Staffing Services Agreement Between Herbal Wellness Center and New Gen Admin Services LLC

This agreement (hereinafter referred to as "AGREEMENT") is made and entered into on this 1st day of July, 2018, (hereinafter referred to as "EFFECTIVE DATE"), by and between HERBAL WELLNESS CENTER, INC. (hereinafter referred to as "CLIENT"), and NEW GEN ADMIN SERVICES, LLC (hereinafter referred to as "AGENCY").

RECITALS

- A. CLIENT is HERBAL WELLNESS CENTER, INC. an Arizona-based non-profit organization.
- B. AGENCY, NEW GEN ADMIN SERVICES, LLC is an Arizona-based licensed staffing services agency in the business of providing staffing services to companies such as HERBAL WELLNESS CENTER, INC.
- C. CLIENT desires AGENCY to provide, when requested and on a non-exclusive basis, high quality staffing services.

Now, therefore, CLIENT and AGENCY hereby agree as follows:

AGREEMENT

1. <u>SERVICES</u>

1.1 Upon request by CLIENT, AGENCY shall use it best efforts to assign permanent, temporary, or supplemental personnel (hereinafter referred to as "STAFF") for any and all professional orientations, up to and including human resources, to CLIENT in full compliance with all the provisions of this AGREEMENT. AGENCY shall carefully screen STAFF to determine their qualifications and competence prior to referring STAFF to CLIENT. This screening by AGENCY shall include, but not be limited to, obtaining all pertinent information (hereinafter referred to as "PREASSIGNMENT SCREENING INFORMATION") concerning the past employment, licensure, certifications, education, and professional skills of STAFF. All PREASSIGMENT SCREENING INFORMATION shall be made immediately available to CLIENT by AGENCY upon request.

- 1.2 This AGREEMENT constitutes an exclusive engagement by the CLIENT to only use AGENCY'S services during the term of this agreement. AGENCY is not hereby prohibited from assigning STAFF to other entities.
- 1.3 AGENCY agrees to provide CLIENT with competent personnel (hereinafter referred to as "QUALIFIED STAFF") as requested by CLIENT to meet CLIENT'S staffing needs. QUALIFIED STAFF shall have at least one (1) year of prior work experience in the specialty area to which they would be assigned with CLIENT. QUALIFIED STAFF shall also possess a valid, original license to practice their profession as required by law, as well as any other professional certifications required for the practice of their specialty. The existence of the required work experience, licensure and/or professional certification shall be confirmed by AGENCY when it acquires the PREASSIGNMENT SCREENING INFORMATION from STAFF. CLIENT shall have the right to demand proof from AGENCY that any individual assigned to CLIENT by AGENCY has satisfied the criteria for OUALIFIED STAFF and CLIENT shall also have the right, in its sole discretion, to reject the assignment of any individual who it deems fails to satisfy the criteria for QUALIFIED STAFF.
- 1.4 AGENCY agrees to have STAFF available for CLIENT twenty-four (24) hours per day, seven (7) days per week. AGENCY'S obligation to provide requested STAFF is limited by the availability to AGENCY of QUALIFIED STAFF who are ready, willing and able to accept an assignment with CLIENT.

2. REQUESTS FOR STAFF AND SCHEDULING

- 2.1 CLIENT shall use its best efforts to request STAFF at least (3) days prior to the applicable reporting time. If CLIENT requests a particular worker, AGENCY shall assign that worker to CLIENT if the worker is available, satisfies the criteria for QUALIFIED STAFF and is ready, willing and able to work.
- 2.2 When CLIENT requests STAFF less than one (1) hour prior to the scheduled start of a shift, AGENCY will be paid for that STAFF from the scheduled start of the shift, provided STAFF actually report to and commence work within one (1) hour of the start of the shift. If STAFF actually reports to and commences work later than one (1) hour after the scheduled start of the shift, AGENCY will be paid for actual hours worked only.
- 2.3 Prior to two (2) hours before the scheduled start of a shift or assignment, CLIENT may change or cancel a request for STAFF without incurring any liability to AGENCY. It shall be AGENCY'S responsibility to contact STAFF whenever CLIENT changes or cancels any request for STAFF.

