

COMPLIANT MANAGEMENT SERVICES AGREEMENT*

THIS MANAGEMENT SERVICES AGREEMENT (“Agreement”) is entered into and shall become effective on [insert date], by and between [insert name of company], a [insert type of entity and state of incorporation or domicile] (“Management Services Provider”), and [insert name of Professional Entity], a North Carolina [insert type of legal entity] (“Professional Entity”), which is owned by [insert name of dentist owner(s)] (“Owner(s”).

PREMISES:

WHEREAS, Professional Entity provides Clinical Dental Care to the general public in the State of North Carolina through its Licensed Providers;

WHEREAS, Management Services Provider provides Business Support Services to dental practices;

WHEREAS, Professional Entity desires to engage Management Services Provider to provide it Business Support Services;

WHEREAS, Management Services Provider is ready, willing and able to provide certain Business Support Services to the Professional Entity in connection with business aspects of its Dental Practice; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Professional Entity hereby agrees to purchase the Business Support Services herein described, and Management Services Provider agrees to provide such services on the terms and conditions provided in this Agreement.

ARTICLE 1 DEFINITIONS

1.1 “**Affiliate**” of an entity means (a) any person or entity directly or indirectly controlled by such entity, (b) any person or entity directly or indirectly controlling such entity, (c) any subsidiary of such entity if the entity has a fifty percent (50%) or greater ownership interest in the subsidiary, or (d) such entity's parent corporation if the parent has a fifty percent (50%) or greater ownership interest in the entity.

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1.2 **“Business Support Services”** shall mean the services provided by the Management Services Provider to the Professional Entity pursuant to the terms of this Agreement, including those identified in Article 3 of this Agreement.

1.3 **“Clinical Dental Care”** shall refer to any activity as described in North Carolina General Statutes Sec. 90-29(b)(1) through (10).

1.4 **“Dental Board”** shall mean the North Carolina State Board of Dental Examiners, an agency of the State of North Carolina.

1.5 **“Dental Laws”** shall mean all laws, rules and regulations governing the Practice of Dentistry, including but not limited to Articles 2, 2A and 16 of the North Carolina General Statutes and Subchapters 16A-16Z of Title 21 of the North Carolina Administrative Code.

1.6 **“Dental Practice”** shall mean the enterprise exclusively owned by the Professional Entity where Clinical Dental Care is performed, including the Facilities and any satellite locations utilized by Professional Entity.

1.7 **“Dentist Employees”** shall mean individuals who are employees of Professional Entity or are otherwise under contract with Professional Entity to Practice Dentistry and are duly licensed to practice dentistry in the State of North Carolina.

1.8 **“Facilities”** shall mean the professional offices utilized by Professional Entity for the provision of Clinical Dental Care.

1.9 **“Licensed Provider”** shall mean each individual licensed or required to be licensed by the Dental Board, including dentists and dental hygienists.

1.10 **“Management Fee”** shall mean all fees payable to Management Services Provider pursuant to its arrangement with Professional Entity or its Owner(s).

1.11 **“Practice of Dentistry”** shall mean any activity as described in North Carolina General Statutes Sec. 90-29(b)(1) through (13).

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ARTICLE 2 RELATIONSHIP OF THE PARTIES

2.1 Engagement to Provide Business Support Services. Professional Entity hereby engages Management Services Provider to provide Business Support Services, and Management Services Provider hereby agrees to provide Business Support Services subject to all terms, conditions and provisions of this Agreement. Consistent with the provisions of this Agreement and the Dental Laws, Professional Entity gives Management Services Provider the necessary authority to provide Business Support Services for the Professional Entity.

2.2 Professional Entity and Owner's Control and Authority. Notwithstanding Section 2.1 and other provisions of this Agreement, Professional Entity, through its Owner(s) and Dentist Employees, shall retain the control and authority:

(a) to direct the dental, clinical, professional and ethical aspects of the Dental Practice. Management Services Provider shall neither exercise control over nor interfere with dentist-patient relationships, which shall be maintained strictly between Owner(s) and Dentist Employees of Professional Entity and their patients. Nothing in this Agreement shall be construed to alter or in any way affect the legal, ethical and professional relationship between the Owner(s) and Dentist Employees and their patients.

