

RESOLUTION 09-02

A RESOLUTION APPROVING THE ONE-YEAR EXTENTION ON THE AGREEMENT BETWEEN TRI-STAR HEALTH SYSTEMS, INC. AND THE CITY OF SPRING HILL THAT WILL CONTINUE TO PROVIDE AMBULANCE SERVICE THROUGHOUT THE CITY

WHEREAS, there has existed a critical and continued need for improved ambulance service to the citizens of Spring Hill for a long period of time; and

WHEREAS, the City of Spring Hill Board of Mayor entered into an agreement with Tri-Star Health Systems for such service on November 1, 2006; and

WHEREAS, the City of Spring Hill Board of Mayor and Aldermen approved the agreement of Tri-Star Health Systems to provide City-wide emergency ambulance service for term of 3 years with the option to extend the written "Ambulance Service Agreement", for an additional one year term as described on Page 4 of the agreement, Section 14, entitled "Term"; and

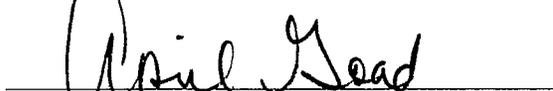
NOW THEREFORE BE IT RESOLVED, by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, that the written agreement between Tri-Star Health Systems, Inc. and the city Of Spring Hill providing for emergency ambulance service throughout the City for an additional one year term, ending November 1, 2010, is hereby approved.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on this 20th day of January, 2009.



Danny M. Leverette, Mayor

ATTEST:



April Goad, City Recorder

APPROVED AS TO FORM:



Timothy P. Underwood, City Attorney

RESOLUTION 06-53

A RESOLUTION APPROVING THE AGREEMENT BETWEEN TRI-STAR HEALTH SYSTEMS, INC. AND THE CITY OF SPRING HILL THAT WILL PROVIDE AMBULANCE SERVICE THROUGHOUT THE CITY

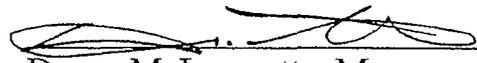
WHEREAS, there has existed a critical need for improved ambulance service to the citizens of Spring Hill for a long period of time; and

WHEREAS, the issue has now been resolved by the offer of Tri-Star Health Systems to provide City-wide emergency ambulance service and the offer has been put in the form of a written agreement; and

NOW THEREFORE BE IT RESOLVED, by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, that the written agreement between Tri-Star Health Systems, Inc. and the city Of Spring Hill providing for emergency ambulance service throughout the City is hereby approved.

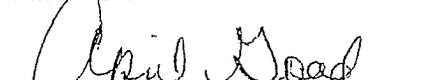
BE IT FURTHER RESOLVED that the Mayor is authorized to sign said agreement on behalf of the City.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on this 18th day of September, 2006.



Danny M. Leverette, Mayor

ATTEST:



April Goad, City Recorder

APPROVED AS TO FORM:



Tim Underwood, City Attorney

AMBULANCE SERVICE AGREEMENT

25 November This Ambulance Service Agreement (the "Agreement") is entered into as of this the *18th* day of ~~September~~, 2006, by and between TriStar Health System, Inc., a Tennessee corporation ("TriStar"), and The City of Spring Hill, a political subdivision of the State of Tennessee (the "City").

RECITALS:

WHEREAS, the City has determined that it does not currently have adequate emergency services to service the citizens of its community;

WHEREAS, City has reviewed several proposals regarding the provision of ambulance/emergency medical services (the "Services");

WHEREAS, TriStar is willing to subsidize certain costs related to the provision of the Services to the City as an expression of community support and to help ensure the efficient, timely, and equitable access to and provision of healthcare services in the community;

WHEREAS, the City has determined that entering an agreement with TriStar regarding the provision of a subsidy for the Services would be in the best interests of the City and its residents by improving their access to healthcare services;

WHEREAS, TriStar and the City entered into a non-binding letter of intent (the "Letter of Intent") regarding the potential provision of the Services;

WHEREAS, following the execution of the Letter of Intent, the City and TriStar reviewed several proposals in connection with the selection of a company to assist in connection with fulfilling a portion of the obligations of TriStar contemplated pursuant to the Letter of Intent (the "Rural/Metro Proposal");

WHEREAS, TriStar, with consultation from the City, has determined that engaging Rural/Metro of Tennessee, L.P., a _____ limited partnership ("Rural/Metro") to provide the Services would be in the best interests of the City and its residents by improving their access to healthcare services;

WHEREAS, TriStar, with consultation from the City, and Rural/Metro have entered into a definitive agreement with respect to the provision of the Services (the "Rural/Metro Agreement");

WHEREAS, TriStar and the City wish to enter into a definitive agreement implementing the remaining terms and provisions of the Letter of Intent; and

WHEREAS, this Agreement is not conditioned or in any way dependent upon TriStar receiving approval to operate a hospital within the City or otherwise receiving patients from the provision of the Services by Rural/Metro.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Ambulance. During the Term (as herein after defined) and in accordance with the terms and provisions of the Rural/Metro Agreement, Rural/Metro will provide two ambulances (each,

an "Ambulance") for the provision of the Services to the City. "Services" shall be defined to include the services described on Exhibit A.