- 2.4 When CLIENT cancels a request for STAFF less than (2) hours before the scheduled start of a shift or assignment, and STAFF cannot be contacted by AGENCY prior to reporting to CLIENT for work, CLIENT will pay AGENCY for one (1) hour per the rate structure for that STAFF in effect at the time of the cancellation. AGENCY shall be solely responsible for satisfying any reporting time pay obligations due STAFF under state and federal wage and hour laws.
- 2.5 When AGENCY cancels or declines or rejects by CLIENT for STAFF less than two (2) hours prior to the scheduled start of a shift or assignment, and AGENCY, using reasonable diligence and effort, is unable to replace that STAFF with a substitute acceptable to CLIENT, a late cancellation fee of two (2) hours per the rate structure for that STAFF in effect at the time of the cancellation.
- 2.6 If STAFF is no longer needed by CLIENT after reporting for work and beginning their assignment, STAFF may be called off by CLIENT. If STAFF is called off by CLIENT, AGENCY shall be paid for the actual number of hours worked by STAFF or two (2) hours, whichever is greater, per the rate structure for that STAFF in effect at the time of the call-off. AGENCY shall be solely responsible for satisfying any reporting time pay obligations due STAFF under state and federal wage and hours laws.
- 2.7 If STAFF does not report for work to CLIENT as scheduled, or reports to work and does not satisfy the criteria herein for QUALIFED STAFF, or is physically or emotionally incapable of performing his/her duties in a satisfactory manner, or refuses an appropriate assignment, or fails to display personal identification and/or a badge provided by AGENCY, AGENCY shall pay CLIENT a "noshow" fee of two (2) hours per the rate structure for that STAFF in effect at the time. The determination that STAFF does not satisfy the criteria for QUALIFIED STAFF or is otherwise incapable of performing assigned work shall be made in good faith by and in the sole discretion of CLIENT. CLIENT shall immediately inform AGENCY once such a determination is made, and CLIENT shall incur no debt or liability to AGENCY as a result of the determination.
- 2.8 As it relates to hourly rates and/or salary CLIENT is to pay AGENCY for use of its STAFF, CLIENT and AGENCY, at the time they decide to engage in such a transaction shall agree to payment terms and amounts in subsequent agreements related to those specific instances in so far that that those agreements and terms are consistent with the understandings herein set forth. AGENCY shall not increase charges made to CLIENT for STAFF to offset overtime, employee benefits or other premiums paid to STAFF by AGENCY.
- 2.9 All STAFF assigned to CLIENT by AGENCY shall be employees of AGENCY and AGENCY shall be sole responsible for satisfying all state

and/or federal wage and hour requirements applicable to said STAFF, including assuring full compliance with all applicable codes and regulations. Overtime, premium pay and all employee benefits are the sole responsibility of AGENCY as the employer of STAFF.

3. ASSIGNMENTS, TRAINING, POLICIES AND PROCEDURES

- 3.1 CLIENT has and retains the sole discretion to assign duties, shifts, assignments, etc. to STAFF during hours worked with CLIENT. CLIENT retains professional, administrative authority and responsibility for the services rendered by STAFF during hours worked with CLIENT.
- 3.2 If CLIENT concludes, in its sole discretion, that STAFF assigned to CLIENT by AGENCY are not performing their duties in a satisfactory manner or that STAFF otherwise fail to satisfy the criteria for QUALIFIED STAFF, said STAFF shall not be permitted to continue working with CLIENT and CLIENT shall be under no obligation for fees or costs for STAFF'S assignment and ask STAFF to leave the CLIENT'S property. CLIENT shall immediately inform AGENCY for STAFF so released and CLIENT shall have no further financial obligation to AGENCY for STAFF so released and CLIENT shall have no further financial obligation to AGENCY with respect to such STAFF.
- 3.3 While working with CLIENT, STAFF shall provide services in a manner and quality consistent with the best industry standards and shall comply with all applicable local, state and federal laws and regulations--up to and including any and all policies set forth by the Arizona Department of Health Services-governing the professional services and practices of STAFF and with all CLIENT policies and procedures.

