Broward Health Academic Practice Plan, but FAU, any FAU Controlled Affiliate or Broward Health and any Broward Health-Controlled Affiliate may use or disclose such Medical Records as permitted by Law, in accordance with Section 12.3, and in compliance with the Medical Records Agreements. “**Medical Records**,” for purposes of this Section 9.5, shall include electronic, paper, and other forms of medical records and protected health information created and maintained by Broward Health, a Broward Health-Controlled Affiliate, FAU, any FAU-Controlled Affiliate, or the FAU/Broward Health Academic Practice Plan, as applicable.

9.6 **Access to Business Records**. Upon receipt of written request, the Parties shall, to the extent required under applicable Laws:

(a) **Access to Secretary of HHS**. The Parties shall make available to the Secretary of Health and Human Services (“**HHS**”), the Comptroller General of the General Accounting Office (“**GAO**”), or either of their authorized representatives, all contracts, books, documents, and records necessary to verify the nature and extent of the costs incurred by the Parties of services rendered under this Agreement until the expiration of four (4) years after furnishing of services under this Agreement; and

(b) **Subcontracts**. If services are to be provided by a subcontract with a value of ten thousand dollars (\$10,000) or greater over a twelve (12) month period with a related organization, the Parties shall require by subcontract that, upon receipt of a written request, the subcontractor make available to HHS and GAO, or either of their authorized representatives, all contracts, books, documents, and records relating to the nature and extent of the costs incurred by either Party under such subcontract until the expiration of four (4) years after the furnishing of services thereunder.

X. TERM AND TERMINATION

10.1 **Term**. This Agreement shall commence on the Effective Date, except for those provisions which are expressly commencing hereunder as of the FAU/Broward Health Academic Practice Plan Operation Date, and unless earlier terminated in accordance with the terms of this Agreement, this Agreement shall continue in effect for thirty (30) years after the FAU/Broward Health Academic Practice Plan Operation Date (the “**Term**”). Prior to the expiration of the Term, the Parties shall commence discussions in good faith to extend this Agreement, with mutually agreed upon amendments, prior to the expiration of this Agreement. Such discussions shall continue until the earlier of (a) such date as either Party provides written notice to the other that such Party is no longer interested in extending the Agreement beyond the Term; (b) such date as the Parties mutually agree in writing not to extend the Agreement beyond the Term; (c) such date that the Agreement terminates as further set forth in this Section 10; or (d) the end of the Term.

10.2 **Events of Default**. Each of the following occurrences shall be an “**Event of Default**”:

(a) A Party is subject to a bankruptcy proceeding, assignment for benefit of creditors, liquidation, dissolution, or similar proceeding or process.

(b) A Party suffers material reputational damage that significantly damages the Affiliation, harms the other Party, and that is reasonably anticipated to materially affect the overall operations, financial viability, and/or institution-wide accreditation of the other Party; provided, however, that the loss of accreditation of an individual GME program shall not constitute an Event of Default or be considered to be institution-wide; provided further that prior to any termination for an Event of Default under this Section 10.2(b), the Party alleging such an Event of Default shall refer the Issue to the Dispute Resolution Committee for review and the Dispute Resolution Committee shall attempt to resolve the Event of Default in lieu of termination.

(c) A Party (i) loses a license that is necessary for such Party to perform under this Agreement, (ii) is excluded from participation in one or more federal or state health care programs, or (iii) loses its status as a Tax-Exempt Organization.

(d) A Party enters into a prohibited assignment, transfer, or other change in control pursuant to Section 12.11.

(e) A Party breaches a significant and material obligation under this Agreement or any of the Collaboration Agreements, which breach continues after all of the following steps are taken:

(i) the non-breaching Party gives written notice to the breaching Party setting forth with specificity the nature of the alleged breach and the breaching Party shall either:

a. give notice to the non-breaching Party that the alleged breach is disputed, with a specific explanation of why such alleged breach is disputed within ninety (90) days from receipt of the notice; or

b. formulate a plan to cure the alleged breach, which shall be communicated to and accepted by the non-breaching Party within ninety (90) days from receipt of the notice.

(ii) Within one hundred eighty (180) days after receiving acceptance of the plan from the non-breaching Party, the breaching Party fails to cure the alleged breach, or within ninety (90) days after the non-breaching Party provides written notice to the breaching Party, the breaching Party fails to provide any response to the notice.

(iii) In the event that the breach is not resolved or the Parties disagree on the resolution of the breach, either because the breaching Party did not respond, the breaching Party disputes the alleged breach, or the non-breaching Party does not accept the plan to cure the breach, then the Parties shall refer the dispute to the Dispute Resolution Committee, and the Dispute Resolution Committee shall be authorized to attempt to resolve the breach.

(iv) If the dispute remains unresolved after a meeting of the Dispute Resolution Committee, the Parties shall pursue mediation, in accordance with Section 10.8.

(v) The dispute remains unresolved upon the completion of mediation.

(f) Resignation by FAU as a member of the FAU/Broward Health Academic Practice Plan (which only shall give Broward Health the right to exercise its rights under Section 10.5).

(g) Resignation by Broward Health as a member of the FAU/Broward Health Academic Practice Plan (which only shall give FAU the right to exercise its rights under Section 10.5).