(b) to manage all aspects of the Dental Practice, including all Business Support Services provided by Management Services Provider. Nothing in this Agreement is intended to transfer such control and authority from Professional Entity to Management Services Provider.

(c) over all personnel working in or for the Dental Practice and shall take reasonable measures to ensure that all personnel conform their conduct to all Dental Laws and applicable standards of practice. This control, authority and responsibility shall be the same regardless of whether those personnel are directly employed by the Professional Entity.

(d) to distribute professional fee income among the Owners and Dentist Employees and over other matters involving the internal agreements and finances of the Professional Entity.

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ARTICLE 3
BUSINESS SUPPORT SERVICES TO BE PROVIDED
BY MANAGEMENT SERVICES PROVIDER

3.1 Business Support Services Offered. Management Services Provider shall provide or arrange for the following Business Support Services as requested by the Professional Entity:

(a) Accounting and Financial. Management Services Provider shall provide Professional Entity the following accounting and financial services related to the operation of the Dental Practice:

1. Establish and administer accounting procedures, controls and systems for the development, preparation and safekeeping of administrative and financial records and books of account relating to the business and financial affairs of the Professional Entity, all of which shall be prepared and maintained in accordance with Generally Accepted Accounting Principles (“GAAP”) and applicable laws and regulations.
2. Establish all accounting journals, including cash receipt journals, cash disbursement journals, general journals, general ledgers, account receipt ledgers, and payroll ledgers, all backup records for accounting and managerial control such as purchase records, equipment records, and personnel and employment records and all tax records, if needed, such as workers’ compensation, unemployment compensation, social security, federal income tax and withholding, state and local income tax and withholding, federal excise tax, and state and local sales tax.
3. Prepare and, upon approval by the Professional Entity, timely file any and all financial reports as may be required by federal, state or other statute, ordinance or regulation affecting Professional Entity’s operations.
4. Coordinate and arrange for: (i) the preparation of annual financial statements for the operations of the Dental Practice, and (ii) the preparation and timely filing of all necessary state and federal tax returns approved by the Professional Entity. These annual statements and tax returns shall be prepared by a Certified Public Accountant or other qualified person or entity approved by Professional Entity in advance. Management Services Provider shall ensure that copies of all these financial statements and tax returns shall be provided to Professional Entity upon completion and filing.

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Professional Entity shall be responsible for payment of the invoice or statement for the services provided by the Certified Public Accountant or other qualified person or entity.

5. Prepare monthly unaudited financial statements for the operations of the Dental Practice and provide those to Professional Entity by [insert date] of each subsequent month.

(b) Inventory and Supplies. Management Services Provider shall cause to be ordered and purchased inventory and supplies and such other materials necessary in the operation of the Dental Practice, as requested or approved by Professional Entity. Management Services Provider shall invoice Professional Entity at its actual cost or the vendor's charge for all inventory and supplies ordered, which shall be owned by the Professional Entity.

(c) Collections and Payments. Management Services Provider shall, on behalf of Professional Entity, bill patients and collect the professional fees for Clinical Dental Care rendered on behalf of Professional Entity as follows:

1. The Management Services Provider shall deposit into one or more bank accounts chosen by Professional Entity in Professional Entity's name, all funds, fees and revenues generated from Clinical Dental Care. All funds in the designated bank accounts shall be the property of the Professional Entity, and the Professional Entity shall have the right to access all funds in those accounts at any time.

2. Management Services Provider is authorized to: (i) pay all costs and expenses incurred by Professional Entity, and (ii) pay itself its Management Fee after the payments of other costs and expenses. After payment of the costs and expenses and of its Management Fee, Management Services Provider shall be required to return or distribute to the Professional Entity any amount remaining thereafter at least monthly or more frequently if required by law.

3. All billings for Clinical Dental Care rendered on behalf of Professional Entity shall be made by Management Services Provider in the name of the Professional Entity or in the name of the Owner(s) or the Dentist Employees. Management Services Provider shall render or cause its designee to render such billings in a timely and accurate manner.

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4. The Management Services Provider shall deliver to Professional Entity, no later than the [insert date] of each month, a full accounting of all billings and collections for the prior calendar month and all funds collected by Management Services Provider for services of Professional Entity.

5. Professional Entity shall inform Management Services Provider of all amounts collected by Professional Entity resulting from Clinical Dental Care performed during the term of this Agreement.

