BUSINESS CONSULTANT AND MANAGEMENT AGREEMENT

AGREEMENT made this .... day of ....., 20XX, between [name of client], ... (e.g., a Delaware corporation), hereinafter referred to as the "Corporation", and [name of consultant(s)], (both jointly and severally,) hereinafter referred to as the "Consultants":

Recitals

The Corporation is presently in the process of negotiating [description of project, e.g., to build or lease and to conduct and operate a general hospital at the following location: [.....].

It is the desire of the Corporation to engage the services of the Consultants to perform for the Corporation certain functions in the management and operation of [e.g., the hospital] and to consult with the Board of Directors and the officers of the Corporation and with the administrative staff concerning problems arising in the fields of [e.g., hospital management; fiscal policies; personnel policies; purchases of equipment, supplies, and services]; and other problems which may arise from time to time, in the operation of [e.g., a general hospital].

Agreement Term

1. The respective duties and obligations of the parties hereto shall commence on the date [e.g., that the Corporation enters into said lease].

Consultations

2. The Consultants shall make themselves available to consult with the Board of Directors, the officers of the Corporation, and the department heads of the administrative staff, at reasonable times, concerning matters pertaining to the organization of the administrative staff, the fiscal policy of the Corporation, the relationship of the Corporation with its employees or with any organization representing its employees, and in general, concerning any problem of importance concerning the business affairs of the Corporation.

Management Authority of Consultants

3. In addition to the consultation provided for in Paragraph 2 above, the Consultants shall be in complete and sole charge of the administrative staff of [e.g., the hospital]. The administrative staff of the hospital shall include all the employees of the Corporation directly, or indirectly engaged in the affairs of the hospital other than the Board of Directors of the Corporation, the president, vice president, secretary, and treasurer of the Corporation, and the medical staff of the hospital. The medical staff of the hospital is defined as those persons who are licensed by the State of Delaware to perform, and are performing, services as physicians, surgeons, nurses, physio-therapists, social workers, psychologists, psychiatrists, pharmacists, and other services of a professional standing in the healing arts and sciences.

Management Power of Consultants

4. The business affairs of the Corporation which affect directly or indirectly, the operation of [e.g., the hospital], and which arise in the ordinary course of business, shall be conducted by the administrative staff. All the members of the administrative staff shall be employees of the Corporation; however, the Consultants shall have the sole and complete charge of the administrative staff, and shall have the absolute and complete authority to employ (on such terms and for such compensation as they deem proper) discharge, direct, supervise, and control each and every member of the administrative staff. It is the intention of the Corporation to confer on the Consultants all the powers of direction, management, supervision, and control of the administrative staff that the Consultants would have if the members of the administrative staff were direct employees of the Consultants.

Business Manager

5. The Consultants, in their sole discretion, may employ, in the name of the Corporation, a business manager. If such a business manager is employed, he shall act as administrative assistant to the Consultants and as the chief administrative officer of the administrative staff. The business manager shall be under the direct control and supervision of the Consultants. The Consultants may, from time to time, delegate to the business manager as much of the Consultants' authority as they deem proper with respect to the employment, discharge, direction, control and supervision of the administrative staff, and the Consultants may withdraw from said business manager, at any time the Consultants deem it expedient or proper to do so, any portion or all of the said authority theretofore conferred on the business manager.

Fiscal Policy

6. The Corporation recognizes the necessity for a sound fiscal policy in order to maintain and promote the solvency of the Corporation. To this end, it is hereby agreed by the parties hereto that the Corporation will establish reserve accounts for the following purposes:

   a. A reserve account for the payment of any and all taxes that may be charged against the Corporation by any governmental jurisdiction.

   b. A reserve account for the payment of all sums withheld from the salary or wages of the employees of the Corporation and for which the Corporation is chargeable under the laws of any and all governmental jurisdictions.

   c. A reserve account for the payment of all obligations due [name of lessor] pursuant to the terms and conditions of the above referred-to lease.

   d. A reserve account for the purchase of equipment necessitated by the wearing out or obsolescence of the equipment in use, or by the development of new equipment.