(h) The FAU/Broward Health Academic Practice Plan is dissolved (which shall give either Party the right to exercise its respective rights under Section 10.5).

In the event that a Party gives the notice set forth in Section 10.5 prior to the FAU/Broward Health Academic Practice Plan Operation Date, unless otherwise agreed to in writing by the Parties or unless it would cause a material interruption to the operations or pose a risk to patient care, all activities and obligations under the Transition Plan, and all activities and obligations for the planning for clinical integration and funds flow in anticipation of the FAU/Broward Health Academic Practice Plan Operation Date, shall cease until the alleged breach is resolved or cured.

10.3 **Default by Parties' Controlled Affiliates.** If any Controlled Affiliate, which is involved in the performance of the Affiliation, (a) breaches a duty imposed on such Controlled Affiliate under this Agreement, or (b) commits an act or omission that would constitute a breach of this Agreement or an Event of Default if such act or omission had been committed by a Party, such breach, act, or omission shall be deemed a breach or an Event of Default by the Party whose Controlled Affiliate committed such breach, act, or omission.

10.4 **Default by FAU/Broward Health Academic Practice Plan.** If the FAU/Broward Health Academic Practice Plan (a) breaches a duty imposed on the FAU/Broward Health Academic Practice Plan under this Agreement, or (b) commits an act or omission that would constitute a breach of this Agreement or an Event of Default if such act or omission had been committed by a Party, such breach, act, or omission shall be deemed a breach or an Event of Default by a Party only if such Party or its Controlled Affiliate unilaterally caused the FAU/Broward Health Academic Practice Plan to commit such act or omission without the consent of the other Party.

10.5 **Remedies for Default.** If either Party commits an Event of Default, the non-breaching Party may give the breaching Party notice of termination of this Agreement, which termination shall be effective on the earliest of (i) twenty-four (24) months after such notice of termination is given, (ii) the date on which the Post-Termination Plan set forth in Section 10.7(d) is fully carried out, or (iii) the date of the expiration of this Agreement. The right of termination under this Section 10.5 shall be in addition to all other remedies available to the Parties under applicable Laws.

10.6 **Termination.** In addition to termination that results from an Event of Default, this Agreement may be terminated as follows:

(a) **Invalidity or Unenforceability of Particular Provisions.** If either Party

determines, in good faith after receiving a written opinion of its legal counsel with relevant specialization, or receives general or specific notice from a governmental agency that this Agreement or any part hereof: (a) jeopardizes the Party's ability to operate; (b) jeopardizes the tax-exempt status of a Party or any of its Controlled Affiliates or, to the extent applicable, the tax-exempt status of any bonds issued on its or their behalf; or (c) exposes any organization manager or disqualified person of a Party or any of its Controlled Affiliates to intermediate sanctions by the Internal Revenue Service or results in private inurement or private benefit, the affected Party shall be entitled to give notice to the other Party of its determination and shall provide a copy of any associated notice or written legal opinion. Following the giving of such notice, the Parties shall negotiate in good faith those modifications reasonably determined by the Parties to be necessary to avoid or cure the circumstances described in clause (a), (b), or (c) of this Section 10.6(a), provided that no Party shall have to agree on a modification if such modification would result in a material adverse effect on such Party's rights under this Agreement or such Party's ability to perform its obligations hereunder. However, if the Parties do not agree in writing on a modification necessary to avoid or cure the circumstances described in clause (a), (b) or (c) of this Section 10.6(a) within ninety (90) days after the affected Party providing notice to the other Party under this Section 10.6(a), then affected Party may terminate this Agreement without penalty, charge or continuing liability by giving written notice of termination to other Party and such termination shall be effective upon the giving of such notice (the "**Termination Effective Date**").

(b) Change in Law. The Parties represent that this Agreement was entered into after discussion with legal counsel and with the intention to structure the Affiliation in accordance with all applicable legal authority. However, the Parties recognize that the federal government, through an agency, department or other bureau, may in the future propose or implement statutes, rules, regulations (including, but not limited to, "safe harbor" regulations) or guidance stating that activities such as those contemplated by this Agreement are unlawful. Should any such statute, rule, regulation or guidance be proposed or implemented during the Term, as determined in good faith after receiving a written opinion of legal counsel with relevant specialization or general or specific notice from a governmental agency, both Parties shall meet and, in good faith, attempt to renegotiate any aspect of this Agreement which may be deemed unlawful, provided that no Party shall have to agree on a renegotiated aspect of this Agreement if such renegotiated aspect would result in a material adverse effect on such Party's rights under this Agreement or such Party's ability to perform its obligations hereunder. If such negotiations do not result in an agreement in writing as to any amendments to this Agreement within ninety (90) days, then this Agreement may be terminated by either Party open written notice to the other Party without penalty, charge or continuing liability (other than the obligation to make payment for services previously rendered) upon the effective date of such statute, rule, regulation, or guidance.

(c) Mutual Agreement. The Parties may terminate this Agreement at any time by mutual written agreement executed by the Parties.

(d) No Cause Termination. Either Party may terminate this Agreement at any time and for any reason by providing at least four (4) years prior written notice to the other Party.

10.7 **Effect of Expiration or Termination**.

