

## EMPLOYMENT AGREEMENT (CEO)

This Agreement is made and effective as of the 3rd day of December, 2019, between Candler County Hospital Authority, d/b/a Candler County Hospital ("Hospital"), and Michael Purvis ("Purvis").

WHEREAS, the Hospital desires to secure the services of Purvis and Purvis desires to accept such employment,

NOW THEREFORE, in consideration of the material advantages accruing to the two parties and the mutual covenants contained herein, and intending to be legally and ethically bound hereby, the Hospital and Purvis agree with each other as follows:

1. Purvis will render full-time professional services to the Hospital in the capacity of Chief Executive Officer (CEO) of the Hospital, starting on December 3, 2019. He will at all times, faithfully, industriously and to the best of his ability, perform all duties that may be required of him by virtue of his position as Chief Executive Officer and all duties set forth in Hospital bylaws and in policy statements of the Candler County Hospital Authority Board ("Hospital Board"). Purvis is hereby vested with authority to act on behalf of the Hospital Board in keeping with policies adopted by the Hospital Board, as amended from time to time. In addition, he shall perform in the same manner any special duties assigned or delegated to him by the Hospital Board.

2. (a) In consideration for these services as Chief Executive Officer, the Hospital agrees to pay Purvis a base salary of \$155,000 per annum or such higher figure as shall be agreed upon at an annual review of his compensation and performance by the Hospital Board. This annual review shall occur three months prior to the end of each year of the contract for the express purpose of considering increments. The amount of \$155,000 shall be payable in equal biweekly installments throughout the contract year.

(b) In addition, Purvis will be eligible for an annual bonus based upon certain performance goals. Target annual bonus goals and amounts will be set by the Hospital Board annually, with the first year of Purvis' eligibility being calendar year 2020 (beginning January 1, 2020). The annual bonus will be paid pursuant to such conditions as are established by the Hospital Board. The annual bonus will, if payable, be paid in cash no later than March 15th of the fiscal year following the fiscal year during which Purvis' right to the annual bonus vests.

(c) The Hospital agrees to pay Purvis a housing allowance of up to \$1,000.00 per month for the first three months of his employment with the Hospital.

3. (a) Purvis shall be entitled to two (2) weeks of compensated vacation time in each of the contract years, subject to annual review and adjustment by the Hospital Board.

(b) Purvis will be permitted to be absent from the Hospital during working days to attend professional and community meetings and to attend to such outside professional duties in the healthcare field as are necessary in the performance of his duties as CEO of the Hospital. Attendance at such approved meetings and accomplishment of approved professional duties shall be fully compensated service time and shall not be considered vacation time. The Hospital shall reimburse Purvis for all expenses incurred by Purvis incident to attendance at approved professional meetings and such entertainment expenses incurred by Purvis in furtherance of the

Hospital's interests, provided, however, that such reimbursement is approved by the Hospital Board.

(c) In addition, Purvis shall be entitled to all other fringe benefits to which all other employees of the Hospital are entitled, including comprehensive health and major medical health insurance.

4. The Hospital agrees to pay dues to professional associations and societies and to such service organizations and clubs of which Purvis is a member, as approved by the Hospital Board as being in the best interests of the Hospital.

5. (a) The Hospital Board may at its discretion terminate Purvis's duties as Chief Executive Officer. Such action shall require a majority of vote of the entire Hospital Board and become effective upon at least 90 days written notice to Purvis or at such later time as may be specified in said notice.

(b) The Hospital may terminate Purvis's employment "for Cause." For purposes of this Agreement, "Cause" shall mean: (i) the continued failure of Purvis to perform substantially his duties for the Hospital or Purvis's material disregard of the directives of the Hospital Board that is not cured by Purvis within 20 calendar days after a written demand for substantial performance is delivered to Purvis by the Hospital Board which specifically identifies the manner in which the Hospital Board believes that Purvis has not substantially performed Purvis's duties or disregarded a directive; (ii) willful material misrepresentation at any time by Purvis to the Hospital Board; (iii) Purvis's commission of any act of fraud, misappropriation (other than misappropriation of a de minimis nature) or embezzlement against or in connection with the Hospital; (iv) a conviction, guilty plea or plea of nolo contendere of Purvis for any crime involving dishonesty or for any felony; (v) a material breach by Purvis of his fiduciary duties of loyalty or care to the Hospital; or (vi) the engaging by Purvis in illegal conduct, gross misconduct, gross insubordination or gross negligence that is materially and demonstrably injurious to the Hospital's business or financial condition.

(c) After termination of this Agreement as set forth above, all rights, duties and obligations of both parties shall cease, with the exception of the restrictive covenants set forth in paragraphs 7, 8 and 9 of this Agreement.

6. Should Purvis at his discretion elect to terminate this contract for any reason, he shall give the Hospital Board 90 days' written notice of his decision to terminate. At the end of the 90 days, all rights, duties and obligations of both parties to the contract shall cease, with the exception of the restrictive covenants set forth in paragraphs 7, 8 and 9 of this Agreement.