4. <u>EMPLOYMENT STATUS OF STAFF</u>

- 4.1 AGENCY hereby represents and warrants that STAFF assigned by AGENCY to CLIENT under this AGREEMENT are assigned solely as independent employees of AGENCY and are not working simultaneously under any other arrangement or agreement which would make them or cause them to be considered primarily as employees or agents of CLIENT or any entity affiliated with CLIENT while providing services hereunder.
- 4.2 AGENCY has, retains and shall continue to bear sole, exclusive and total legal responsibility for STAFF as the employer of STAFF. This responsibility shall include, but not be limited to, the obligation to ensure full compliance with and satisfaction of (i) all state and federal payroll, income and unemployment tax requirements (ii) all state and federal wage and hour requirements (iii) all worker's compensation insurance requirements, and (iv) all other applicable

- state and federal employment law requirements arising from AGENCY'S employment of STAFF, the assignment of STAFF to CLIENT and/or the actual work of STAFF with CLIENT.
- 4.3 AGENCY agrees to hold CLIENT harmless and fully indemnify CLIENT against any and all legal claims asserted against CLIENT or CLIENT'S employees, including attorney's fees and costs, and/or liabilities imposed against CLIENT, that are predicated in any manner on a finding by any court, enforcement agency, government entity, arbitrator or other adjudicator that STAFF are joint employees of AGENCY and CLIENT.

5. QUALIFICATION AGENCY HIRING AND DISCIPLINE OF STAFF

- 5.1 STAFF supplied by AGENCY shall be appropriately screened by AGENCY. AGENCY may use skills certification, testing and/or other methods to verify the qualifications of STAFF as it relates to performing work with CLIENT. STAFF will professionally, ethically and diligently carry out their responsibilities hereunder in order to serve the best interest of CLIENT.
- 5.2 STAFF will provide AGENCY with a minimum of two (2) professional references and will be made available to CLIENT upon request.

6. FEES AND INVOICING

- 6.1 Hourly rates charged by CLIENT are to be determined and agreed to on a case-by-case basis where CLIENT seeks to procure any staff from AGENCY. These rates/salaries shall be effective for terms set forth by AGENCY and agreed upon by CLIENT, beginning on the effective date of the subsequent staffing agreement arrived to by CLIENT and AGENCY. After which time, rates/salaries are subject to re-negotiation every renewal period of this AGREEMENT. During such negotiations, the most recent rate structure shall remain in effect until a new structure is agreed upon.
- 6.2 AGENCY shall invoice CLIENT bi-weekly for services provided Hereunder, and such invoices shall be subject to the credit terms set forth in this contract. All invoices shall contain the following information for specific STAFF: (i) STAFF'S name, (ii) total hours worked (iii) total charge, (iiii) position.
- 6.3 The credit terms for invoices under this AGREEMENT shall be net thirty (30) days.
- 6.4 Holiday rates shall be applicable as listed on Attachment "A".

