AMBULANCE SERVICE AGREEMENT

THIS JOINT AGREEMENT made this ____day of October, 2014, by and between **ELK RAPIDS TOWNSHIP**, a Michigan Township, of 315 Bridge St, P.O. Box 365, Elk Rapids, Michigan 49629 ("ERT"), **MOBILE MEDICAL RESPONSE, INC.**, a Michigan non-profit corporation, of 834 S. Washington Avenue, Saginaw, Michigan 48601 ("MMR) and **THE SUPPORTING MUNCIPALITIES** as defined herein.

The parties agree to the following facts:

ERT has been providing public ambulance service to the citizens within the townships of Elk Rapids and Milton Township and the village of Elk Rapids.

ERT desires to provide the citizens of the ERT and within the Elk Rapids Region, as defined herein, with advanced life support ambulance services ("ALS") as well as Basic Life Support Services ("BLS") but through a private sector contract.

MMR has the capacity of providing basic life support, advanced life support and non-emergent ambulance services, and specialty care transports in the Elk Rapids Region.

NOW, THEREFORE, it is agreed as follows:

I
Definitions

The definitions contained in 1990 PA 1979, specifically Sections 20901 through 20979 [MCLA 333.20901 through 333.209790; MSA 14.15(20901) through 14.15(20979)], shall be applicable to the same terms used in this Agreement.

In addition, the following terms have the following meanings:

1. "Principal Municipality" or "PM" means ERT or a regional, public ambulance authority in which ERT may become a founding member and which is created under the Urban Cooperation Act and to which ERT may assign its duties hereunder.

2. "Supporting Municipality" means any other local unit of government which has approved and has signed a copy of this Agreement with MMR and a specific addendum addressing that Supporting Municipality's particular contribution for the services provided hereunder and provided that the PM and MMR have expressly approved the terms of that Supporting Municipality's addendum specifically and the Supporting Municipality's participation in the arrangement described in this Agreement, generally. By signing below and agreeing to the subsidy specified in Exhibit D, Milton Township ("MT") is agreeing to be a Supporting Municipality under this Agreement and ERT and MMR are agreeing to approve MT's participation herein as a Supporting Municipality.

3. "Elk Rapids Region" means the geographic area of Elk Rapids Township and the Village of Elk Rapids and the geographic area of all Supporting Municipalities.

II
Designation of ALS/BLS Provider

A. PM and all Supporting Municipalities hereby designate MMR as its assignee and sole provider for basic and advanced life support and non-emergent ambulance service within the Elk Rapids Region. All existing agreements ("Existing Agreements") between PM and the Supporting Municipalities are hereby terminated and the Supporting Municipalities shall execute this Agreement and an addendum thereto that addresses the consideration to be paid by each Supporting Municipality.

B. PM and the Supporting Municipalities agree not to compete in any ambulance or emergency medical activity which MMR is engaged, pursuant to this Agreement.

C. MMR will base its operations at the ERT Fire Department located at 209 Bridge Street, Elk Rapids, MI 49629 ("PM Station"). MMR agrees that it will not damage nor alter the structure in any material way that would change its purpose without the prior written approval of PM and will conform to the provisions of a Real Estate Lease executed this date, and attached as Exhibit A.

D. Any capital improvements completed by MMR will become the property of PM at the termination of the Real Estate Lease between the parties. MMR will have the right to utilize the leased portion of the building during the term of this agreement subject to the provisions of the Real Estate Lease..

E. MMR and PM agree to execute the Real Estate Lease Agreement in the form attached hereto as Exhibit A.

III
Services

A. From the PM Station base and as further provided herein, MMR shall provide ambulance service to the Elk Rapids Region based on demand. MMR will provide the residents a full range of high-quality ambulance service, including ALS and BLS and emergency and non-emergency care service, within the limits of the Elk Rapids Region when called upon by Antrim County Central Dispatch, any law enforcement agency and/or fire department within the Elk Rapids Region, or any citizen making a direct request for such ambulance service within the Elk Rapids Region. In addition, MMR will offer its system status for regional support and backup, provided its primary units are busy, and MMR has other units in the area to deploy.

B. MMR shall provide ambulance service within the boundaries of the Elk Rapids Region without regard to race, creed, color, sex, sexual preference, age, physical handicap, marital status, national origin, ancestry, or financial ability to pay. Failure to provide said ambulance service for any of the above-mentioned reasons may, at the option of the PM's Board, result in a termination of this Agreement within sixty (60) days of any written allegations being substantiated by the PM Board.

C. When a unit and crew are available, MMR will use its best efforts to station them at community events, such as high school football games, community celebrations or festivals.

IV
Service District and Mutual Aid

A. PM will advise all entities with which it has mutual aid agreements that it is entering into this agreement with MMR. MMR agrees to attempt to negotiate new Mutual Aid Agreements with such entities to provide back-up coverage for ALS services in the Elk Rapids Region and in the areas served by those other entities.

B. In the event MMR is unable, for whatever reason, to provide the required ambulance service within the Elk Rapids Region, ambulance services from surrounding areas shall, temporarily, provide said service upon request by MMR for mutual aid, subject however, to the availability of such equipment and personnel.

V
Lease of Motor Vehicles

A. The parties have executed a Motor Vehicle Lease Agreement attached as Exhibit B to this agreement.

VI
Subsidy

A. PM and each Supporting Municipality agree to pay MMR the annual subsidy as specified in the addendum attached as Exhibit C and/or Exhibit D to the respective version of this Agreement that each has signed. It is understood that each subsidy is funded through millage, special assessment and/or the general fund expenditures from PM and/or any other Supporting Municipality. If PM or any Supporting Municipality should discontinue the payment of the relevant annual subsidy or reduce the amount of the subsidy, MMR shall have the right to reduce the level of services required under the Agreement in proportion to reduction of the subsidy.