e. A reserve account for building maintenance and for the expansion of the physical facilities. The Consultants shall, from time to time, advise the Board of Directors of the amounts of corporate funds that should be deposited in each of said reserve accounts. This determination on the part of the Consultants shall be based on the principles of sound business management and the availability to the Corporation of said funds. The Corporation agrees to deposit corporate funds in said reserve accounts pursuant to the recommendations of the Consultants, and the amounts recommended by the Consultants. The reserve accounts shall be deposited in one or more national banks, or branches thereof, located within [county and state]. All checks, drafts, or other instruments by which funds are withdrawn from said reserve accounts, in addition to any other signature that may be required, shall bear the signature of one of the Consultants.

Consultants to Act as Agents

7. From time to time, the Corporation may deem it advisable to enter into agreements with [e.g., insurance companies, prepaid medical plans, and other firms and associations which pay all or part of the expenses incurred or to be incurred by the hospital patients for the care and treatment afforded them while patients in the Corporation's hospital]. With regard to said agreements, the Consultants shall be the exclusive agent of the Corporation for the purpose of negotiating the terms and conditions of the said agreements. However, the Consultants shall not bind the Corporation to said agreements without first obtaining the approval of the terms of said agreements from the Board of Directors of the Corporation.

Authority to Contract

8. From time to time, the Corporation may wish to expand the physical facilities of [type of facility] or remodel or modify the same. If the costs to be incurred by the Corporation for such expansion, modification, or remodeling are less than $....., then the Consultants may contract for the performance of the same in the name of the Corporation under the authority given them in Paragraph 4 above; however, if such expansion, modification or remodeling is to be of such extent that the cost to be incurred by the Corporation for the performance thereof is $..... or more, then the terms and conditions of said contracts for said expansion, modification, or remodeling shall be negotiated by the Consultants, and the Consultants shall be the exclusive agents of the Corporation for said purpose, but the Consultants shall not bind the Corporation to said contracts without first obtaining the approval of the terms and conditions of said contracts from the Board of Directors of the Corporation. The provisions of this paragraph shall apply with equal effect to the purchase of equipment and supplies.

Employment of Certified Public Accountants

9. It is understood and agreed by the parties hereto that the services to be performed by the Consultants do not include the auditing of the books of the Corporation or of [name of project], the preparing of any financial statements, the preparing of any tax returns or other documents required to be prepared by any governmental body having jurisdiction to tax, or any other acts or services normally performed by public accountants. The Consultants may engage, hire, retain, and employ, in the name and for the account of the Corporation, one or more, or a firm

of, certified public accounts to perform for the Corporation the services denoted above in this paragraph. Said accountant or accountants may be employed, hired, engaged, and retained on such terms and conditions and for such compensation as the Consultants deem reasonable. [E.g., It is understood by the Corporation that the Consultants are partners of a firm of certified public accountants known as [name of firm]. It is specifically agreed that the Consultants may be, and the Consultants are, hereby authorized to employ said partnership, or its successors in interest, to perform for the Corporation the services denoted above in this paragraph, and the Consultants may obligate the Corporation to pay to said partnership, or its successors in interest, a reasonable amount for the performance of said services.]

Employment of Assistants

10. If it is reasonably necessary for the Consultants to have the aid of assistants or the services of other persons, companies or firms in order to properly perform the duties and obligations required of the Consultants under this agreement, the Consultants may, from time to time, employ, engage, or retain the same. The cost to the Consultants for said services shall be chargeable to the Corporation and the Corporation shall reimburse and pay over to the Consultants said costs on demand.

Limited Liability

11. With regard to the services to be performed by the Consultants pursuant to the terms of this agreement, the Consultants shall not be liable to the Corporation, or to anyone who may claim any right due to his relationship with the Corporation, for any acts or omissions in the performance of said services on the part of the Consultants or on the part of the agents or employees of the Consultants; except when said acts or omissions of the Consultants are due to their willful misconduct. The Corporation shall hold the Consultants free and harmless from any obligations, costs, claims, judgments, attorneys' fees, and attachments arising from or growing out of the services rendered to the Corporation pursuant to the terms of this agreement or in any way connected with the rendering of said services, except when the same shall arise due to the willful misconduct of the Consultants, and the Consultants are adjudged to be guilty of willful misconduct by a court of competent jurisdiction.