Section 2. Use of Ambulance. During the Term, the Ambulances shall provide the Services to residents and other persons then located within the City of Spring Hill, Tennessee. City acknowledges and agrees that Rural/Metro, shall be the primary provider of such Services and shall be the first ambulance service called or dispatched by the City within the limits of the City of Spring Hill. As further set forth in Section 10 below, the parties agree that Rural/Metro shall transport patients according to the City's EMS Protocol. There shall be no obligation or understanding that patients will be transported to TriStar facilities other than in accordance with the EMS Protocol.

Section 3. Condition of Ambulances. At no expense to the City, Rural/Metro will repair and maintain the Ambulances in operating condition, ordinary wear and tear excepted.

Section 4. Location. Initially, one of the Ambulances shall be located at and operated out of the fire station at 4000 Campbell Station Parkway, Spring Hill, Tennessee (the "Campbell Station") and the other Ambulance shall be located at and operated out of the fire station at _____ Beechcroft Road, Spring Hill, Tennessee (the "Beechcroft Station").

Section 5. Port Royal. City agrees to construct at its sole expense a fire station at _____ Port Royal Road, Spring Hill, Tennessee (the "Port Royal Station"). Following the issuance of a certificate of occupancy with respect to the Port Royal Station (the "Certificate"), one Ambulance shall be relocated from the Beechcroft Station to, and subsequently operated out of, the Port Royal Station.

Section 6. Condition of Stations. At its sole expense, City shall repair and maintain in operating good condition, ordinary wear and tear excepted, the building, furniture, fixture, equipment and other personal or real property constituting each of the Campbell Station, Beechcroft Station and, following the issuance of the Certificate, the Port Royal Station.

Section 7. Costs. Except as otherwise set forth herein, the City shall not be responsible for any operating expenses incurred by TriStar or Rural/Metro in connection with the provision of the Services contemplated hereby. Subject to the terms of the Rural/Metro Agreement, Rural/Metro shall be entitled to retain any profits generated by, and shall be responsible for satisfying any losses it incurs in connection with, providing the Services. Rural/Metro shall not be required to waive applicable co-payments or deductible amounts.

Section 8. Billing. City shall neither have the right nor the responsibility to bill patients and third-party payors for the Services.

Section 9. Dispatch Service. During the Term, City agrees to provide Rural/Metro with use of and access to all emergency dispatch services.

Section 10. Protocol. The City shall, within thirty (30) days of the execution of this Agreement, develop written transportation policies to address the appropriate triage and transportation of emergency patients in the City and in Williamson County, Tennessee and Maury County, Tennessee (the "EMS Protocol"). The City shall provide a copy of such EMS Protocol and any subsequent amendments to Rural/Metro. Pursuant to the Rural/Metro Agreement, Rural/Metro shall follow the written EMS Protocols provided by City. The EMS Protocol shall neither prohibit nor require that patients be transported to an acute care or other facility owned or operated by TriStar or its subsidiaries or affiliates.

Section 11. Deliveries. Contemporaneous with the execution hereof, City has delivered copies of resolutions duly adopted by the Board of Mayor and Aldermen of City, authorizing and approving its performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein, certified as true and of full force, by an appropriate officer of City.

Section 12. Representations and Warranties of City. City represents and warrants to TriStar the following:

(a) **Capacity.** City is an existing political subdivision of the State of Tennessee with all requisite power and authority to own, operate and lease its properties and to carry on its businesses as now being conducted.

(b) **Powers; Absence of Conflicts With Other Agreements, etc.**

(i) The execution, delivery and performance by City of this Agreement and the other agreements and transactions contemplated hereby: (A) are within the power of City, are not in contravention of the terms of its charter, other governing document or any resolution or act its governing body and have been duly authorized by the Board of Mayor and Aldermen of City; and (B) do not (1) result in any breach of any indenture, agreement, lease, instrument or other contract to which City is a party or by which City is bound; (2) constitute a violation of any judgment, decree, or order of any court of competent jurisdiction applicable to City; (3) violate any law, rule or regulation of any governmental authority applicable to City or any of its assets; and (4) require any consent, approval or authorization of, or notice to, or declaration, filing or registration with, any governmental or regulatory authority.