B. PM agrees to collect the portion of the subsidy due from the Supporting Municipalities in the Elk Rapids Region and serve as the treasurer for the public subsidies with the Elk Rapids Region. PM will aggregate all subsidies and make two consolidated payments of fifty (50%) per cent of the annual subsidy. The first consolidated payment is due at the beginning of the Agreement, and the second shall be due six (6) months later. Thereafter, the consolidated payments will be made on the anniversary dates of the original payments. If there is a termination of this Agreement, any subsidy payments shall be pro-rated to the effective date of the termination of this Agreement.

C. MMR agrees to work with PM and/or the remaining Supporting Municipalities to renegotiate each municipality's respective subsidy if a municipality should terminate its participation in the Agreement.

D. MMR agrees that the subsidies identified herein are the total compensation that it is due from PM and/or the Supporting Municipalities. However, if a subsidy is not paid in full by the date identified above and there is no cure by PM or another Supporting Municipality within thirty (30) days of the default, MMR may terminate this Agreement by giving PM written notice of the same.

VII
Cooperation with Central Dispatch

A. MMR shall establish radio dispatch protocols and such other policies and procedures which are necessary and proper for providing the ambulance services described herein. Copies of said policies and procedures shall be given to the PM Board.

B. Said protocols, policies and procedures, and any and all amendments thereto, shall be followed and adhered to by MMR.

C. MMR's equipment shall have the capability of communicating with Antrim County Central Dispatch.

VIII
Compliance with Federal and State Laws, Local Ordinances, and Rules and Regulations

A. MMR shall comply with all applicable laws of the United States, State of Michigan, and local ordinances, now or hereafter existing, and with all applicable Federal and State rules and regulations now or hereafter existing relating to any of the services provided pursuant to this Agreement.

B. MMR shall specifically comply with the applicable provisions of 1990 PA 179 [MCLA 333.20901 through 333.20979; MSA 14.15(20901) through 14.15(20979)], including any future amendments or additions thereto, together with any rules and regulations promulgated there under, now or hereafter existing or amended.

IX
Performance Standards

A. ALS Response Times. The deployment plan for Elk Rapids Region is meant to handle pre-hospital calls. Since MMR is using the same ambulances deployed from the same building, the parties assume that MMR will be able to meet the response time averages previously enjoyed by the residents of the Elk Rapids Region. MMR agrees to meet a response time of 12 minutes and 59 seconds or less, eighty (80%) per cent of the time in the Elk Rapids Region, measured every four months for potential life threatening emergency calls as screened by the Antrim County Central Dispatch using the Pro-QA TM protocols of NAEMD.

B. Response Time Measurement. Response times to emergency requests shall be calculated as the actual elapsed time in minutes and seconds from the time Antrim County Central Dispatch has relayed the call back number, nature of the request, and location of the patient to MMR's system status controller to the time when MMR's first appropriate emergency vehicle arrives at the scene. Where multiple ambulances are sent to the same emergency incident, only the response time of the first ambulance to arrive at the scene will be counted. Where the patient is located in a residential, commercial or industrial building or complex, the response time will be calculated to the time MMR's ambulance arrives at the specific building or entrance. Not less than fifty (50) runs will be used to calculate response time performance. If less than fifty (50) successive calls are received within an area in a given period, successive calls in the following period will be included to reach a total of fifty (50) calls.

C. Change in Priority Status. Where the priority code of an emergency call is changed in route to a call as the result of additional information received by the dispatcher prior to the arrival of the ambulance, the response time will be calculated for the latest assigned priority code, i.e., if the response priority is upgraded from a routine transport to an emergency response, the response time to the call will be calculated from the time the upgrade was requested.

D. Exceptions. MMR is exempt from the response time requirements set forth in this Agreement in the following situations:

1. Severe weather conditions that would provide reason to believe that attempting to comply with the response time performance would be hazardous to the responders or others, or where the road or other weather conditions would not allow safe driving.

2. During a disaster situation within the primary service area or neighboring communities.

3. Where the original caller or the dispatcher is in error on the location.

E. Disaster Preparedness. MMR will follow the existing Antrim County Emergency Operations Plan in the event of a disaster event.

F. Board. The PM Board will oversee MMR's response times and performance as set forth in these Performance Standards. The Board will work cooperatively with MMR to ensure that high quality service standards are maintained in the Elk Rapids Region.

G. Courteous Service. MMR management and its respective employees shall conduct themselves in a professional and courteous manner at all times, and will address and correct any departures from this standard in an effective and timely manner.

H. Paramedics. At least one paramedic on each advanced life support unit will be licensed by the State of Michigan, certified in Advanced Cardiac Life Support by the American Heart Association, certified in Pre Hospital Trauma Life Support by the American College of Emergency Physicians (or a recognized equivalent), Pediatric Education for Pre-Hospital Professionals and be authorized to practice as a paramedic by the Northwest Medical Control Authority.

I. Recordings and Audits. Telephone and radio communications shall be recorded to allow review for quality assurance. MMR will work with the PM Board to define an acceptable reporting mechanism and audit process to verify performance. MMR will allow the PM Board to verify compliance with this Agreement by PM. MMR will supply the PM Board with regular reports regarding contract compliance.

J. Quality Assurance System. MMR will maintain an in-house quality assurance program which shall include, at a minimum, regular chart review. Data from the Quality Assurance program will be made available to the Northwest Medical Control Authority upon request.

K. Collections. The collection procedures utilized by MMR shall be legally acceptable and designed to maximize reimbursement through Medicare, Medicaid and other third party payers. Services will be billed under MMR's provider number. It is understood that MMR will be responsible for all ambulance billing for services provided in the Elk Rapids Region beginning with the first ambulance call after the start of operations by MMR. All accounts receivable and collections prior to the start of MMR operations shall remain in the control of PM.