(a) General Obligations of the Parties. A termination of this Agreement shall not

affect any rights or obligations accruing prior to or on the date of termination which expressly extend beyond the termination. Termination in accordance with the provisions of this Agreement shall be in addition to, and shall not be deemed to be a waiver of, any other rights and remedies a Party may have under this Agreement or by Law.

(b) Termination within Initial Twelve Months. If this Agreement is terminated within twelve (12) months following the Effective Date, the Parties agree not to enter into any successor agreement that addresses the same or substantially similar subject matter until after the first anniversary of the Effective Date.

(c) Unwind. Notwithstanding any other provisions of this Agreement, in the event of termination or expiration of this Agreement for any reason, the Parties shall cooperate in good faith for a mutually agreeable period of time to develop and implement a plan for the orderly unwind of their collaboration with respect to academic programs, clinical programs, and other programs or activities jointly conducted by the Parties pursuant to this Agreement, including the Collaboration Agreements (the “Unwind Plan”), with sensitivity to exigencies presented by obligations of the Parties with respect to third parties, including FAU Learners, other students, residents, fellows, employees, and patients. The Unwind Plan shall be developed and implemented in a manner minimally disruptive to the Parties' respective programs, patients, and personnel and in compliance with all applicable Laws, regulations, and Accreditation Body requirements. Without limiting the generality of the foregoing, the Unwind Plan shall generally be designed to return each Party, after a period of three (3) years, to a position that is, as near as practical, comparable to the position it was in prior to this Agreement, including with respect to the Party's programs and operations.

(d) Post-Termination Plan. In the event of termination or expiration of this Agreement for any reason, the Parties shall cooperate in good faith to enter into a mutually agreed-upon plan (the “Post-Termination Plan”), which Post-Termination Plan shall address the continuation, modification, and/or transition of, at a minimum:

(i) GME, UME, and other education programs, payments, and obligations by either Party relating to such programs subject to the Affiliation;

(ii) FAU's employment of Providers and the provision of professional services, and payment by Broward Health for such professional services;

(iii) any FAU/Broward Health Academic Practice Plan assignees (only if the notice of termination is given on or after the FAU/Broward Health Academic Practice Plan Operation Date);

(iv) address any conflicting terms between the Collaboration Agreements, and other agreements between or among the Parties and/or their respective Affiliates, which may be impacted by the termination or expiration of this Agreement; and

(v) any other matters that the Parties determine may have a material impact on their rights, obligations, business operations, patient care, and educational endeavors upon termination or expiration of this Agreement.

If the Parties agree to the Post-Termination Plan, they shall cooperate in good faith and in a commercially reasonable manner to fully implement such Post-Termination Plan as the Unwind Plan to take effect upon the date of termination. Until the Parties agree to the Post-Termination Plan (or until such time as the other Party ceases to use its good faith and commercially reasonable efforts to fully implement the Post-Termination Plan), each Party shall continue to perform under this Agreement and the Collaboration Agreements; provided, however, that in no event shall the Parties be required to continue to perform under a Collaboration Agreement after the date of termination of this Agreement or any such applicable Collaboration Agreement, unless the Parties further agree in writing to do so.

(e) In the event of the expiration or termination of this Agreement: (i) all Providers employed by FAU or any FAU-Controlled Affiliate as of the Termination Effective Date shall continue to be employed by FAU, and (ii) all Providers employed by Broward Health or a Broward Health-Controlled Affiliate as of the Termination Effective Date shall continue to be employed by Broward Health or a Broward Health-Controlled Affiliate. Further, for a period of one (1) year after the Termination Effective date with respect to any expiration or termination of this Agreement that takes effect on or after the FAU/Broward Health Academic Practice Plan Operation Date: (i) FAU or any of its Controlled Affiliates shall not employ any Provider who was employed by Broward Health or a Broward Health-Controlled Affiliate ninety (90) days prior to the Termination Effective Date; and (ii) Broward Health or a Broward Health-Controlled Affiliate shall not employ any Provider who was employed by FAU or an FAU Controlled Affiliate ninety (90) days prior to the Termination Effective Date. However, as set forth in the Unwind Plan, Broward Health shall be allowed to employ any Provider who was a Transferring Personnel, subject to any applicable due process rights, without violating this Section 10.7(e). This Section 10.7(e) shall be in addition to, and shall not waive or modify, any other non-competitive agreements that are applicable to Providers to whom this Section 10.7(e) is applicable.

10.8 **Mediation**. Prior to filing suit in court or a claim in arbitration relating to this Agreement, the Parties shall make a good-faith attempt to resolve their differences by mediating under the auspices of the American Health Lawyers Association (“**AHLA**”) or other mutually acceptable mediation process. Unless another mediation process is agreed upon by the Parties for the particular dispute, the Parties jointly shall notify AHLA of their intent to use the AHLA mediation service, select a mediator from the AHLA roster, and mediate pursuant to the terms of AHLA’s agreement to mediate. The mediation shall be convened in South Florida no more than thirty (30) days after the Parties notify AHLA of their intent to use the AHLA mediation service. The Parties may agree in writing to change the location or extend the deadline for mediating (so long as the mediator, if already chosen, also consents).

XI. REPRESENTATIONS AND WARRANTIES

11.1 Representations and Warranties of Broward Health.

(a) Broward Health is an independent special tax district of the State of Florida, is not in violation of any provisions of Broward Health’s Charter or its bylaws, and has the power to (i) enter into this Agreement, and (ii) perform the obligations it has agreed to perform under this Agreement.

