

06/17/09/2010/155 10:17

PHYSICIAN INDEPENDENT CONTRACTOR AGREEMENT

AGREEMENT made as of this the 30th day of July, 2010 by and between:

American Medical Associates, P.C., a Professional Corporation authorized to practice medicine and surgery in Maryland, as well as Virginia Health Group, P.C. a Virginia Professional Corporation organized in Virginia and authorized to practice medicine and surgery in Virginia (hereinafter collectively referred to as "the Professional Corporation" or just the "PC")

AND

Nicola Irene Riley, M.D., holder of license No. D71213 authorizing her to practice medicine and surgery in the State of Maryland, and who is in the process of applying for a license to practice medicine in Virginia, as well as any Professional Corporation owned by said physician; (Hereinafter collectively referred to as "the Doctor")

WHEREAS, the Professional Corporation desires to contract with the Doctor on and after July __, 2010 upon the terms and conditions hereinafter set forth, and the Doctor desires to accept such a contractual relationship, it is hereby AGREED as follows:

1. The Doctor shall practice medicine, and shall perform the medical services listed in the Appendix, including abortion procedures, for the Professional Corporation on specified days and hours to be mutually agreed upon.

2. The Doctor will be paid according to the following schedule for abortions performed upon those patients who are paying directly out-of-pocket for their abortion procedure:

- \$ 45.00 per 12 week pregnancy and less
- \$ 60.00 per 13-14 week pregnancy
- \$ 100.00 per 15-16 week pregnancy
- \$ 150.00 per 17-18 week pregnancy
- \$ 200.00 per 19-20 week pregnancy
- \$ 250.00 per 21-22 week pregnancy
- \$ 300.00 per 23-24 week pregnancy
- \$ 400.00 per 25-26 week pregnancy
- \$ 500.00 per 27-28 week pregnancy
- \$ 600.00 per 29-30 week pregnancy
- \$ 700.00 per 27-28 week pregnancy
- \$ 800.00 per 29-30 week pregnancy
- \$ 900.00 per 31-32 week pregnancy
- \$ 1,000.00 per 32-33 week pregnancy
- \$ 1,100.00 per 34-35 week pregnancy
- \$ 1,200.00 per 36-37 week pregnancy

MA

23

"Week pregnancy" always refers to menstrual age unless otherwise stated.

2. The Doctor agrees to insert cervical dilators ("Laminaria") when medically indicated for her or other doctors who will perform second trimester abortions. The Doctor will be paid \$25.00 for each patient in which she inserts Laminaria.
3. The Doctor agrees to administer I.V. Sedation when requested by the patient and medically indicated. The Doctor will be paid \$15.00 for each patient in which he/she administers I.V. sedation.
4. The Doctor agrees to perform gynecological examinations, including post-operative examinations on any and all patients who have been scheduled for the time in which he/she is practicing in the office. These post-operative examinations include patients who may or may not have had surgery performed by another physician. The Doctor will be paid \$25.00 for each patient she sees as an office visit.
5. The Doctor agrees that absolutely no additional fees will be paid to her for any service which is rendered without a written request and a written response which will then become an amendment to this contract.
6. The Doctor will be responsible for obtaining her own medical malpractice insurance. The Professional Corporation shall not be financially responsible for any part of the premiums.
7. The Doctor agrees to appear and be ready to begin seeing patients on time, which both parties agree is one hour after the first patient is scheduled. The Doctor agrees to be on time. If she is late, then after a 15 minute "grace period", the doctor agrees that she will be charged a late fee of \$150.00/hour, prorated to every 15 minutes, to cover the costs of staffing and "lost" patients resulting from the doctor's tardiness.
8. The Doctor acknowledges that the doctor is working for the Professional Corporation as an independent contractor and as such shall hold harmless and indemnify the Professional Corporation, its individual shareholders, officers and directors, its successors and assigns, from and against any and all liabilities, costs, damages, suits, expenses, and attorneys' fees resulting from or attributable to any and all negligent acts and/or omissions attributable to the Doctor.
9. The term of this agreement shall be open-ended. The Doctor and the Professional Corporation agree to give eight (8) weeks advanced written notice if either party chooses to terminate this agreement.
11. The Doctor agrees to give (4) weeks advanced written notice if he/she is unable to attend a scheduled session due to vacation time or personal obligations.

12. The Doctor agrees that the medical practice of the Professional Corporation, and the patient records of patients whom the Doctor has rendered care on behalf of the Professional Corporation, shall be and remain the sole property of the Professional Corporation.

13. The Doctor agrees to supervise nurse practitioners and other nurses and to provide back-up and to enter into necessary agreements with these nurse practitioners to facilitate their practice with the Professional Corporation.

14. RESTRICTIVE COVENANTS


14.1 Non-Interference. During the period of time Doctor is contracted by Professional Corporation pursuant to the terms of this Agreement and for a period of three (3) years thereafter, neither Doctor nor any corporation, partnership, or other business entity or person owned or controlled by, directly or indirectly, the Doctor, shall engage or participate in any effort or act to induce any of the patients, third party payers, health care services providers, physicians, suppliers, associates, employees, or independent contractors of Professional Corporation to cease to be a patient of, or otherwise to do business with, as the case may be, the Professional Corporation.