L. Tax Forms. MMR agrees to provide year end 990's to PM's Auditor upon request of the PM Board.

X
Insurance – Hold Harmless and Indemnification—No Third Party Contract

A. MMR shall secure and maintain the following described insurance during the term of this Agreement, and shall name PM and the Supporting Municipalities as additional name insured and shall not commence work under this agreement until it has obtained said insurance and has submitted proof of said insurance to the PM Board or designee:

1. Workmen's Compensation Insurance: MMR will provide statutory worker's disability compensation insurance pursuant to the Michigan Worker's Disability Compensation Act of 1969, as amended.

2. Bodily Injury and property damage liability insurance of not less than $1,000,000 combined single limit.

3. Professional Liability of not less than $1,000,000 for each person and not less than $2,000,000 for each occurrence.

4. Umbrella Liability of not less than $5,000,000 for each occurrence.

B. MMR agrees to defend, hold harmless, and indemnify PM and the Supporting Municipalities, their boards, officers and employees from any and all claims of liability, arising either directly or indirectly from MMR's performance or non-performance under this Agreement, including their reasonable, actual attorney fees.

C. No third party benefit contract is intended between MMR and any of the citizens being served in the Elk Rapids Region. Rather, the only intended beneficiaries of this Agreement are MMR, PM and the Supporting Municipalities in the Elk Rapids Region.

XI
Referral of Ambulance Calls

A. PM and the Supporting Municipalities agree that they shall refer all calls and dispatches for emergency medical service within the Elk Rapids Region to MMR and will notify Antrim County Central Dispatch that the PM and the Supporting Municipalities have entered into an exclusive contractual arrangement with MMR.

XII
Affirmative Action

MMR, as required by law, shall not discriminate against a person to be serviced or an employer or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, sexual preference, handicap, height, weight, marital status, political affiliation or beliefs.

MMR shall adhere to all applicable federal, state and local laws, ordinances, rules and regulations prohibiting discrimination, including but not limited to the following:

A. The Elliott-Larsen Civil Rights Act, 1976 PA 453 as amended.

B. The Persons with Disabilities Civil Rights Act, 1976 PA 220 as amended.

C. Section 504 of the Federal Rehabilitation Act of 1974, P.L. 93-112, 87 Stat. 394, and regulations promulgated there under.

XIII
Legal Status

MMR warrants that it is a non-profit corporation duly organized and existing under the laws of the State of Michigan and is presently and will continue during the term of this Agreement to be in good standing.

XIV
Default

A. Upon the occurrence of any of the following evidences of default, and if said default shall continue for thirty (30) days after notice of default, PM may terminate this Agreement:

1. MMR's failure to comply with the rules, procedures and protocols established by the Northwest Medical Control Authority.

2. MMR becomes insolvent or bankrupt or makes an assignment for the benefit of creditors or consents to the appointment of a trustee or receiver.

3. A trustee or receiver is appointed for any part of the properties of MMR used in the conduct of MMR's business without consent of MMR.

4. Bankruptcy, reorganization or liquidation proceedings are instituted by or against PM or MMR.

5. Any statement, report or documentation required hereunder to be furnished by MMR proves untrue in any material respect as of the date the facts therein set forth were stated or certified.

6. Any material breach by MMR of the terms and conditions of this Agreement or of the Real Estate Lease Agreement or of the Motor Vehicle Lease Agreement.

MMR shall respond in writing to PM, within (30) days, should PM have a complaint about MMR's performance of this Service Contract. Within such (30) day period, MMR shall perform an investigation of such complaint to assist in the written response to PM.

Upon the occurrence of any of the following occurrences or evidences of default, and if said default or the occurrence shall continue for thirty (30) days after notice of default or occurrence, MMR may terminate this Agreement:

1. Any material breach by PM of the terms and conditions of this Agreement or of the Real Estate Lease Agreement or of the Motor Vehicle Lease Agreement.

2. Any material breach by a Supporting Municipality of the terms and conditions of this Agreement.

3. Any withdrawal of a Supporting Municipality from this Agreement such that the Agreement is no longer economically viable for MMR.

XV
Assignment of Agreement

Neither PM or MMR or any Supporting Municipality may assign nor transfer its obligations or rights under this Agreement nor any part thereof without the prior written consent of the other party, except that ERT may assign its PM responsibilities under this Agreement to a regional, public ambulance authority in which it participates that is created under the Urban Cooperation Act, MCL §124.501 *et seq.* PM and each Supporting Municipality agrees not to enter into any additional ambulance contracts with other municipalities or to otherwise expand the Elk Rapids Region without MMR's prior approval.

XVI
Severability

If any section, subsection, sentence, word or phrase of this Agreement is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portions thereof.

XVII
Term

It is expressly understood and agreed between the parties hereto that this Ambulance Services Agreement shall begin the ___ day of October, 2014, and continue through October ___, 2019, unless otherwise terminated as provided in this Agreement. This Agreement will automatically renew for an additional one (1) year term following the expiration of the initial five (5) year term, unless either party notifies the other in writing ninety (90) days prior to the expiration date of its intent not to renew. If neither of the parties give notice of termination as herein provided, and if MMR is not in default, then this Agreement shall continue under the

same terms and conditions set forth herein, annually thereafter, until termination notice is given at least ninety (90) days prior to the expiration of the then annual period.

Each Supporting Municipality may give written notice at least ninety (90) days prior to the date specified in the notice of its termination of participation in this Agreement. Such a notice by a Supporting Municipality will not automatically terminate this Agreement.

If MMR gives notice of termination of this Agreement, MMR agrees to work with PM and the Supporting Municipalities to provide for a smooth transition.

The parties intend that this Agreement complies with all applicable federal, state and local laws with respect to the furnishing of healthcare goods or services. Either party may terminate this Agreement upon thirty (30) days advance notice to the other party if the party's legal counsel advises the party that the Agreement does not comply with a material change to a local, state or federal law.