(ii) This Agreement has been and the other agreements and instruments contemplated to be executed and delivered by City hereunder will have been, duly and validly executed and delivered by City. This Agreement and, when executed and delivered by City, the other agreements and instruments contemplated to be executed and delivered by City hereby constitute the valid, legal and binding obligations of City enforceable against it in accordance with their terms.

(c) **Litigation.** There is no litigation, proceeding, claim or governmental investigation pending or, to the knowledge of City, threatened against City at law or in equity before any court or other governmental agency which could limit City's ability to consummate the transactions contemplated hereby or to perform its obligations under this Agreement or any other agreement to be executed and delivered by City pursuant hereto.

(d) **Construction.** To the best of City's knowledge and belief, all construction performed or to be performed in connection with the Port Royal Station and Campbell Station will be performed in a good and workmanlike manner and shall be of good quality free from faults and defects.

Section 13. Representations and Warranties of TriStar. TriStar represents and warrants to City the following:

(a) **Capacity.** TriStar is a corporation, duly organized and validly existing in the State of Tennessee, with all requisite power and authority to own, operate and lease its properties and to carry on its businesses as now being conducted.

(b) **Powers; Absence of Conflicts With Other Agreements, etc.**

(i) The execution, delivery and performance by TriStar of this Agreement and the other agreements and transactions contemplated hereby: (A) are within the power of TriStar, are not in contravention of the terms of its charter, bylaws, other governing document or any resolution or of its governing body and have been duly authorized by the applicable governing body of TriStar; and (B) do not (1) result in any breach of any indenture, agreement, lease, instrument or other contract to which TriStar is a party or by which TriStar is bound; (2) constitute a violation of any judgment, decree, or order of any court of competent jurisdiction applicable to TriStar; (3) violate any law, rule or regulation of any governmental authority applicable to TriStar or any of its assets; and (4) require any consent, approval or authorization of, or notice to, or declaration, filing or registration with, any governmental or regulatory authority.

(ii) This Agreement has been and the other agreements and instruments contemplated to be executed and delivered by TriStar hereunder will have been, duly and validly executed and delivered by TriStar. This Agreement and, when executed and delivered by TriStar, the other agreements and instruments contemplated to be executed and delivered by TriStar hereby constitute the valid, legal and binding obligations of TriStar enforceable against it in accordance with their terms.

(c) **Litigation.** There is no litigation, proceeding, claim or governmental investigation pending or, to the knowledge of TriStar, threatened against TriStar at law or in equity before any court or other governmental agency which could limit TriStar's ability to consummate the transactions contemplated hereby or to perform its obligations under this Agreement or any other agreement to be executed and delivered by TriStar pursuant hereto.

Section 14. Term. The term of the Agreement shall begin on ^{November 15th CT} ~~October 15th~~, 2006, and shall continue for a three (3) year period unless terminated as set forth herein (the "Term"). This Agreement may be renewed by the City for one additional term of one year by providing notice ninety (90) days prior to the expiration hereof.

Section 15. Termination.

(a) This Agreement may be terminated upon notice:

(i) By one party if the other party applies for or consents to the appointment of a receiver, trustee or liquidator of all or a material portion of its assets or files a voluntary petition of bankruptcy.

(ii) By one party if any order, judgment or decree shall be entered by any court of competent jurisdiction, on the application of a creditor or otherwise, adjudicating the other party bankrupt or insolvent or approving a petition seeking reorganization or appointment of a receiver, trustee or liquidator of all or material portion of its assets, and such order, judgment or decree shall continue in effect sixty (60) days after its entry.

(iii) By one party if the other party fails to perform or otherwise breaches any material covenant, obligation or provision of this Agreement, and such failure or breach is curable and shall continue for thirty (30) days after written notice thereof by the non-defaulting party to the defaulting party stating the specific failure or breach.

(iv) By either party upon ninety (90) days notice.

(b) Upon termination of this Agreement, no party shall have any further obligations hereunder except for (i) obligations accruing prior to the date of termination, including without limitation the obligation of each party for its breach of this Agreement, and (ii) obligations, promises or covenants contained in Sections 15, 24 of this Agreement.

Section 16. Expenses. TriStar and the City shall each pay their own fees and expenses and those of their agents, brokers, consultants, advisers, attorneys and accountants with respect to the negotiation of the Agreement and procurement of the transactions contemplated herein.