6. Professional Entity shall: (i) cooperate with Management Services Provider or its designee in billing and collection activities; (ii) provide all information necessary to bill and collect for all Professional Entity services; and (iii) execute all documents, instruments and agreements reasonable or necessary to bill and collect for services provided by Professional Entity through its Owner(s) and Dentist Employees.

(d) Files and Records. Professional Entity shall supervise and maintain custody and ownership of all files and records relating to the operation of the Dental Practice including patient dental records and billing and collection records. Patient dental records shall at all times be located at the Facilities or other locations controlled by Professional Entity and shall be readily accessible for patient care. If patient records are maintained electronically, Professional Entity shall retain control and authority over and shall have access to such records at all times. Notwithstanding the foregoing, Management Services Provider shall assist Professional Entity in the maintenance and management of all files and records and, in providing such assistance, shall comply with applicable state and federal statutes and regulations. Management Services Provider shall preserve the confidentiality of patient dental records and use information contained in such records only for the limited purposes necessary to perform the services set forth herein.

(e) Human Resources. Management Services Provider shall provide Professional Entity with the following Human Resource staffing and consulting services related to the operation of the Dental Practice:

1. Recruiting additional Licensed Providers and other personnel required by the Dental Practice. This recruiting shall include performing related administrative functions, such as advertising in the name of the Professional Entity for such personnel, identifying potential candidates,

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verifying credentials, conducting background checks and arranging interviews.

2. Providing payroll processing and related services, including coordinating and ensuring timely employment-related tax filings, withholdings and payment.
3. Administering employee benefit plans.
4. Processing and administering unemployment claims and workers compensation claims.
5. Providing and maintaining written employment policies and procedure manuals, approved by Professional Entity, including maintaining documentation that all personnel received those policies and procedures,
6. Processing and producing annual W-2 and 1099 forms.

Professional Entity and its Owners and Dentist Employees shall retain control, authority and responsibility for all personnel working in or for the Dental Practice, as set forth in Section 2.2 of this Agreement, regardless of whether those personnel are not directly employed by the Professional Entity. Professional Entity shall be responsible for the payment of all amounts to or on behalf of its employees, including compensation, benefits, withholding and other employment taxes.

(f) Fixed Assets. Management Services Provider shall assist Professional Entity with locating and procuring offices, facilities and equipment, as requested and approved by the Professional Entity. Professional Entity shall be responsible for the payment of all amounts due for the purchase or lease of such offices, facilities and equipment.

(g) Maintenance. Management Services Provider shall arrange for the proper cleanliness of the Facilities, including the maintenance of the office, equipment, furniture and fixtures used by the Dental Practice.

(h) Marketing and Practice Development. Management Services Provider shall provide Professional Entity, if requested, advertising and marketing services and materials and other services related to development of the Dental Practice. Notwithstanding the foregoing, Professional Entity and its Owner(s) and Dentist Employees shall retain sole

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responsibility for the content of all advertising and marketing materials and for ensuring that all such materials relating to the Professional Entity comply with all applicable Dental Board statutes, regulations and other legal requirements. Management Services Provider shall invoice Professional Entity at the vendor's charge for all marketing and practice development materials or for marketing services provided by any third party or entity.

(i) Information Technology. Management Services Provider shall provide and administer for the Professional Entity the technology needs of the Dental Practice, including hardware, software, network support, support training and help desk support. Professional Entity must approve the use of any technology used in the Dental Practice. Management Services Provider shall invoice Professional Entity at its actual cost or the vendor's charge for all hardware, software, computer-related and other technology equipment purchased or leased for the operation of the Dental Practice.

(j) Other Clerical Services. Management Services Provider shall arrange for any necessary postage and duplication, dental transcription and any other clerical services necessary to the operation of the Dental Practice requested by the Professional Entity. Management Services Provider shall invoice Professional Entity at its actual cost or the vendor's charge for all postage, duplication and other clerical expenses provided by any third party or entity.

3.2 Annual Selection of Services. At least sixty (60) days prior to the annual anniversary of the Effective Date of this Agreement, Professional Entity may elect by written communication to utilize or exclude any number or combination of the set of services provided by the Management Services Provider as set forth in this Article and in Schedule 1. If Professional Entity elects to alter the services provided by Management Services Provider, it shall submit to Management Services Provider an amended Schedule 1 with the services accepted or selected for that contract year.