Compensation

12. The Consultants shall receive from the Corporation a reasonable monthly sum for the performance of the services to be rendered to the Corporation pursuant to the terms of this agreement; however, in no event shall the compensation paid to the Consultants by the Corporation be less than $..... per month nor more than $..... per month. The Corporation and the Consultants, by mutual agreement, shall determine the compensation to be paid the Consultants for any particular month by the fifteenth (15th) day of the next succeeding month. The final determination of the monthly compensation shall be based on the reasonable value of the services rendered by the Consultants, and within the range prescribed above in this paragraph. If the Corporation and the Consultants fail to agree on said compensation within the said fifteen (15) days, the amount of monthly compensation due the Consultants shall be determined by arbitration pursuant to the provisions of Paragraph 14 below. Anything

contained in this agreement to the contrary notwithstanding, the minimum monthly remuneration of $..... shall be paid to the Consultants on the first day of the month of each and every month during the term of this agreement and the acceptance of said minimum amount by the Consultants shall not in any way diminish, affect, or compromise their rights to additional compensation as provided for herein.

Minimum Amount of Service

13. The Consultants shall devote a minimum of ..... hours per month to the affairs of the Corporation. Anything to the contrary notwithstanding, the Consultants shall devote only so much time, in excess of said ..... hours, to the affairs of the Corporation as they, in their sole judgment, deem necessary; and the Consultants may represent, perform services for, and be employed by such additional clients, persons, or companies as the Consultants, in their sole discretion, see fit.

Arbitration

14. Any controversy or claim arising out of or relating to the compensation to be paid by the Corporation or the Consultants for the services rendered by them pursuant to the terms of this agreement shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment on the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. Any part to this agreement may submit to arbitration any said controversy of claim.

[The following paragraph may be used where more than one consultant is a party to the agreement.]

Failure to Act by One Consultant

15. It is understood and agreed that any direction or consultation given or service performed by either one of the Consultants, pursuant to the provisions of this agreement, shall constitute the direction or consultation or the performance of service of both of the Consultants. If, for any reason, one or the other of the Consultants is unable or unwilling to act or perform pursuant to the terms of this agreement, such event shall not void this agreement or diminish its effect, and the performance on the part of the other consultant shall constitute full and complete performance of this agreement on the part of the Consultants.

Legal and Equitable Remedies

16. Due to the uniqueness of the services to be performed by the Consultants for the Corporation, and due to the fact that the Consultants' reputation in the community as business managers may be affected by the financial success or failure of the Corporation in the operation of the [project], in addition to the other rights and remedies that the Consultants may have for a breach of this agreement, the Consultants shall have the right to enforce this contract, in all of its provisions, by injunction, specific performance, or other relief in a court of equity. If any action at law or in equity is necessary to enforce or interpret the terms of this agreement, the

prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which he may be entitled.

Right to Manage

17. Except as specifically provided to the contrary herein and to the greatest degree allowable under the Corporation Code and other laws of the State of Delaware, it is the intent of the Corporation to confer on the Consultants the exclusive and absolute right to manage and direct all the business affairs of the Corporation which in any way concern the operation of [project] and which arise in ordinary course of business of [project]. Should any one or more of the provisions of this agreement be adjudged unlawful by any court of competent jurisdiction, the remaining provisions of this agreement shall remain in full force and effect. Further, should one or more of the provisions of this agreement be adjudged invalid by a court of competent jurisdiction, such determination shall have no affect whatsoever on the amount or amounts of compensation to be paid to the Consultants pursuant to the terms of this agreement.

Governing Law

18. This agreement shall be binding on and shall be for the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns, and shall be governed by the laws of the State of .....

Executed at [name of State} on the day and year first mentioned above.

CLIENT
[typed name of client]

By [signature]
[typed name and designation of person signing]

CONSULTANT
[typed name of consultant]

[signature]
[typed name and designation of person signing]