XVIII
Cross Termination and Default

PM and MMR agree that any termination or default or breach of this Ambulance Service Agreement and/or Motor Vehicle Lease Agreement and/or the Real Estate Lease Agreement shall also constitute a default in all other agreements between PM and MMR. In the event of a termination, default or breach, the non-offending party shall be entitled to terminate all leases and contracts between it and the offending party at the non-offending party's sole discretion provided it has given the offending party (30) days of notification of default and the offending party has failed to cure the breach or default.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

MOBILE MEDICAL RESPONSE, INC.

By: _____
Mark Thompson, President

ELK RAPIDS TOWNSHIP
Principal Municipality

By: _____
William White, Its Supervisor

MILTON TOWNSHIP
Supporting Municipality

By: _____
Lon Bargy, Its Supervisor

EXHIBIT A

REAL ESTATE LEASE AGREEMENT

[See attached]

REAL ESTATE LEASE AGREEMENT

THIS AGREEMENT is made this __ day of October, 2014, is by and between **ELK RAPIDS TOWNSHIP**, a Michigan Township, of 315 Bridge Street, P.O. Box 365, Elk Rapids, MI 49629 (hereinafter "ERT"), and **MOBILE MEDICAL RESPONSE, INC.**, a Michigan non-profit corporation, of 834 S. Washington Avenue, Saginaw, MI 48601 (hereinafter "MMR").

WITNESSETH, that ERT hereby leases to MMR the following-described real estate:

> The portion of 209 Bridge Street, Elk Rapids, MI 49629 that is depicted on Exhibit A, hereto ("Premises").
>
> Subject to easements, restrictions, reservations and rights of way of record or in use.

1. **Term.** It is expressly understood and agreed between the parties hereto that this Real Estate Lease Agreement shall begin the ___ day of October, 2014, and continue through October ___, 2019, unless otherwise terminated as provided in this Agreement. This Lease will automatically renew for an additional one (1) year term following the expiration of the initial five (5) year term, unless either party notifies the other in writing ninety (90) days prior to the the expiration date of its intent not to renew. If neither of the parties give notice of termination as herein provided, and if MMR is not in default, then this Agreement shall continue under the same terms and conditions set forth herein, annually thereafter, until termination notice is given at least ninety (90) days prior to the expiration of the then annual period.

2. **Use of Premises.** MMR agrees to use said premises for an ambulance service. MMR shall use the premises in a careful, safe and proper manner, and will not use them in an unlawful manner or for illegal purposes, and will not commit or suffer any waste thereon. MMR will fully comply with and obey all laws, ordinances, rules, regulations and requirements of all regularly constituted authorities in any way affecting sad premises.

3. **Rent.**

a. **Base Rent**. MMR shall pay to the ERT at the address above stated, a base rental of Seventy-two Hundred Dollars ($7,200.00) per annum payable on the first day of July with the first year's payment pro-rated and payable upon the effective date of this Lease. If there is a termination, MMR shall be entitled to a pro-ration of its rent.

b. **Additional obligations**. MMR is responsible for the following obligations in addition to the rent specified above: equitable sharing of utilities to be determined by the parties based on a good faith measure of relative use as further specified in Paragraph 11, below.

4. **Maintenance and Alterations.** MMR will not make any alteration, addition or improvements in or to the premises without the written approval of ERT, and all additions and improvements made by MMR shall become the property of ERT upon installation.

In the event ERT consents to MMR making any leasehold improvements, MMR shall keep the premises free of liens, and will hold ERT harmless from any such liens that may be placed against the premises, except those attributable to the acts of ERT. Failure to discharge any such lien within a ten (10) day period shall give ERT the right, but not the obligation, to procure such discharge, and MMR shall pay such costs of discharge to ERT.

5. **Taxes and Insurance.** Fire insurance, including extended or comprehensive coverage, on the building covered by this Lease shall be the responsibility of ERT.. ERT shall maintain and furnish suitable proof of insurance at all times during the continuance of this Lease, or any extension thereof, public liability insurance in the amount of at least One Million dollars ($1,000,000) for personal injury and/or property damage. MMR shall be responsible for providing its own content insurance, including insurance for the replacement value of its equipment, fixtures and tenant improvements. MMR shall secure and maintain public liability insurance in the amount of at least One Million dollars ($1,000,000) for personal injury and/or property damage. MMR will also secure and maintain a Umbrella Liability policy of not less than $5,000,000 on its operations out of the Premises. MMR shall keep, save and hold harmless ERT from any and all damages and liability for anything arising from, or out of, the occupancy of the premises hereby demised, such policy to name ERT as an insured party. In addition, MMR shall be responsible for and shall pay all taxes assessed on its portion of the building and/or personal property on the MMR contents located therein.

6. **Assignment of Lease.** MMR shall not assign this Lease, or sublet the premises, or any part thereof, without ERT's consent in writing.

7. **Destruction of Premises.** If all or any part of the premises is damaged by fire or other insured casualty, ERT shall, except as otherwise provided herein, repair and rebuild the premises with reasonable diligence upon receipt of the casualty insurance proceeds. MMR hereby expressly waives any and all additional rights it might otherwise have under any law or statute. In the event the premises is destroyed or damaged so that it is untenantable and could not be repaired or rebuilt for occupancy within sixty (60) days from the date of casualty, either party may terminate this Lease.

8. **Surrender of Premises on Termination.** Upon termination of this lease MMR shall surrender the Premises in the same condition as on the Commencement Date, reasonable wear and tear excepted, unless ERT consents in writing to allow any permitted renovation by MMR to remain, and promptly deliver all keys for the Premises to ERT. All expenses incurred by ERT in connection with repairing or restoring the Premises to the designated condition, together with the costs, if any, of removing any property of MMR shall be invoiced to MMR and be payable within fifteen (15) days after mailing of invoice.