Section 17. Notices. All notices, requests, and communications required or permitted hereunder shall be in writing and shall be sufficiently given and deemed to have been received upon personal delivery or delivery by overnight courier or, if mailed, upon the first to occur of actual receipt or seventy-two (72) hours after being placed in the United States mail, postage prepaid, registered or certified mail, receipt requested, addressed to the parties at the following addresses:

TriStar:	TriStar Health System, Inc. 110 Winners Circle, First Floor Brentwood, TN 37027 Attention: President
The City:	City of Spring Hill P.O. Box 789 199 Town Center Pkwy Spring Hill, TN 37174 Attention: <u>CITY ADMINISTRATOR</u>

Notice of a change in address of one of the parties shall be given in writing to the other party as provided above, but shall be effective only upon actual receipt.

Section 18. Entire Agreement, Severability, Waiver and Amendment. The Agreement supersedes all prior oral discussions and written agreements between the parties with respect to the subject matter of this Agreement (including, without limitation, any term sheet, the Letter of Intent or similar agreement or document relating to the transactions contemplated hereby). The Agreement contains the sole and entire agreement between the parties hereto with respect to the subject matter hereof. If any provision of the Agreement is held to be illegal, invalid or unenforceable under any present or future law, such provisions shall be fully severable and the remaining provisions of the Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom. The Agreement may be modified or amended only by a written instrument duly executed by each of the parties hereto. Any term or condition of the Agreement may be waived at any time by the party that is entitled to the benefit thereof. Any such waiver must be in writing and must be duly executed by such party. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach, provision or requirement on any other occasion.

Section 19. Counterparts; Facsimile Signatures. The Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Facsimile signatures on the Agreement shall be deemed to be original signatures for all purposes.

Section 20. Governing Law; Construction. The Agreement shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of Tennessee applicable to a contract executed and performed in such state, excluding any conflicts of law rule or principle that would

refer the governance, interpretation, construction or enforcement of this Agreement to the laws of another jurisdiction.

Section 21. Binding Effect; No Assignment. The Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns, including successors by merger or otherwise. Except as otherwise contemplated by Section 10, neither the Agreement nor any right hereunder or part hereof may be assigned by any party hereto without the prior written consent of the other parties hereto, except that TriStar may assign its rights and/or delegate its obligations to a subsidiary or affiliate of TriStar, and upon any such permitted assignment, TriStar shall no longer have any obligations or liabilities hereunder whatsoever.

Section 22. Authority of the Parties; Contractual Relationship. TriStar is to act as an independent contractor of City and will provide only the services specified in this Agreement. Nothing in the Agreement shall be construed to constitute either party as the employee or joint venturer of the other. Neither party shall have the right to bind the other party or to make any promises or representations on behalf of the other party except as specifically set forth in this Agreement.

Section 23. Fraud and Abuse.

(a) The parties enter into this Agreement with the intent of conducting their relationship in full compliance with applicable state, local and federal law, including without limitation the Medicare/Medicaid Anti-fraud and Abuse Amendments. Notwithstanding any unanticipated effect of any of the provisions herein, neither party will intentionally conduct itself under the terms of this Agreement in a manner to constitute a violation of the Medicare and Medicaid Anti-fraud and Abuse Amendments.

(b) This Agreement shall be construed in accordance with all applicable federal and state statutes, including without limitation Medicare, Medicaid and state rules and regulations. In the event that, in the written opinion of counsel to either party, a change in Medicare, Medicaid or other applicable federal or state statutes or Medicare, Medicaid or applicable federal or state rules or regulations renders any of the material terms of this Agreement unlawful or unenforceable, including any services rendered or compensation to be paid hereunder, either party shall have the immediate right to initiate the renegotiation of the affected term or terms of this Agreement, upon notice to the other party, to remedy such condition. Should the parties be unable to renegotiate the term or terms so affected so as to bring it/them into compliance with the statute, rule or regulation that rendered it/them unlawful or unenforceable within sixty (60) days of the date of notice of a desired renegotiation is provided, then either party shall be entitled, after the expiration of said initial sixty (60) day period, to terminate this Agreement upon an additional sixty (60) days written notice to the other party.

(c) The parties agree that no part of this Agreement shall be construed to induce or encourage the referral of patients or the purchase of health care services or supplies.