3.3 Non-exclusivity. Notwithstanding the provision of services by the Management Services Provider under this Agreement, Professional Entity shall retain the authority to contract with other entities for the provision of Business Support Services, whether or not such services or similar services are provided under this Agreement.

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ARTICLE 4
RESPECTIVE RESPONSIBILITIES AND OBLIGATIONS OF
PROFESSIONAL ENTITY AND MANAGEMENT SERVICES PROVIDER

4.1 Business Support Services. Management Services Provider shall be responsible for providing Professional Entity with the Business Support Services set forth in Article 3 of this Agreement and on Schedule 1 in a timely, effective and competent manner.

4.2 Payment for Services. Professional Entity shall be responsible for paying Management Services Provider in a timely manner for the Business Support Services provided consistent with Article 3 of this Agreement and pursuant to Schedule 1.

4.3 Professional Services. Professional Entity, through its Owner(s) or Dentist Employees, shall have the sole and exclusive authority over all Clinical Dental Care. Professional Entity and its Owner(s) shall have actual and effective control of the business activities of the Dental Practice. Professional Entity also shall ensure that each Licensed Provider is licensed by the State of North Carolina.

4.4 Employment of Licensed Providers and Ancillary Personnel. Professional Entity shall have complete control of and responsibility for the employment, compensation, supervision, evaluation and termination of its Licensed Providers and Ancillary Personnel, as defined in N.C. Gen. Stat. 90-40.2(a)(1). These individuals shall not be employed by the Management Services Provider.

4.5 Patient Fees and Access. Professional Entity shall have sole and exclusive authority with regard to adoption of a fee schedule for all Clinical Dental Care rendered by Professional Entity. In addition, Professional Entity shall have sole and exclusive authority with regard to courtesy discounts, professional discounts and free Clinical Dental Care. Professional Entity also shall have sole and exclusive authority to determine patient access to the Dental Practice and the priority for scheduling such patients.

4.6 Compliance with Applicable Laws. Both parties shall be responsible for complying with all applicable federal, state and local laws, regulations and restrictions in the conduct of their obligations under this Agreement.

4.7 Events Excusing Performance. Professional Entity shall not be liable to Management Services Provider for failure to perform its obligations and responsibilities required herein in the event of strikes, lock-outs, calamities, acts of God, unavailability of supplies or other events over which Professional Entity has no control for so long as such events continue and for a

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reasonable period of time thereafter. Management Services Provider shall not be liable to Professional Entity for failure to perform its obligations and responsibilities required herein in the event of strikes, lock-outs, calamities, acts of God, unavailability of supplies or other events over which Management Services Provider has no control for so long as such events continue and for a reasonable period of time thereafter.

ARTICLE 5 FINANCIAL ARRANGEMENTS

Management Services Provider shall be paid a Management Fee as set forth in Schedule 1, attached hereto and incorporated herein by reference, which lists the fee charged for each service or group of related services provided. Professional Entity and Management Services Provider agree that the compensation set forth in Schedule 1 to this Agreement to be paid by Professional Entity to Management Services Provider is the fair market value of each Business Support Service provided pursuant to Section 3.1. Professional Entity shall not be responsible for paying and shall not pay Management Services Provider any sums other than as set forth and consistent with Schedule 1 to this Agreement or pursuant to a written amendment to this Agreement consistent with Section 10.10.

ARTICLE 6 RECORDS

6.1 Patient Records. Upon termination of this Agreement, Professional Entity shall retain any patient dental records maintained by Management Services Provider on behalf of Professional Entity. Management Services Provider shall return to Professional Entity all copies of patient dental records that Management Services Provider has obtained or maintained on behalf of Professional Entity for purposes of carrying out Management Services Provider's obligations under this Agreement. Management Services Provider shall not keep or retain any copies of the Professional Entity's patient records after termination of this Agreement. Management Services Provider shall be entitled to have access to records necessary or required by an audit of it by an insurer or government agency but only for the limited purpose of complying with such an audit and consistent with Section 6.3.

6.2 Records Owned by Management Services Provider. Management Services Provider shall be entitled to retain all internal records relating to its provision of Business Support Services under this Agreement. Professional Entity shall be entitled to review or obtain a copy of records demonstrating or documenting Management Services Provider's provision of Business Support Services under this Agreement.