9. **Lessor's Right of Entry.** MMR agrees that ERT, its agents, or other representatives, shall have the right to enter the premises at all reasonable hours which shall not

interfere with the operation of MMR's business, for the purpose of examining the premises, or to make such alterations or repairs therein as it may deem necessary for the safety and preservation thereof.

10. **Default, Abandonment, Insolvency – Remedies of Lessor.** It is expressly understood and agreed that in case the demised premises shall be deserted or vacated, or if default be made in the payment of the rent or any part thereof as herein specified for a period of thirty (30) days, or if, without the consent of ERT, MMR shall sell, assign or mortgage this Lease or if MMR is in default in material breach of any of the covenants and agreements in this Lease or of the Ambulance Services Agreement or of the Motor Vehicle Lease, or if MMR shall fail to comply with any statute, ordinance, rule, order, regulation and requirement of the federal, state, township government, or of any and all of their departments and bureaus, applicable to the said premises for a period of thirty (30) days, or if MMR shall file a petition in bankruptcy or be adjudicated bankrupt, or make an assignment for the benefit of creditors or take advantage of any insolvency act, ERT may at any time thereafter give to MMR thirty (30) days notice in writing of ERT's intention to declare a default in the terms hereof and to re-enter the premises. Such notice may be given by mail to MMR at the leased premises. If MMR fails to cure said default within the period of thirty (30) days, then it shall be lawful for said ERT to re-enter the said premises and again have, repossess and enjoy the same as if this Lease had not been made. MMR expressly waives the service of any further notice in writing of the intention to re-enter. In such event, this Lease and the terms hereof shall expire on the date fixed in such notice.

In the event that the ERT/MMR relationship ceases or terminates by reason of the re-entry of ERT under the terms and covenants contained in this Lease, or by the ejectment of MMR by summary proceedings or otherwise, or after the abandonment of the premises by MMR, ERT or its representatives may re-enter the premises either by force or otherwise.

11. **Utilities.** MMR shall provide and pay for its usage of gas, electricity, light, sewer and water, any costs associated with the water softener, garbage collection, and monthly service charge for telephone lines provided to the leased property, and shall be responsible for all long distance charges. Any such costs that cannot be split according to actual use shall be the subject of an equitable allocation to be decided by the parties, and if no agreement can be reached, by an arbitrator appointed by the American Arbitration Association, whose decision may be incorporated into a judgment.

12. **Condemnation.** If the Premises are condemned for any public use or purpose by any legally constituted authority, this Lease shall cease from the time when possession is taken by such public authority. Such termination shall be without prejudice to the rights of either ERT or MMR to recover compensation from the condemning authority for any loss or damage caused by such condemnation. Neither ERT nor MMR shall have any rights in or to any award made to the other by the condemning authority.

13. **Signs.** MMR shall have the right and privilege to erect identify signs on the premises with ERT's prior written consent.

14. **Personal Property of MMR.** It is understood and agreed that equipment brought on said demised premises by MMR, although bolted or otherwise fastened to or attached to the building on said demised premises shall at all times remain the personal property of MMR, and shall not be construed to be a fixture of part of the realty. It is further understood and agreed that at the termination of aid Lease or an renewal or extension thereof, MMR or its assigns, shall have the right to remove said equipment and personal property from said premises and MMR agrees to make repairs to said realty for any damages caused by the removal of said machinery, equipment and personal property.

15. **Quiet Enjoyment.** MMR, upon payment of the basic rent and all other charges herein provided for and performing all the other terms of this Lease, shall quietly have and enjoy the leased Premises during the term of this Lease without hindrance or interference by anyone claiming by or through ERT, subject, however, to the reservations and conditions of this Lease.

16. **Indemnification.** MMR shall, at its expense, indemnify and defend ERT, its agents, employees, directors and officers from any loss, damage, claim, liability or expense (including reasonable actual attorney fees of any kind) including, without limitation, claims for bodily injury, disease, death, property damage or environmental clean-up, arising directly or indirectly out of or in connection with the condition or use of the premises, or the failure of MMR to comply with any provision of this Lease, or for any other event on or relating to MMR's use of the premises whatever the cause.

17. **Miscellaneous:**

a. This Lease shall be governed by and enforced in accordance with the laws of the State of Michigan.

b. The covenants, terms, conditions, provisions and undertakings of this Lease or in any renewals thereof shall extend to and be binding upon the successors and assigns of the respective parties hereto, as if they were in every case named and expressed, and shall be construed as covenants running with the land; and wherever reference is made to either of the parties hereto, it shall be held to include and apply also to the successors and assigns of such party, as if in each and every case so expressed.

c. The specified remedies to which the parties may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which the parties may be lawfully entitled in case of any breach of threatened breach by the other party of any provisions or provisions of this Lease.

d. This is the entire agreement between the parties and such agreement shall not be modified, except by a written amendment signed by both parties.

e. All notices required under this Lease must be in writing and shall be deemed to have been given if a copy is personally delivered or mailed by United States first class mail, postage prepaid.

18. **Cross-Default or Termination.** PM and MMR agree that any termination or default or breach of this Real Estate Lease Agreement and/or Ambulance Service Agreement and/or Motor Vehicle Lease Agreement shall also constitute a default in all other agreements between PM and MMR. In the event of a default or breach, the non-offending party shall be entitled to terminate all leases and contracts between it and the offending party at the non-offending party's sole discretion provided it has given the offending party (30) days of notification of default and the offending party has failed to cure the breach or default.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

MOBILE MEDICAL RESPONSE, INC.