Section 24. Confidentiality. Each of parties hereto and their affiliates shall keep the terms of this Agreement and all information regarding the other party confidential and shall only disclose the same to Rural/Metro or to such party's attorneys, accountants, and employees and others who have a need to know and who have entered into written agreements to maintain the confidentiality of such information. Upon the termination or expiration of this Agreement, the parties shall keep confidential any information (unless ascertainable from public or published information or trade sources) obtained from the other party concerning its operations and business (with respect to TriStar, such confidential information shall include, without limitation, TriStar's proprietary forms and employee and operation policies and procedures manuals), and shall promptly return all documentation, records, files and other physical

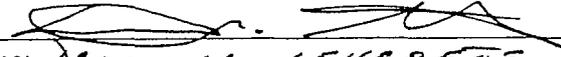
embodiments thereof, including all copies thereof. Neither party will make public announcements regarding the existence of this Agreement without the express written consent of the other party.

[Signature page follows]

IN WITNESS WHEREOF, the parties or their duly authorized representatives have executed this Agreement as of the year and day first written above.

City:

City of Spring Hill

By: 
Name: JERRY M. LEVERE
Title: MAYOR

TriStar:

TriStar Health System, Inc.

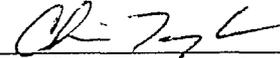
By: 
Name: Chris Taylor
Title: CFO

EXHIBIT A

Description of Services

Service Specifications

Advanced Life Support (ALS) Ambulance Service – Rural/Metro will provide staff certified in Advanced Life Support Ambulance Service on demand 24 hours/day, 365 days a year.

Pediatric Life Support (PLS) – Rural/Metro will provide staff certified in Pediatric Life Support Ambulance Service on demand 24 hours/day, 365 days a year.

Overweight Patient Transport – Rural/Metro vehicles must be able to accommodate patients who weigh up to six hundred and fifty (650) pounds.

Rural/Metro shall manage all day-to-day operations, including field operations, billing, collections, purchasing and other operational functions.

Rural/Metro shall negotiate all mutual aid agreements, maintain all facilities and equipment, hire/terminate all personnel, and provide or arrange for in-service training of all field personnel. In addition, Rural/Metro will provide First Responder training to City of Spring Hill fire personnel as required to maintain their certification. The Customer and City of Spring Hill have the authority to request/demand removal of employees from Rural/ Metro employment with due cause.

Rural/Metro shall supply two (2) ambulances for the provision of the emergency medical transportation services as described herein. Equipment consists of two (2) Type III Ambulances (1 new and other not greater than 1 model year old).

Rural/Metro shall provide such other services as may be necessary in connection with the foregoing and/or which may be mutually agreed upon between the parties.

Rural/Metro shall deliver patients according to the terms of the City of Spring Hill EMS Protocol.

Ambulance Dispatch; Chain of Command. Rural/Metro ambulances shall be dispatched by the City of Spring Hill. Rural/Metro agrees that it shall follow standard Incident Command Structure (ICS) or National Incident Management System (NIMS) procedures, as applicable, for emergency, incident, or disaster response, and will report to the City of Spring Hill Fire Department and follow appropriate chain-of-command protocols during the aforementioned incidents.

Staff; Medical Director. Rural/Metro shall provide staff for each ambulance of one paramedic and one EMT, 24 hours a day/7 days a week. In addition, Rural/Metro will provide a Medical Director responsible for overseeing all first responder personnel, including those within the City of Spring Hill Fire Department. Notwithstanding the foregoing, Rural/Metro personnel shall follow the directives of the officer in charge at each station with regard to station maintenance and similar duties.

Replacement of Equipment and Supplies. Rural/Metro agrees that, in the event that Spring Hill Fire Department Personnel respond to a call and utilize equipment or supplies in the course of providing first responder services and/or emergency medical services to patients, Rural/Metro will replace any such equipment or supplies on a one-for-one basis, provided that said equipment or supplies are comparable to those routinely stocked by Rural/Metro, and further provided that the Fire Department promptly provides Rural/Metro with appropriate documentation evidencing its use of said equipment or supplies.

Certifications and Licenses. Rural/Metro shall maintain all certifications and licenses as required by all Applicable Law to perform its obligations hereunder. As used herein, the term "Applicable Law" shall include all federal, state and local laws, statutes, regulations, codes, ordinances, rules and/or Executive Orders, as amended, applicable to the services and/or obligations of the parties hereunder. All Rural/Metro medical personnel should have a current license and meet minimum competency requirements as defined by their job responsibilities including PALS and ACLS certification. Rural/Metro must provide Customer written assurance that its personnel have current licensure. All Rural/Metro personnel must undergo a background check in accordance with Customer Policy and at Rural/Metro expense.