(b) Broward Health is a Tax-Exempt Organization under § 501(c)(3) of the Internal Revenue Code.

(c) Broward Health has duly authorized the execution, delivery, and performance of this Agreement.

(d) The execution, delivery, and performance of this Agreement by Broward Health, and the transactions contemplated by this Agreement: (i) are not in contravention of any Laws applicable to Broward Health; (ii) do not require Broward Health to obtain any Permits or Approvals that have not been obtained; (iii) do not conflict with, result in any breach or contravention of, or create any Lien under, any indenture, agreement, lease, instrument, or understanding to which Broward Health is a party or by which it is bound; and (iv) constitutes the valid and legally binding obligations of Broward Health, enforceable in accordance with this Agreement.

(e) Broward Health is solvent, and Broward Health shall not be rendered insolvent by the transactions contemplated by this Agreement.

(f) BHN is licensed by all applicable Governmental Authorities, and is accredited by TJC or other applicable organizations.

(g) The BHPG Physicians that are to be Transferring Personnel are not bound by non-compete provisions which would otherwise interfere with such BHPG Physicians' transfer of employment to FAU or assignment to the FAU/Broward Health Academic Practice Plan.

11.2 **Representations and Warranties of FAU.**

(a) FAU is a public body corporate created by the Florida Legislature, is not in violation of any Laws, and has the power to (i) enter into this Agreement, and (ii) perform the obligations it has agreed to perform under this Agreement.

(b) FAU's income is excluded from gross income for federal tax purposes under section 115 of the Internal Revenue Code.

(c) FAU has duly authorized the execution, delivery, and performance of this Agreement.

(d) The execution, delivery, and performance of this Agreement by FAU, and the transactions contemplated by this Agreement: (i) are not in contravention of any Laws applicable to FAU; (ii) do not require FAU to obtain any Permits or Approvals that have not been obtained; (iii) do not conflict with, result in any breach or contravention of, or create any Lien under, any indenture, agreement, lease, instrument, or understanding to which FAU is a party or by which it is bound; and (iv) constitute the valid and legally binding obligations of FAU, enforceable in accordance with this Agreement.

(e) FAU is solvent and shall not be rendered insolvent by the transactions contemplated by this Agreement.

(f) FAU's educational programs are accredited by the LCME, the ACGME (if applicable), or other applicable organizations.

XII. MISCELLANEOUS

12.1 **Governing Law.** This Agreement, and the obligations of the Parties under this Agreement, shall be interpreted, construed, and enforced in accordance with the Laws of Florida, without regard to conflicts of laws principles. The Courts in Broward County, Florida, shall have exclusive jurisdiction and venue as to any suit, action, or proceeding arising out of or relating to this Agreement.

12.2 **Compliance with Laws.** Each Party shall at all times comply, and use its respective good faith and commercially reasonable efforts to assist the other Party in complying, with: (a) all applicable Laws including, without limitation, 42 U.S.C. § 1320a-7b(b) (the Anti-Kickback Statute) and 42 U.S.C. § 1395nn (the Stark Law), or any other health care Law; and (b) all applicable Medicare and third party payor rules, regulations, and policies concerning treatment, reimbursement, or billing procedures or practices; (c) The Florida Patient Self-Referral Act codified at section 456.053, Florida Statutes and (d) Florida Anti-Kickback Statute codified at section 456.054, Florida Statutes. A copy of Broward Health's Code of Conduct and Stark Law and Anti-Kickback Statute Policies and Procedures can be found at <https://www.browardhealth.org/pages/Written-Policies-and-Procedures> and is hereby incorporated herein by reference, but shall only be binding upon Broward Health.

12.3 **HIPAA, FIPA, and HITECH Compliance.** Each of the Parties represents, warrants, and covenants that it is presently taking, and shall continue to take, all actions necessary to assure that it shall, on or before each applicable compliance date and continuously thereafter, comply with the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, including without limitation, the Standards for Electronic Transactions and Code Sets (45 CFR Parts 160 and 162), the Standards for Privacy of Individually Identifiable Health Information (45 CFR Parts 160 and 164), the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Parts 160 and 164), and such other regulations as may, from time to time, be promulgated thereunder; and including the amendments thereto pursuant to the Health Information Technology for Economic and Clinical Health Act, part of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, and such other regulations as may, from time to time, be promulgated thereunder (collectively, "**HIPAA and HITECH**"). FAU, BHN, and the FAU/Broward Health Academic Practice Plan shall be deemed parties to an "**organized health care arrangement,**" as defined at 45 C.F.R. § 160.103. On or before the FAU/Broward Health Academic Practice Plan Operation Date: the FAU/Broward Health Academic Practice Plan shall, as necessary to comply with HIPAA and HITECH, enter into valid Business Associate Contracts with the Parties and their applicable Affiliates, effective on the FAU/Broward Health Academic Practice Plan Operation Date. Further, and without limiting the foregoing, each of the Parties represents, warrants, and covenants that, to the extent applicable, it is presently taking, and shall continue to take, all actions necessary to assure that it shall, on or before each applicable compliance date and continuously thereafter, comply with the Florida Information Protection Act of 2014, section 501.171, Florida Statutes.