7. **INSURANCE**

- 7.1 AGENCY shall purchase and maintain during the duration of this AGREEMENT and after the expiration of this AGREEMENT as provided below, the following insurance coverage:
- 7.1.1 Worker's compensation and employer's liability coverage for AGENCY'S legal and statutory obligations for damages due to bodily injuries occurring to AGENCY'S employees, agents or servants as a result of employment.
- 7.1.2 General and professional liability covering AGENCY, its agents, employees, and servants for bodily injury, personal injury, or property damage claims arising out of the premises, products or activities of AGENCY. Minimum limits of liability for the above coverage shall be one million dollars (\$1,000,000) per occurrence.
- 7.1.3 Unemployment insurance as required by law for all employees.
- 7.1.4 Automobile insurance if AGENCY or STAFF require the use of an automobile to perform work.
- 7.1.5 AGENCY shall provide CLIENT with certificates of insurance as evidence that all coverage required under this AGREEMENT have been obtained and are in full force and effect. AGENCY shall provide certificates of insurance to CLIENT within five (15) days of the effective date of this AGREEMENT and/or within five (15) days of a request made by CLIENT.

8. TERMS AND TERMINATION

- 8.1 The term of this AGREEMENT shall be for ten (10) years beginning on the effective date. Both parties agree that this AGREEMENT shall automatically renew for additional one (1) year terms unless terminated, in writing, mutually by AGENT and CLIENT, thirty (30) days prior to its expiration.
- 8.2 Either party may terminate this AGREEMENT at any time, for significant default of the terms, upon 30 day's written notice to the other party, and if the default is not cured during that period the AGREEMENT may be terminated.
- 8.3 Termination of this AGREEMENT shall not affect any right or obligation of either party that has accrued prior to such termination.

9. <u>INTEGRATION</u>

9.1 This document contains the entire AGREEMENT between the Parties hereto and supersedes any and all prior negotiations, commitments, agreements and understanding between the parties. The language of this AGREEMENT shall control all attachments hereto unless otherwise stated. No representations or warranties, whether expressed or implied, have been made by any party except as expressly stated herein.

10. GOVERNING LAW

10.1 The validity, performance, construction and interpretation of this AGREEMENT shall be governed by the State of Arizona.

11. NOTICES

11.1 Any notice to be made in connection with this AGREEMENT shall be made in writing and shall be deemed effectively given when delivered in person or sent by registered or certified mail by one party to the other party, as follows:

HERBAL WELLNESS CENTER, INC. 4126 W INDIAN SCHOOL ROAD PHOENIX, AZ 85019

NEW GEN ADMIN SERVICES, LLC 777 E MISSOURI AVE #200 PHOENIX, AZ 85014

12. INDEMNIFICATION

12.1 AGENCY shall save and hold CLIENT harmless from and shall indemnify CLIENT for any liability, expense or damage caused by any act, neglect, default or omission of AGENCY or any of its agents, employees, or servants. If CLIENT is sued in any court for damages by reason of any of the acts of AGENCY, its agents, or servants, AGENCY shall defend such action at its own expense and shall pay any judgment that may be rendered in any such action. If AGENCY fails or neglects to so defend said action, CLIENT may defend the same and any expenses, including reasonable attorney's fees, which CLIENT may incur defending such action and the

amount of any judgment which CLIENT may be required to pay shall be promptly reimbursed by AGENCY.

13. ASSIGNMENT

13.1 Neither party may assign any rights nor delegate any duties hereunder without the express written consent of the other party.

14. SEVERABILITY

14.1 If any part of this AGREEMENT is held by a court or arbitrator to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force and effect.

15. RELATIONSHIP OF THE PARTIES

15.1 AGENCY will perform the services and duties hereunder as an Independent contractor and not as an employee, agent, partner of, or in joint venture with CLIENT.

IN WITNESS, WHEREOF, both parties have executed this AGREEMENT on the dates written below:

NEW	GEN	ADMIN	SERVI	CES.	LLC
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HERBAL WELLNESS CENTER, INC

Signed:

Director Signatures

Signed

Attachment "A"

Special Circumstance Rates

OVERTIME

Any schedules in excess of 40 hours per week for non-exempt employees will be considered overtime and paid at time and one-half.

HOLIDAYS

Holiday rates will be paid at time and one-half on the following holidays: New Year's Day, Thanksgiving Day, and Christmas Day.