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6.3 HIPAA Compliance. The parties to this Agreement agree to comply with the provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and all applicable regulations promulgated thereunder and have entered into a Business Associate Agreement, attached hereto as Exhibit ___ and which is incorporated herein by reference, for the protection of protected health information as that term is defined therein and in the HIPAA Privacy Rule.

ARTICLE 7 INSURANCE AND INDEMNIFICATION

7.1 Insurance to be Maintained by Professional Entity. Throughout the term of this Agreement, Professional Entity shall maintain professional liability insurance for all Licensed Providers of Professional Entity with minimum coverage of \$1 million per claim and \$3 million in the aggregate [or other amounts agreed upon by the parties]. Professional Entity also shall maintain appropriate commercial general liability, workers' compensation and employer's liability insurance coverage in accordance with at least the minimum amounts required by any applicable federal and state laws and regulations. Professional Entity shall provide to Management Services Provider copies of these insurance policies upon request. Professional Entity shall notify Management Services Provider immediately of any change in Professional Entity's insurance status or coverage including, but not limited to, any insurance policy required hereunder being impaired, cancelled or reduced by the insurance carrier or Professional Entity for any reason.

7.2 Insurance to be Maintained by Management Services Provider. Throughout the term of this Agreement, Management Services Provider will provide and maintain comprehensive professional liability insurance for all professional employees of Management Services Provider with minimum coverage of \$1 million per claim and \$3 million in the aggregate [or other amount agreed to by the parties]. Management also shall maintain appropriate commercial general liability, workers' compensation and employer's liability insurance coverage in accordance with at least the minimum amounts required by any applicable federal and state laws and regulations. Management Services Provider shall provide to Professional Entity copies of these insurance policies upon request. Management Services Provider shall notify Professional Entity immediately of any change in Management Services Provider's insurance status or coverage including, but not limited to, any insurance policy required hereunder being impaired, cancelled or reduced by the insurance carrier or Management Services Provider for any reason.

7.3 Responsibility. Except as provided in Paragraph 7.4 below, neither party hereto shall be liable for defending or for the expense of defending the other party, its agents or employees against any claim, legal action, dispute resolution or administrative or regulatory proceeding

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arising out of or related to such other party's actions or omissions under this Agreement. No party hereto shall be liable for any liability of any other party, its agents or employees, whether resulting from judgment, settlement, award, fine or otherwise, which arises out of such other party's actions or omissions under this Agreement.

7.4 Indemnification. Professional Entity and Management Services Provider hereby agree to indemnify, hold harmless and defend the other against any and all loss, injury, liability, claim, damage, cause of action or expense suffered by the other party resulting directly or indirectly, from any of the following:

(a) any breach or failure to perform any of its responsibilities or obligations under this Agreement; or

(b) any liability, damages, or injuries to other persons or the other party or to the property of other persons or to the other party caused by acts, omissions, ordinary or gross negligence, or intentional acts of the indemnifying party, its employee, agent or representative; or

(c) any inaccuracy in, or breach of, any of the representations, warranties, covenants or agreements made by it in this Agreement.

The indemnification protection provided by this paragraph shall extend not only to the parties themselves but also to their officers, directors, shareholders and employees. Further, the indemnification protection provided by this paragraph shall include, without limitation, reasonable attorneys' fees, interest, court costs and other reasonable costs and expenses incident to proceedings, investigations or the defense of settlements paid arising from any such claims.

ARTICLE 8 TERM AND TERMINATION

8.1 Term of Agreement. This Agreement shall commence on [insert effective date], and the initial term of this Agreement shall expire on [insert termination date on page 1] [Generally 5 years or less] unless earlier terminated pursuant to Section 8.2 or 8.3 below. Professional Entity may renew this agreement for additional terms of [insert renewal term] year(s) upon notice to the Management Services Provider of intent to renew provided at least [insert notice time period] days prior to the expiration of the then-current term.

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8.2 Termination by Professional Entity. Notwithstanding Section 8.1 above, Professional Entity may terminate this Agreement upon notification to Management Services Provider as follows:

Termination for Cause

(a) In the event Management Services Provider shall materially default in the performance of any duty or obligation imposed upon it by this Agreement and such default shall continue for a period of thirty (30) days after written notice thereof has been given to Management Services Provider by Professional Entity, Professional Entity may terminate this Agreement without further notice.