12.4 **Confidentiality.** Each Party acknowledges that from time to time it may receive information from or regarding the other Party in the nature of trade secrets or that otherwise is confidential, the release of which may be damaging to such other Party. Further, each Party understands and agrees that the nature of this Affiliation is confidential until such a time that this Agreement becomes effective and is accordingly filed with the Clerk of the Circuit Court in and for either Broward County or Palm Beach County where the FAU/Broward Health Academic Practice Plan maintains its principal place of business as agreed to by the Parties. Each Party shall hold all such information in strict confidence and may not disclose it to any Person except for disclosures (a) compelled by Law (including Florida's Public Records Act, to which both Parties shall adhere); (b) to advisors or representatives of such Party, but only if the recipients have agreed to be bound by the provisions of this Section 12.4; or (c) of information that a Party has received from a source independent of the other Party, which source the receiving Party reasonably believes obtained such information without breach of any obligation of confidentiality. Each Party acknowledges that a breach of this Section 12.4 may cause irreparable injury to the other Party, for which monetary damages are inadequate or difficult to compute. This Section 12.4 thus may be enforced by specific performance or injunctive relief.

12.5 **Force Majeure.** With respect to any services to be furnished or obligations to be performed by the Parties in connection with this Agreement, neither Party shall ever be liable for failure to furnish or perform the same when prevented from doing so by strike; lockout; breakdown; accident; order or regulation of or by any Governmental Authority; failure of supply; inability by the exercise of reasonable diligence to obtain supplies, parts, employees, or other items or services that are necessary to furnish such services; war, act of terrorism, pandemic, epidemic, or other emergency; or any other cause beyond its reasonable control; provided, however, that the lack of financial resources or the failure to maintain policies of insurance shall never be excused unless otherwise due as a direct result of any of the foregoing circumstances.

12.6 **Titles.** Titles of positions contained in this Agreement refer to such positions as they currently exist or as such positions may be designated in the future and include the Person acting in that position.

12.7 **Integration and Entire Agreement.** Other than as specifically set forth in this Agreement, this Agreement embodies, and expressly supersedes, all prior communications and agreements of the Parties regarding the subject matter of this Agreement. As between the Parties, no oral statements or prior written material not specifically referenced in this Agreement shall be of any force and effect. The Recitals of this Agreement, and all exhibits to this Agreement, shall be considered an integral part of this Agreement and shall be binding on the Parties. Without limitation of the previous sentence, the FAU/Broward Health Academic Practice Plan Articles and Bylaws shall be binding on the Parties as though expressly set forth in this Agreement.

12.8 **Modifications and Amendments.** It is understood that this Agreement is subject to renegotiation based upon any changes that might be forthcoming in applicable Laws, or ACGME, LCME, TJC, or other Accreditation Body guidelines, which may have an adverse impact on either Party. No amendments, variations, modifications, or changes to this Agreement shall be binding upon either Party unless set forth in writing and duly executed by both Parties.

12.9 **Severability.** Each of the Parties acknowledges that each Party is a political subdivision or agency of the State of Florida, subject to separate enabling legislation and other federal and state Laws now or hereinafter enacted. If any part of this Agreement, or any obligations of the Parties hereunder, are contrary to, prohibited by, or deemed invalid under either Party's enabling legislation or any other applicable federal or state Law, such provision or obligation shall be inapplicable and be deemed omitted to the extent so contrary, prohibited, or invalid, but the remainder of this Agreement shall not be invalidated thereby and shall be given full force and effect to the greatest extent possible. If any provisions of this Agreement, or the application of any such provisions to any Party, Person, or circumstance, shall be deemed invalid or unenforceable to any extent by a court of competent jurisdiction for any other reason, the remainder of this Agreement and its application shall continue in full force and effect.

12.10 **Non-Waiver; Remedies Cumulative.** No failure by either Party to insist upon the strict performance of any term, provision, or condition of this Agreement shall constitute a waiver of such term or a waiver of the right to assert a breach. No waiver of any breach shall alter or affect this Agreement, which shall continue in full force and effect until it expires or is terminated. The rights and remedies of the Parties to this Agreement are cumulative and not alternative.

12.11 **Binding Agreement; Assignment.** This Agreement shall inure to the benefit of, and be binding upon, the undersigned Parties and their respective successors and permitted assigns. Neither Party may assign or transfer its rights and duties under this Agreement, whether by contract or by operation of Law (including, without limitation, by consolidation, membership substitution, merger, or other change of control), without the advance written consent of the other Party.

12.12 **Third Parties.** This Agreement is entered into solely for the benefit of the Parties hereto and their approved successors in interest and is not entered into for the benefit of any other Person or entity. Without limiting the generality of the foregoing, this Agreement shall not be construed as establishing, with respect to any third party, any obligation, duty, or standard of care or practice different from or in addition to whatever obligations, duties or practices may exist separate and apart from this Agreement.