By:_____
Mark Thompson
Its: President/CEO

ELK RAPIDS TOWNSHIP

By:_____
William White, Its Supervisor

By:_____
Shelley Boisvert, Its Clerk

EXHIBIT A
[Footprint of Premises]

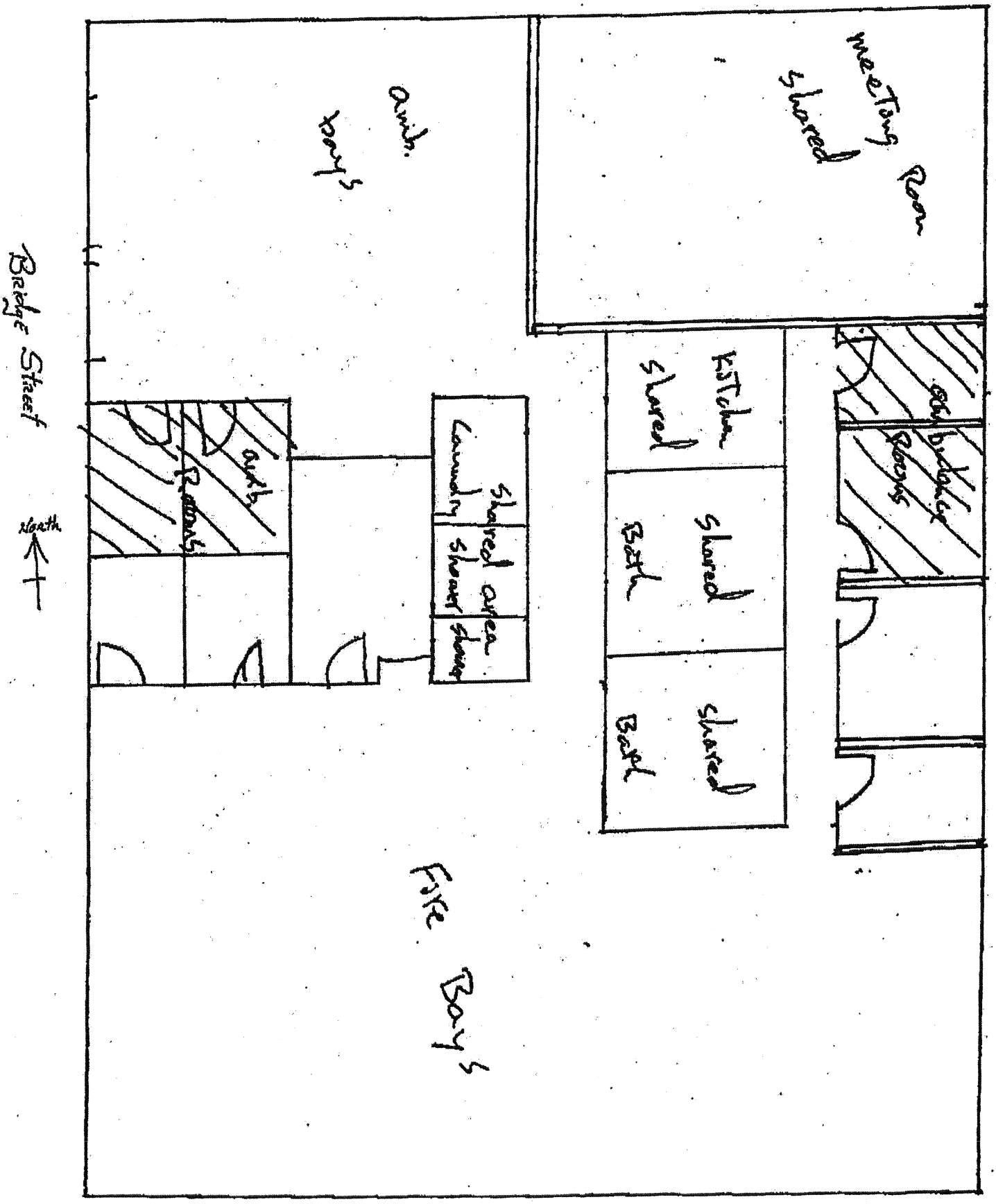

EXHIBIT B

MOTOR VEHICLE LEASE AGREEMENT

[See attached]

MOTOR VEHICLE LEASE

THIS LEASE AGREEMENT is made the ___ day of October, 2014, between Elk Rapids Township, a Michigan Township, of 315 Bridge Street, P.O. Box 365, Elk Rapids, MI 49629 ("ERT"), and Mobile Medical Response, Inc., a Michigan non-profit corporation, of 834 S. Washington Avenue, Saginaw, MI 48601 ("MMR"). This lease is on the following terms and conditions:

1. **Vehicles Leased**. ERT hereby leases to MMR the fully equipped ambulances and emergency response vehicle(s) identified on Exhibit 1, hereto. If any of the vehicles subject to this Lease and/or their equipment are replaced, the parties agree to prepare and initial an updated Exhibit 1.

2. **Term**. It is expressly understood and agreed between the parties hereto that this Motor Vehicle Lease Agreement shall begin the ___ day of October, 2014, and continue through October ___, 2019, unless otherwise terminated as provided in this Agreement. This Lease will automatically renew for an additional one (1) year term following the expiration of the initial five (5) year term, unless either party notifies the other in writing ninety (90) days prior to the expiration date of its intent not to renew. If neither of the parties give notice of termination as herein provided, and if MMR is not in default, then this Agreement shall continue under the same terms and conditions set forth herein, annually thereafter, until termination notice is given at least ninety (90) days prior to the expiration of the then annual period.

3. **Consideration**. MMR shall pay a rental fee of One and 00/100 ($1.00) Dollar per annum, per vehicle to be first paid to ERT on the date this Lease is executed and thereafter to be paid on the anniversary date of the first day of this Lease.

4. **Condition of Vehicles**. The parties acknowledge hat the vehicles are being leased to MMR by ERT in "**as is condition without warranty, express or implied, as to condition, mileage or state of repair**."