7. Purvis will not use or disclose to any individual or entity any Confidential Information (as defined below) except (i) in the performance of his duties for the Hospital, (ii) as authorized in writing by the Hospital, or (iii) as required by subpoena or court order, provided that, prior written notice of such required disclosure is provided to the Hospital and, provided further that all reasonable efforts to preserve the confidentiality of such information shall be made. As used in this Agreement, "Confidential Information" shall mean information that (i) is used or potentially useful in the business of the Hospital, (ii) the Hospital treats as proprietary, private or confidential, and (iii) is not generally known to the public. "Confidential Information" includes, without limitation, information relating to the Hospital's products or services, patient information and data, patient lists, call lists, information relating to the Hospital's relationships with

physicians and their practices, memoranda, notes, records, technical data, trade secrets, audits, sources of supply and material, operating and cost data, financial information, personal information and information contained in manuals or memoranda. "Confidential Information" also includes proprietary and/or confidential information of the Hospital's patients, suppliers and physicians who may share such information with the Hospital pursuant to a confidentiality agreement or otherwise. Purvis agrees to treat all such patient, supplier or physician information as "Confidential Information" hereunder. The foregoing restrictions on the use or disclosure of Confidential Information shall continue after Purvis's employment terminates for any reason for so long as the information is not generally known to the public.

8. During the term of his employment and during the 12-month period following termination of his employment, Purvis shall not directly own, manage, operate, join, control, or participate in or be connected with, as an officer, employee, partner, stockholder or otherwise, any other hospital, medical clinic, integrated delivery system, health maintenance organization, or related business, partnership, firm, or corporation (all of which hereinafter are referred to as "entity") that is at the time engaged principally or significantly in a business that is, directly or indirectly, at the time in competition with the business of the Hospital within the service area of the Hospital. The service area is defined as a 40-mile radius from the location of the Hospital, 400 Cedar Street, Metter, Georgia 30439. Nothing herein shall prohibit Purvis from acquiring or holding any issue of stock or securities of any entity that has any securities listed on a national securities exchange or quoted in a daily listing of over-the-counter market securities, provided that any one time Purvis and members of Purvis's immediate family do not own more than one percent of any voting securities of any such entity. This covenant shall be construed as an agreement independent of any other provision of this Agreement, and the existence of any claim or cause of action, whether predicted on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Hospital of this covenant. In the event of actual or threatened breach by Purvis of this provision, the Hospital shall be entitled to an injunction restraining Purvis from violation or further violation of the terms thereof.

9. Purvis shall not directly or indirectly through his own efforts, or otherwise, during the term of this Agreement, and for a period of 12 months thereafter, employ, solicit to employ, or otherwise contract with, or in any way retain the services of any employee or former employee of the Hospital, if such individual has provided professional or support services to the Hospital at any time during this Agreement, without the express written consent of the Hospital. Purvis will not interfere with the relationship of the Hospital and any of its employees and Purvis will not attempt to divert from the Hospital any business in which the Hospital has been actively engaged during his employment.

10. Purvis warrants and represents that he is not bound by any agreement or arrangement which would preclude or restrict him from entering into, or from fully performing his duties as required under, this Agreement. Furthermore, Purvis has not in the past conducted and is not presently conducting himself in such a manner as to cause Hospital to be suspended, excluded, barred or sanctioned under the Medicare or Medicaid programs, or by any government licensing agency, nor has he ever been convicted of a criminal offense related to health care.

11. Terms of a new contract shall be completed, or the decision made not to negotiate a new contract made, not later than October 31 of each calendar year this Agreement is in effect. This Agreement and all its terms and conditions shall continue in effect until terminated.

12. This contract constitutes the entire agreement between the parties and contains all the agreements between them with respect to the subject matter hereof. It also supersedes any and all other agreements or contracts, either oral or written, between the parties with respect to the subject matter hereof.

13. Except as otherwise specifically provided, the terms and conditions of this contract may be amended at any time by mutual agreement of the parties, provided that before any amendment shall be valid or effective it shall have been reduced to writing and signed by the Chairman of the Hospital Board and Purvis.

14. The invalidity or unenforceability of any particular provision of this contract shall not affect its other provisions, and this contract shall be construed in all respects as if such invalid or unenforceable provisions had been omitted.

15. This agreement shall be binding upon the Hospital, its successors and assigns, including, without limitation, any corporation into which the Hospital may be merged or by which it may be acquired, and shall inure to the benefit of Purvis, his administrators, executors, legatees, heirs and assigns.

16. This agreement shall be construed and enforced under and in accordance with the laws of the State of Georgia.

17. Any notice, request, instruction, or other document to be given hereunder shall be in writing and shall be deemed to have been given: (a) on the day of receipt, if sent by overnight courier; (b) upon receipt, if given in person; (c) five days after being deposited in the mail, certified or registered mail, postage prepaid, and in any case addressed as follows:

**If to the Hospital:**

Candler County Hospital  
400 Cedar St.  
Metter, GA 30439  
Attn: Hospital Board Chair

**If to Purvis:**

Michael Purvis

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates set forth below.

*[SIGNATURE PAGE FOLLOWS]*



Acknowledged and Agreed:

**HOSPITAL**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**MICHAEL PURVIS**

By: Michael Purvis \_\_\_\_\_

Dated: 12/3/2018 \_\_\_\_\_