12.13 **Interlocal Agreement; Board Approval; Effectiveness Upon Filing.** This Agreement is intended to be a contract for the performance of services and the joint exercise of power between FAU and Broward Health as authorized and pursuant to section 163.01, Florida Statutes, and shall not in any way or manner be deemed to constitute a transfer of powers in violation of art. VIII, s. 4 of the Florida Constitution or section 163.01(14), Florida Statutes. In accordance with Broward Health's Charter and section 163.01(11), Florida Statutes, prior to this Agreement's effectiveness, the Affiliation and this Agreement shall be presented to Broward Health's Board for approval, and a copy of this Agreement shall be filed with the Clerk of the Circuit Court in and for either Broward County or Palm Beach County where the Parties agree that the FAU/Broward Health Academic Practice Plan shall maintain its principal place of business.

12.14 **Construction.** The paragraph headings are for convenience only, and shall not be construed to define, modify, expand, or limit the terms and provisions of this Agreement or in any way affect the meaning or interpretation of this Agreement. When the context requires, the gender of all words includes the masculine, feminine, and neuter, and the number of all words includes the singular and plural. The use of the term "including" and other words of similar import mean

“including, without limitation” and where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit, or restrict in any manner the construction of the general statement to which it relates. The word “or” is not exclusive and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Agreement as a whole, and not to any particular section, subsection, paragraph, subparagraph, or clause contained in this Agreement. The term “shall” is mandatory and “may” is optional. The reference to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof, and the reference to a statute or Law means such statute or Law as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder.

12.15 **Notices.** Any notice called for under this Agreement shall be effective if delivered by hand delivery, delivered by a nationally recognized delivery service, or mailed to the Parties by U.S. mail postage prepaid, at their following addresses:

**To Broward Health
(or a Broward Health-
Controlled Affiliate):** President and Chief Executive Officer
Broward Health
1800 NW 49 Street
Fort Lauderdale, FL 33309

With a copy to: Office of the General Counsel
Broward Health
1800 NW 49 Street
Fort Lauderdale, FL 33309

**To FAU
(or an FAU
Controlled Affiliate):** Office of the President
Florida Atlantic University
777 Glades Road, AD 10, Suite 339
Boca Raton, FL 33431

With a copy to: Office of the General Counsel
Florida Atlantic University
777 Glades Road, AD 10, Suite 370
Boca Raton, FL 33431

Any notice to the FAU/Broward Health Academic Practice Plan shall be to the address of the principal place of business, as reflected in the FAU/Broward Health Academic Practice Plan Articles of Incorporation.

12.16 **Sovereign Immunity.** Notwithstanding any contrary provision herein, the Parties hereto acknowledge that both Parties, as political subdivisions or agencies of the State of Florida, enjoy the benefits of sovereign immunity, and nothing contained herein shall be construed as a waiver or limitation of such sovereign immunity. All terms and provisions in this Agreement, or any disagreement or dispute concerning it, shall be construed or resolved so as to ensure both Parties of the limitation on liability provided to political subdivisions or agencies of Florida as established in section 768.28, Florida Statutes, as amended. Nothing in this Agreement shall be

construed to require either Party to indemnify the other Party or insure the other Party for its negligence or to assume any liability for the other Party's negligence. Any provision in this Agreement that requires either Party to indemnify, hold harmless or defend the other Party from liability for any other reason shall not alter either Party's waiver of sovereign immunity nor extend either Party's liability beyond the limits established in section 768.28, Florida Statutes, as amended.

12.17 **Authority**. The representative signing this Agreement on behalf of each Party is a duly authorized representative of that Party with full power and authority to execute this Agreement.

12.18 **Joint Drafting**. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any of the provisions of this Agreement.

12.19 **Counterparts/Facsimile Signature**. This Agreement may be executed in two (2) or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof. Further, both Parties agree that this Agreement or any other document necessary for the consummation of the transaction contemplated by this Agreement may be accepted, executed, or agreed to through the use of a digital signature in accordance with state and federal law and any document accepted, executed, or agreed to in conformity with such laws shall be binding and shall have the same effect as handwritten signatures for the purposes of validity, enforceability, and admissibility. Both Parties hereby consent to the use of any third-party electronic signature capture service providers as may be chosen by either Party in conformance with the foregoing laws.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed and delivered this Master Affiliation and Interlocal Agreement by their duly assigned officers or agents.

FAU

Florida Atlantic University Board of Trustees, a public body corporate of the State of Florida

By: 
Name: Stacy Volnick, PhD
Title: Interim President
Date: 6/12/2023

BROWARD HEALTH

North Broward Hospital District d/b/a Broward Health, an independent special tax district of the State of Florida

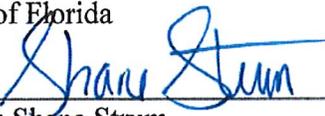
By: 
Name: Shane Strum
Title: President and Chief Executive Officer
Date: 6/12/2023

EXHIBIT A

FINANCIAL MATTERS PERTAINING TO THE AFFILIATION

1. **FAU/Broward Health Academic Practice Plan Funding**. For the provision of services under the Affiliation and this Agreement, and to further the interests of both Parties in the provision of quality health care services, clinical research, and education, Broward Health shall compensate FAU consistent with this Exhibit A. The financial arrangement between the Parties shall be based on the Guiding Principles provided in Section 2.3 of the Agreement and shall consist of four (4) compensation categories: (1) the start-up funding during the Initial Funding Period provided in Section 2 of this Exhibit A; (2) the FAU/Broward Health Academic Practice Plan Operating Budget which shall be the annual operating budget of the FAU/Broward Health Academic Practice Plan established by the FAU/Broward Health Academic Practice Plan Board as provided in Section 3 of this Exhibit A; (3) the Milestone Payments for meeting specific milestone and performance metrics as provided in Section 4 of this Exhibit A; and (4) the Mission Alignment Payments resulting out of improvement to the clinical and quality care, financial stability, and to further support the mission and goals of the Affiliation as provided in Section 5 of this Exhibit A.