5. **Insurance and Indemnity**. MMR agrees to indemnify and hold ERT harmless from any and all liabilities arising from the operation, maintenance or use of the motor vehicles by MMR, and shall secure and maintain insurance and shall name ERT as an additional named insured covering loss resulting from collision, bodily injury, property damage, or use of the vehicles, in a minimum amount of One Million Dollars ($1,000,000.00) combined single limit per accident. MMR will also secure and maintain a Umbrella Liability policy of not less than $5,000,000 on its operations including the vehicles being leased herein. Furthermore, MMR agrees to indemnify ERT against all claims, losses, causes of action and expenses, including reasonable attorney fees and expenses arising from the use, maintenance, and operation of the vehicles by MMR, in excess of any insurance coverages under the foregoing provisions.

6. **Use of Vehicles**. MMR shall not use or permit the use of the leased vehicles in a negligent or improper manner or in violation of any law, or in such a manner as to void any insurance covering the vehicles, or permit the vehicles to become subject to any lien, charge, or

encumbrance. MMR shall use the vehicles only for emergency and non-emergent response services within the current ERT service area, also known as the "Elk Rapids Region."

7. **Drivers of Vehicles**. All vehicles leased to MMR under this lease shall be exclusively operated only by safe, careful, legally qualified, and properly licensed drivers. Such drivers shall be selected, employed, controlled, and paid by MMR. Such drivers are conclusively presumed to be the employees of MMR only. MMR shall cause the vehicles subject to this Lease to be used and operated with reasonable care and precaution to prevent loss and damage to such vehicles due to negligent or reckless use, abuse, fire, theft, collision, or injury to persons or property. Upon substantiation of a written complaint from ERT to MMR specifying any reckless, careless, or abusive handling of any leased vehicles, MMR shall remove the driver or drivers of any such vehicles as soon as it is reasonably possible to do so. MMR's drivers shall comply with all reasonable regulations now or hereafter made by ERT insofar as such regulations shall relate to the proper use, care, and operation of the vehicles provided pursuant to this Lease.

8. **Compliance with Laws**. The vehicles subject to this Lease shall not be used in violation of any federal, state, or municipal statutes, laws, ordinances, rules, or regulations applicable to the operation of such vehicles. As to the use or operation of any such vehicle, MMR will hold ERT harmless from any and all fines, forfeitures, or penalties for traffic violations or for the violation of any statue, law, ordinance, rule, or regulation of any duly constituted public authority. MMR shall not use nor allow any vehicle to be used for any unlawful purpose or for the transportation of any property or material deemed "hazardous" by federal or state authorities.

9. **Maintenance and Repairs**. Unless otherwise agreed in writing by the parties, all service materials, and repairs in connection with the use and operation of the vehicle(s) during the lease term, including but not limited to gasoline, oil, batteries, repairs, maintenance, tires, and towing necessary for their proper use and operation, shall be at MMR's expense. MMR agrees to attempt to maintain the vehicle(s) in accordance with all service intervals recommended by the manufacturer of the vehicle(s). MMR shall take the vehicles to an appropriate factory-authorized dealer for all service and repairs under manufacturer's warranty. ERT shall not be liable for repairs, nor shall any such repairs be charged to ERT. MMR shall repair and maintain the vehicles in their condition on the first date of this Lease, reasonable wear and tear from ordinary usage excepted.

10. **Obligation to Pay Miscellaneous Charges**. MMR agrees to pay all storage charges, parking charges, and fines incurred in connection with the vehicles. MMR will pay any fees (including vehicle registration and inspection fees) or taxes that may be imposed with respect to the vehicles by any constituted governmental authority as the result of MMR's use or intended use of the vehicles. MMR shall reimburse ERT any amounts it pays to the State of Michigan for registration and license fees for the vehicles.

11. **Risk of Loss and Damage**. MMR shall bear all risks of damage or loss of the vehicles, or any portion of the vehicles, not covered by insurance. All replacements, repairs, or substitutions of parts or equipment shall be at the cost and expense of MMR and shall be

considered permanent contributions to the vehicles. MMR at all times and at its sole expense, shall keep the vehicles in good working order, condition, and repair, reasonable wear and tear excepted.

12. **Reports of Accidents**. If any vehicle leased by ERT to MMR pursuant to this agreement is involved in any accident, MMR shall notify ERT promptly by telephone or other form of communication. Thereafter, as soon as practicable, MMR shall report to ERT in writing, giving all information relative to the accident, including but not limited to, the date, time, place, and circumstances of the accident; the names and addresses of persons injured, of the owners of property damaged, and of witnesses. MMR shall cooperate fully with ERT and the insurer in the investigation and defense of any claim or suit, and shall do nothing to impair or invalidate any applicable insurance coverage. MMR shall promptly deliver to ERT, or to such other person or company as ERT shall have designated in writing, any and all papers, notices, summonses, processes, and documents whatsoever served upon or delivered to MMR or MMR's agents or employees in connection with any claim, suit, action, or proceeding at law or in equity commenced or threatened against MMR or ERT arising out of the ownership, maintenance, use, or operation of any vehicle subject to this Lease.

13. **Termination by Default**. In the event of a material breach of this Agreement, the non-breaching party may give the breaching party notice of its intent to terminate. In such event, the non-breaching party shall be entitled to terminate this Agreement at the non-breaching party's sole discretion if the breaching party fails to substantially cure the breach within thirty (30) days of the notice.

The following events shall be considered a material breach of this Agreement:

a. A proceeding in bankruptcy or under any law for relief of debtors
c. Voluntary assignment of the party'sinterest in this Agreement;
d. Involuntary transfer of the parties interest in this Agreement by operation of law; or
e. Expiration or cancellation of any policy of insurance, or the cessation in force according to its original terms of such insurance, or of any extension nor renewal of the insurance, during the entire term of this lease.

Upon termination of this Motor Vehicle Lease Agreement, MMR shall surrender the vehicles and their equipment and return such to ERT. ERT may also take possession of such vehicles and their equipment wherever they may be found, with or without process of law. Upon termination, MMR shall have no right, title, or interest in the vehicles or their equipment, or their possession or use. The rights and remedies of the parties under this Agreement are not exclusive, but cumulative and in addition to all other rights and remedies provided by law.