(b) In the event of the filing of a petition in voluntary bankruptcy or an assignment for the benefit of creditors by Management Services Provider, or upon other action taken or suffered, voluntarily or involuntarily, under any federal or state law for the benefit of debtors of Management Services Provider, except for the filing of a petition in involuntary bankruptcy against Management Services Provider which is dismissed within thirty (30) days thereafter.

(c) In the event of a change in the controlling ownership of Management Services Provider not consented to in advance by Professional Entity.

(d) In the event of Management Services Provider's failure to maintain insurance in compliance with Section 7.2 above.

Termination without Cause

(e) Notwithstanding the foregoing Sections 8.2 (a)-(d), the Professional Entity may terminate this Agreement without cause by providing Management Services Provider ninety (90) days advance written notice of its intention to terminate this Agreement. In recognition of the fact that the Management Services Provider has made a commitment of resources by entering this Agreement, Professional Entity agrees that if it terminates this Agreement without cause during the first year of the term set forth in Section 8.1 above, then the Professional Entity shall pay the Management Services Provider a termination fee of \$ _____ [amount must be documented, unrecoverable expense to Management Services Provider caused by early termination].

8.3 Termination by Management Services Provider. Notwithstanding Section 8.1 above, Management Services Provider may terminate this Agreement upon notification to Professional Entity as follows:

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Termination for Cause

(a) In the event Professional Entity shall materially default in the performance of any duty or obligation imposed upon it by this Agreement and such default shall continue for a period of thirty (30) days after written notice thereof has been given to Professional Entity by Management Services Provider, Management Services Provider may terminate this Agreement without further notice.

(b) In the event of the filing of a petition in voluntary bankruptcy or an assignment for the benefit of creditors by Professional Entity, or upon other action taken or suffered, voluntarily or involuntarily, under any federal or state law for the benefit of debtors of Professional Entity, except for the filing of a petition in involuntary bankruptcy against Professional Entity which is dismissed within thirty (30) days thereafter.

(c) In the event of a change in the controlling ownership of Professional Entity.

(d) In the event of Professional Entity's failure to maintain insurance in compliance with Section 7.1 above.

Termination without Cause

(e) Notwithstanding the foregoing Sections 8.3 (a)-(d), the Management Services Provider may terminate this Agreement without cause by providing Professional Entity ninety (90) days advance written notice of its intention to terminate this Agreement. In recognition of the fact that the Professional Entity has made a commitment of resources by entering this Agreement, Management Services Provider agrees that if it terminates this Agreement without cause during the first year of the term set forth in Section 8.1 above, then the Management Services Provider shall pay the Professional Entity a termination fee of \$ _____ [amount must be documented, unrecoverable expense to Professional Entity caused by early termination].

8.4 Actions after Termination. Upon termination of this Agreement pursuant to Sections 8.2 or 8.3 above, Professional Entity shall pay to Management Services Provider any and all sums then accrued as Management Fees. Management Services Provider and Professional Entity acknowledge that the termination of this Agreement could affect the provision of adequate Clinical Dental Care by the Professional Entity. Accordingly, upon the termination of this Agreement, Professional Entity shall be permitted to continue the use of any supplies, software or any other property (hereafter, "Property") provided by the Management Services Provider herein beyond the termination of this Agreement for up to six months [or another commercially-reasonable period of transition agreed upon by the parties] (hereafter, "transition period") provided that (i) Professional Entity determines in its sole professional judgment that continued use of said

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Property is necessary to maintain the standard of care to the patients of the Dental Practice; (ii) Professional Entity uses reasonable efforts to procure an alternative source of said Property during the transition period; and (iii) Professional Entity pays the Management Services Provider consistent with the terms of this Agreement on a pro-rata basis for the use of said Property beyond the termination of this Agreement and during the transition period. Additionally, both Parties agree that they will take all reasonable steps necessary to ensure the continuity of care for all the Professional Entity's patients, upon the termination of this agreement by either Party.