2. **Initial Funding Period; Start-Up Funding**. As consideration for the Affiliation and in recognition of the costs that FAU incurred or shall incur to support the clinical, academic, and research missions of the Parties, Broward Health agrees to fund one hundred percent (100%) of mutually approved and/or budgeted start-up and ongoing operational expenses incurred by or on behalf of the FAU/Broward Health Academic Practice Plan and/or in connection with the shared FAU-BHN clinical practice. Such start-up cost reimbursements shall be paid quarterly to FAU and within sixty (60) days following its submission of an undisputed invoice to Broward Health. Broward Health shall have thirty (30) days following its receipt of an invoice to raise a dispute with such invoice. In the event an invoice is disputed, FAU shall have thirty (30) days to submit a revised invoice, as applicable, and the Parties shall work together cooperatively to resolve any disputes arising from submitted and disputed invoices.

(a) **Start-Up Costs and Reimbursements**. For the first fiscal year after the Effective Date of this Agreement and up to the FAU/Broward Health Academic Practice Plan Operation Date (“**Initial Funding Period**”), Broward Health agrees to fund one hundred percent (100%) of the start-up costs incurred by FAU on behalf of the FAU/Broward Health Academic Practice Plan and the shared FAU-BHN clinical practice as set forth herein in an amount up to and not to exceed Fifteen Million Dollars (\$15,000,000.00).

(b) **Initial Start-Up Budget**. The Parties shall prepare an initial FAU/Broward Health Academic Practice Plan line-itemed budget detailing the anticipated expenses associated with the FAU/Broward Health Academic Practice Plan’s start-up costs during the Initial Funding Period (“**Initial Start-Up Budget**”). Once approved by the FAU/Broward Health Academic Practice Plan Board, the line-itemed Initial Start-Up Budget shall be separated into categories and subcategories that permit start-up expenditures up to the maximum amount allotted for each category without further approval from Broward Health or the FAU/Broward Health Academic Practice Plan Board. Notwithstanding anything herein to the contrary, all physician hiring and salaries, advanced practice provider hiring and salaries, leases, and capital equipment, whether in the Initial Start-Up Budget or unbudgeted, shall require approval from the FAU/Broward Health

Academic Practice Plan Board. Nothing herein precludes the FAU/Broward Health Academic Practice Plan Board from otherwise delegating authority for the purchase of capital equipment at a threshold set by the FAU/Broward Health Academic Practice Plan Board.

(c) Prior Approval to Incur Expenses not Budgeted under \$50,000. Expenses to be incurred which are not otherwise in the Initial Start-Up Budget or which exceed a particular line-itemed category, but which are less than fifty thousand dollars (\$50,000) shall be communicated to and approved by Broward Health's Chief Operating Officer and/or Chief Financial Officer prior to FAU incurring such expenses on behalf of the FAU/Broward Health Academic Practice Plan.

(d) Prior Approval to Incur Expenses not Budgeted Over \$50,000. Material expenses to be incurred, which consist of those expenses which exceed fifty thousand dollars (\$50,000) and which are not part of the Initial Start-Up Budget or which exceed a particular line-itemed category ("**Material Expenses**"), shall be presented and approved by the FAU/Broward Health Academic Practice Plan Board prior to FAU incurring such Material Expenses on behalf of the FAU/Broward Health Academic Practice Plan.

(e) Emergency Acquisitions not Budgeted and Over \$50,000. Notwithstanding the foregoing requirement for Material Expenses, to the extent that FAU reasonably determines that a Material Expense needs to be incurred on an emergency basis and prior to a meeting of the FAU/Broward Health Academic Practice Plan Board, FAU or the PJO may incur such Material Expense without the FAU/Broward Health Academic Practice Plan Board approval after communicating such need to, and after it is agreed and approved by, Broward Health's Chief Operating Officer and/or Chief Financial Officer. In such event, the Material Expense shall be presented for informational purposes at the next convened meeting of the FAU/Broward Health Academic Practice Plan Board.

3. **FAU/Broward Health Academic Practice Plan Operating Budget.**

(a) First Year FAU/Broward Health Academic Practice Plan Budget. Prior to the start of the FAU/Broward Health Academic Practice Plan Operation Date, the Parties shall jointly prepare a detailed the FAU/Broward Health Academic Practice Plan Budget itemizing the revenue and expenses associated with the FAU/Broward Health Academic Practice Plan operations to serve as the basis for funding the FAU/Broward Health Academic Practice Plan and the shared FAU-BHN clinical practice after the FAU/Broward Health Academic Practice Plan Operation Date (the "**FAU/Broward Health Academic Practice Plan Operating Budget**"). The FAU/Broward Health Academic Practice Plan Operating Budget shall consist of the FAU/Broward Health Academic Practice Plan Revenue less the FAU/Broward Health Academic Practice Plan Expenses to calculate the net operating income. In addition, the FAU/Broward Health Academic Practice Plan Operating Budget shall include the FAU/Broward Health Academic Practice Plan Board's approved physician salaries, advanced practice provider salaries, leases, and capital equipment. Notwithstanding anything herein to the contrary, all physician hiring and salaries, advanced practice provider hiring and salaries, leases, and capital equipment, whether in the FAU/Broward Health Academic Practice Plan Operating Budget or unbudgeted, shall require approval from the FAU/Broward Health Academic Practice Plan Board. Nothing herein precludes the FAU/Broward Health Academic Practice Plan Board from otherwise delegating authority for the purchase of capital equipment at a threshold set by the FAU/Broward Health Academic Practice Plan Board or

otherwise establishing a policy for purchases outside of the FAU/Broward Health Academic Practice Plan Operating Budget.