14. **Assignment**. The parties agree not to assign, transfer, sublet, pledge, or encumber any of its rights under this Lease, or the Lease itself.

15. **Construction of Instrument**. This agreement is one of leasing only and MMR does not acquire any right, title, or interest to the leased vehicles or any replacements or any equipment other than the right of possession accorded as a lessee.

16. **Cross-Default and Termination**. PM and MMR agree that any termination or default or breach of this Vehicle Lease Agreement and/or the Ambulance Service Agreement and/or the Real Estate Lease Agreement shall also constitute a default in all other agreements between PM and MMR. In the event of a default or breach, the non-offending party shall be entitled to terminate all leases and contracts between it and the offending party at the non-offending party's sole discretion provided it has given the offending party (30) days of notification of default and the offending party has failed to cure the breach or default.

17. **Notices**. Any notice to be given under this agreement shall be deemed given when sent by registered or certified mail to the address herein contained of the party to be notified.

18. **Governing Law**. This Lease shall be governed by and construed under the laws of the State of Michigan.

19. **Succession**. This agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties.

20. **Effect of Bankruptcy**. This Lease shall terminate automatically without notice to MMR if MMR files a voluntary petition in bankruptcy, makes an assignment for the benefit of creditors, or is voluntarily or involuntarily adjudicated a bankrupt by any court of competent jurisdiction, or if a petition for reorganization of MMR, or for an arrangement with creditors is filed by or against MMR, or if a receiver is appointed for MMR's business, or if MMR permits or suffers any distress, attachment, levy, or execution to be made or levied against any or all of MMR's property.

21. **Amendment**. This Lease and the schedules now or hereafter a part of this Lease may not be amended or altered in any manner unless such amendment or alteration is in writing and signed on behalf of the parties.

22. **Waivers**. The failure of either party in any one or more instances to insist on the performance of any of the terms, covenants, or conditions of this Lease, or to exercise any right or privilege in this Lease conferred or the waiver of any breach of any of the terms, covenants, or conditions of this Lease shall not be construed as thereafter waiving any such terms, covenants, conditions, rights or privileges, but such terms shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

23. **Equipment**. If MMR determines that a vehicle leased herein is no longer needed or desired or useful to its services to ERT or the Elk Rapids Region, it may return the vehicle to ERT or dispose of the vehicle according to ERT's instructions. MMR agrees to replace all vehicles that are retired but which are needed to service the Ambulance Service Agreement and to re-title those vehicles in the name of ERT and subject them to the terms and conditions of this

Lease. Upon the termination of this Lease, all equipment then being used by MMR pursuant to this Lease shall be promptly returned to ERT. MMR agrees to leave the ambulances and equipment that is in use in ERT at the termination of the agreement for the use of ERT to continue operations in the Township. Such equipment and vehicles shall be equipped to State standards for operation and shall be of equal or greater value and condition as such equipment and vehicles on ___ day of October, 2014. As noted, better condition and higher value of the equipment and vehicles is acceptable.

24. **Community Involvement.** When a unit and crew are available, MMR will use its best efforts to station them at community events, such as high school football games, community celebrations or festivals.

25. **No Third Party Benefit.** This Lease shall not be construed as creating a third party benefit agreement and only the parties hereto may enforce its provisions or be deemed to benefit by them.

IN WITNESS WHEREOF, each party has caused this agreement to be executed on the date indicated above.

ELK RAPIDS TOWNSHIP

By:_____
William White, Its: Supervisor

By:_____
Shelley Boisvert, Its Clerk

STATE OF MICHIGAN)
)ss
COUNTY OF ANTRIM)

The foregoing Lease acknowledged before me this __ day of October, 2014, by _____ and _____ to me known to be the Supervisor and Clerk respectively of Elk Rapids Township, a Michigan Township, who executed the Lease on behalf of Elk Rapids Township and with authority of the Township Board.

_____
, Notary Public
Antrim Co., acting in Antrim Co., Michigan
My Commission Expires:_____

MOBILE MEDICAL RESPONSE, INC.

By:_____
Mark Thompson
Its: Chief Executive Officer

STATE OF MICHIGAN)
)ss
COUNTY OF SAGINAW)

The foregoing Lease acknowledged before me this ___ day of October, 2014, by Mark Thompson to me known to be the Chief Executive Officer of Mobile Medical Response, Inc., a Michigan corporation, who executed the Lease on behalf of the corporation and with authority of its Board of Directors.

_____
, Notary Public
Saginaw County acting in Saginaw County, Michigan
My Commission Expires:_____

Exhibit 1
[List of Fully Equipped Ambulances]

1. 2009 Ford Light Conventional "F" Ambulance
(VIN 3FRNF66D29V129429)

2. 2000 Ford Cutaway Van Ambulance
(VIN 1FDXE45F4YHA97670)

EXHIBIT C

PM Subsidy Addendum

PM agrees to pay an annual subsidy to MMR of $225,000. PM commits to this annual subsidy and MMR agrees to accept this subsidy for five (5) years, ending on October ___2019.

Nothing specified herein shall prevent PM or MMR from requesting that the other agree to a decrease or increase in this subsidy nor prevent PM or MMR from terminating the Ambulance Service Agreement pursuant to its terms.

EXHIBIT D

MT Subsidy Addendum

MT agrees to pay an annual subsidy to MMR of $225,000. MT commits to this annual subsidy and MMR agrees to accept this subsidy for five (5) years, ending on October ___ 2019.

Nothing specified herein shall prevent MT or MMR from requesting that the other agree to a decrease or increase in this subsidy nor prevent MT or MMR from terminating the Ambulance Service Agreement pursuant to its terms.