14.2 Confidentiality and Nondisclosure. Doctor acknowledges a duty of confidentiality owed to Professional Corporation. Doctor shall not, nor shall any corporation, partnership, or other business entity or person owned or controlled by Doctor, directly or indirectly, at any time during or after her employment by Professional Corporation, disclose or make accessible to anyone, use, or retain in writing or any other medium, without the express written authorization of Professional Corporation, any Confidential Information of Professional Corporation. Doctor hereby acknowledges that the Confidential Information is the property of Professional Corporation, that she shall not duplicate or make use of any such Confidential Information other than in pursuit of Professional Corporation's activities, and that, upon termination of this Agreement for any reason, she shall deliver to Professional Corporation, without further demand, all copies thereof, in any medium whatsoever, which are then in her possession. "Confidential Information" shall mean the terms and conditions of this Agreement and all types of proprietary data, trade secrets and confidential information of Professional Corporation, or any of its affiliates, which is not legitimately in the public domain, including, but not limited to, all pricing or business strategies, compensation or financial information, patient lists, patient files, charge data, price lists, contract forms and other books, records or files relating to Professional Corporation's business, or that of any of its affiliates.

14.3 Covenant Not to Compete. During the period of time Doctor is contracted with the Professional Corporation pursuant to the terms of this Agreement and for a period of three (3) years thereafter, regardless of the reason for the termination of this

Agreement, without the prior written consent of Professional Corporation, Doctor shall not, directly or indirectly, own, manage, operate, join, control, finance or participate in the ownership, management, operation, control or financing of, or be connected as an officer, ~~director, partner, principal, contractor, agent, representative, consultant or otherwise with~~ any medical practice performing abortions located within a 100 mile radius of (i) the current offices of Professional Corporation in Cheverly, Frederick, Silver Spring or Baltimore Maryland or Fairfax, Virginia or (ii) any other office of Professional Corporation staffed by Doctor. In this regard, "staffed by Doctor" means an office in which Doctor worked during her period of independent contractorship. This restrictive covenant is limited to and only applies to abortion services, and not to any other Ob/Gyn services.

14.4 Equitable Remedies. Doctor acknowledges that the restrictions contained in this section 14 are reasonable and necessary to protect the legitimate interests of Professional Corporation and that any violation of such restrictions would result in irreparable injury to Professional Corporation. If the period of time or other restrictions specified in this Article 14 should be adjudged unreasonable at any proceeding, then the period of time or such other restrictions shall be reduced by the elimination or reduction of such portion thereof so that such restrictions may be enforced in a manner adjudged to be reasonable. Doctor acknowledges that Professional Corporation shall be entitled to preliminary and permanent injunctive relief for a violation of any such restrictions without having to prove actual damages or to post a bond; Professional Corporation shall also be entitled to an equitable accounting of all earnings, profits and other benefits arising from such violation, which rights shall be cumulative and in addition to any other rights or remedies to which Professional Corporation may be entitled in law or equity; in addition, Professional Corporation shall be entitled to payment of all costs and legal fees incurred in obtaining equitable relief. In the event of a violation, the periods referred to in this Article shall be extended by a period of time equal to that period beginning with the commencement of any such violation and ending when such violation shall have been finally terminated in good faith. Doctor hereby waives any objections on the grounds of improper jurisdiction or venue to the commencement of an action in the State of Maryland and agrees that effective service of process may be made upon her by first class U.S. mail. **DOCTOR ACKNOWLEDGES THAT THE TERMS OF THIS SECTION 14.3 HAVE BEEN NEGOTIATED AT ARM'S-LENGTH. DOCTOR REPRESENTS THAT she UNDERSTANDS THE FULL EXTENT AND IMPLICATION OF THE TERMS OF THIS SECTION 14.3 AND HEREBY KNOWINGLY AND VOLUNTARILY AGREES TO BE BOUND HEREBY.**

15. The Doctor and the Professional Corporation agree that the Doctor is an independently practicing corporation/physician who shall practice her profession to the best of her abilities and shall exercise her own professional judgment in the care and treatment of all patients. The Professional Corporation promulgates its' own minimum standards of practice, consistent with the published standards of the National Abortion 

Federation. The Doctor agrees that she will adhere to these minimum standards of practice. Above and beyond these minimum standards, however, the Doctor is free to practice her profession as she sees fit, and the Professional Corporation agrees that it will not interfere with the exercise of such professional judgment.

16. The Doctor and the Professional Corporation agree that the Doctor is an independent contractor, and not an employee. She shall be paid biweekly, by check drawn on the bank account of the Professional Corporation. No taxes shall be withheld from the Doctors biweekly check. At the end of the calendar year the Professional Corporation shall report all earnings of the Doctor to the Internal Revenue Service via a 1099 form, which shall also be provided to the Doctor.

American Medical Associates, P.C. and Virginia Health Group, P.C.

By: Steve C. Brigham
Steve Brigham, M.D.

Nicola Irene Riley M.D. 1/30/10
Nicola Irene Riley, M.D.