(b) Subsequent FAU/Broward Health Academic Practice Plan Budgets. Prior to the start of each fiscal year of the FAU/Broward Health Academic Practice Plan, the Parties shall jointly prepare an annual FAU/Broward Health Academic Practice Plan Operating Budget consistent with the requirements of Section 3(a) of this Exhibit A and the jointly prepared FAU/Broward Health Academic Practice Plan Operating Budget shall then be presented to the FAU/Broward Health Academic Practice Plan Board for ratification and approval.

(c) FAU/Broward Health Academic Practice Plan Revenue and Expenses. As part of the FAU/Broward Health Academic Practice Plan Operating Budget, the Parties agree, through the Board of the FAU/Broward Health Academic Practice Plan, to evaluate and decide on the best reimbursement model to maximize revenue on behalf of the FAU/Broward Health Academic Practice Plan for providing professional services to BHN. Additionally, the Parties agree, through the Board of the FAU/Broward Health Academic Practice Plan, to evaluate and decide on the expenses to include in the FAU/Broward Health Academic Practice Plan Operating Budget.

(d) Budget Reconciliation. The Parties acknowledge a formal reconciliation process shall be established and required to ensure an accurate accounting of all recognized revenue and expenditures as it relates to the FAU/Broward Health Academic Practice Plan's operations and to reimburse FAU for all expenses incurred by or on behalf of the FAU/Broward Health Academic Practice Plan. The Parties agree to a quarterly or semi-annual reconciliation of the FAU/Broward Health Academic Practice Plan's actual financial performance against the FAU/Broward Health Academic Practice Plan Operating Budget ("**Reconciliation Process**") for each fiscal year after the FAU/Broward Health Academic Practice Plan Operation Date. As part of the Reconciliation Process, Broward Health shall make quarterly or semi-annual payments to FAU in the amount of the calculated deficit, net of any credited overpayment. Milestone Payments and Mission Alignment Payments shall not be included in the calculations of the FAU/Broward Health Academic Practice Plan Operating Budget.

4. Milestone Payments. Broward Health shall make annual payments to FAU/Broward Health Academic Practice Plan based on the achievement of the agreed-upon milestones and/or performance standards ("**Milestone Payments**") set forth in the specific Clinical Programming and Development Plans ("**Development Plans**"), which shall only be paid upon Broward Health North performing within 2% or better than the projected budgeted operating income for the fiscal year. The Milestone Payments are contingent upon satisfactory performance of the milestones and/or performance standards provided in the Development Plans and the satisfactory performance of such milestones and/or standards are subject to the reasonable satisfaction of Broward Health in its discretion. FAU/Broward Health Academic Practice Plan shall use the Milestone Payments received from Broward Health to fulfill the academic mission as intended by the Parties and as described in this Agreement. Development Plans for priority clinical programs (e.g., Cardiovascular, Neurosciences) shall be the initial focus. To the extent that FAU/Broward Health Academic Practice Plan earns such Milestone Payments, such Milestone Payments shall be calculated, approved, and paid by Broward Health no later than one hundred twenty (120) days following the end of each fiscal year.

5. Mission Alignment Payment. To the extent compliant with the then-prevailing Law, and in recognition of the FAU/Broward Health Academic Practice Plan’s clinical and quality enhancements and integration at Broward Health and its contribution to the improvement of BHN’s financial performance as it pertains to the Affiliation, and as further support for the mission and goals of the FAU/Broward Health Academic Practice Plan, each year, Broward Health shall earmark for the FAU/Broward Health Academic Practice Plan an agreed-to percentage for beating BHN’s projected and fully loaded operating income (consistent with BHN’s past practice as determined by Broward Health) (the “**Mission Alignment Payment**”). Each year, within thirty (30) days following the Broward Health Board’s approval of Broward Health’s annual budget, the projected and fully loaded operating income for BHN shall be communicated by Broward Health to FAU/Broward Health Academic Practice Plan, and, following the receipt of such projected and fully loaded operating income, the agreed-to percentages shall be established by the FAU/Broward Health Academic Practice Plan Board. Any earned Mission Alignment Payment shall be paid within thirty (30) days of the Broward Health Board’s approval of the audited financial statements for that year. The Mission Alignment Payment shall be used by the FAU/Broward Health Academic Practice Plan exclusively to support the goals and objectives of FAU and the College and to support the teaching and mission objectives of FAU as it relates to the FAU/Broward Health Academic Practice Plan and the Affiliation, and to enhance teaching and research opportunities at FAU and Broward Health.