ARTICLE 9 REVIEW OF AGREEMENTS AND AMENDMENTS BY DENTAL BOARD

The parties acknowledge that North Carolina law, particularly the Management Arrangements Rule ("MAR") codified at 21 NCAC 16X.0101, requires that the Dental Board review this Agreement, any other agreements entered into by the parties or their Affiliates, and any amendment to this Agreement or any other agreement between the parties. Each party agrees to cooperate with the Dental Board in its review of such Agreement and any amendments thereto.

ARTICLE 10 GENERAL PROVISIONS

10.1 Assignment. Neither party shall assign its respective rights and obligations hereunder without the written consent of the other.

10.2 Notices. All notices required or permitted by this Agreement shall be in writing and shall be deemed given if sent, postage prepaid, certified mail, return receipt requested, to the address set forth below:

To Management Services Provider:
[insert designated contact person and address]

To Professional Entity:
[insert designated contact person and address]

or to such other address as either party shall indicate to the other in accordance with the provisions of this Section.

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10.3 Binding on Successors. This Agreement shall be binding upon the parties hereto and their successors and assigns.

10.4 Waiver of Provisions. Any waiver of any terms and conditions hereof must be in writing and signed by the parties hereto. The waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms and conditions hereof.

10.5 Governing Law. The validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina including, but not limited to, the Dental Practice Act (codified in Chapter 90 of the North Carolina General Statutes) and the Management Arrangement Rule (“MAR”) (codified in 21 NCAC 16X .0100).

10.6 Severability. The provisions of this Agreement shall be deemed severable, and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the parties hereto.

10.7 Additional Documents. Each of the parties hereto agrees to execute any document or documents that may reasonably be requested from time to time by the other party to implement or complete such party's obligations under this Agreement.

10.8 Remedies Cumulative. No remedy set forth in this Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to any party.

10.9 No Obligation to Third Parties. The terms of this Agreement are intended to be solely for the benefit of Management Services Provider and Professional Entity and their successors and assigns, and none of the obligations and duties of Management Services Provider or Professional Entity under this Agreement shall in any way or in any manner be deemed to create any obligation of Management Services Provider or Professional Entity to, or any rights in, any person or entity not a party to this Agreement, except as expressly provided in Section 7.4.

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10.10 Entire Agreement. This Agreement sets forth the entire understanding between the parties and there are no other agreements or arrangements, either written or oral, between the parties and their Affiliates, including the Owner(s). The Agreement cannot be amended except by a writing signed by both parties. The parties further acknowledge that an amendment to this Agreement is subject to review by the Dental Board as required by law and consistent with Article 9.

[Remainder of page left intentionally blank for signatures on next page]

* This is an example management services agreement that the Dental Board has reviewed and deemed compliant with the Dental Laws, as defined herein. Other agreements, or variations of provisions herein, also may be compliant. However, if provisions of this example agreement are excerpted and incorporated in an agreement with provisions that are not compliant, then that agreement may not comply with the Dental Laws. Revised May 2020.

WARNING--YOU HAVE THE RIGHT AND ARE ENCOURAGED TO HAVE THIS CONTRACT REVIEWED BY YOUR OWN LEGAL COUNSEL PRIOR TO SIGNING.

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

(SEAL)

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

(SEAL)

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

* This is an example management services agreement that the Dental Board has reviewed and deemed compliant with the Dental Laws, as defined herein. Other agreements, or variations of provisions herein, also may be compliant. However, if provisions of this example agreement are excerpted and incorporated in an agreement with provisions that are not compliant, then that agreement may not comply with the Dental Laws. Revised May 2020.

SCHEDULE 1

The Management Fee shall equal:

[Parties should set out all potential Business Support Services to be provided by Management Services Provider to Professional Entity or its Owner(s). Each Business Support Service should be listed along with a corresponding entry setting forth the fee or formula for each service or group of related services in Article 3 and whether the Professional Entity has accepted the service. No fee or formula should be based on gross or net revenues, profits or any similar formula that has this effect or which otherwise violates the Dental Laws.]

<u>Accept</u>	<u>Service</u>	<u>Fee for Service</u>
	Accounting and Financial	
	Inventory and Supplies Procurement	
	Collections and Payments	
	Files and Records Maintenance	
	Human Resources	
	Fixed Assets Procurement	
	Maintenance of Facilities	
	Marketing and Practice Development	
	Information Technology	
	Other Clerical Support Services	