

This Term Sheet is intended to set forth the principal terms and conditions of a proposed Employment Agreement between The Fulton-DeKalb Hospital Authority (the "Authority") and Otis L. Story, Sr. ("Executive")

Term	Five years, with additional two-year option (at the election of the Authority)
Position	President and Chief Executive Officer
Duties and Reporting Relationships	Duties consistent with the CEO position. Reports directly to Board of Trustees. Stated Goals for the performance of Executive and/or the Grady Health System ("GHS") will be mutually established on an annual basis.
Salary	Minimum annual base salary of \$600,000, subject to annual review and increase (but not decrease).
Relocation	Relocation compensation of \$50,000 and other expenses as set forth in the contract.
Retention Bonus	Retention Bonus of \$60,000 payable after 90 days. If Executive resigns before completing six months of continuous service, he must immediately return the full amount of this bonus to the Authority.
Incentive Compensation	<ul style="list-style-type: none"> • Annual bonus of up to a maximum of 50% of base salary, based upon performance criteria established by the Board as set forth in the contract. • Participation in all incentive, savings, and retirement programs that are generally provided for the senior officers of GHS. • Competitive retirement package will be developed according to accepted national standards.
Other Benefits	<ul style="list-style-type: none"> • Participation in welfare benefit plans and programs (e.g., medical, dental, disability, employee life, group life, and other insurance) that are generally provided for the senior officers of GHS. • Annual automobile allowance of \$10,000. • Dues in approved professional organizations and reasonable membership fees for private club. • Reimbursement for business expenses within organizational guidelines. • Minimum of four weeks of paid vacation per year vacation, or a greater amount as provided by organizational guidelines. • Cell phone, laptop computer and wireless e-mail device for business use.

Termination of
Employment

With varying consequences, the Company can terminate Executive's employment with or without Cause (as defined).

With varying consequences, Executive can resign at any time for no reason or for Good Reason (as defined).

"Cause" definition

If Executive is terminated for Cause, he will receive minimal benefits and no severance. "Cause" means:

- The willful and continued failure by the Executive to substantially perform his duties after demand for substantial performance is delivered by the Board that specifically identifies the manner in which the Authority believes he has not substantially performed his duties (which includes the failure to meet Stated Goals by excludes the failure, after reasonable efforts, to meet other performance expectations), or
- The willful engaging in illegal conduct or gross misconduct which is, or is reasonably likely to be, materially injurious to GHS or the Authority, or
- Executive's material breach of the Agreement (with opportunity to cure within 30 days after notification), or
- Executive's conviction of, pleading guilty or nolo contendere to, or confession to, any felony or any act of fraud, misappropriation or embezzlement.

Termination for Cause requires the good faith approval of the Executive Committee of the Board at a meeting called for such purpose after reasonable notice is given to Executive and Executive is given an opportunity to be heard at such meeting.

"Good Reason"
definition

Likewise, if Executive resigns without Good Reason, he will receive minimal benefits and no severance. Good Reason for resignation includes:

- A material reduction in Executive's position, authority, duties or responsibilities (with an opportunity for the Authority to cure after notice),
- The Authority's failure to comply with Section 5 (Compensation and Benefits), or
- The Authority's failure to require any successor to honor the Agreement.

Result of resigning for Good Reason or being terminated without Cause.

Executive would receive:

- "Accrued benefits" (unpaid base salary through termination date, pro rata target bonus for year of termination, and any deferred compensation unless otherwise elected);
- Severance payment equal to three times base salary, payable over a period of 18 months;
- Continued medical and welfare benefits for 18 months; and
- Any other unpaid benefits to which Executive is otherwise entitled.

Result of being terminated for Cause or resigning without Good Reason

Executive would receive:

- Accrued benefits (excluding pro rata bonus); and
- Any other unpaid benefits to which Executive is otherwise entitled.

Result of termination for Death or Disability

Executive would receive:

- Accrued benefits; and
- Any other unpaid benefits to which Executive is otherwise entitled; including normal death or disability benefits. -

Restrictive Covenants

Covenant not to disclose or use confidential information and covenant not to solicit the Company's employees, for a period of two years after the date of termination. Continuing trade secret protection.

Release of Claims

As a condition to receiving the severance payment and post-employment health insurance benefits, Executive agrees to sign a release of legal claims satisfactory to the Authority. The release would be signed at the time of termination of employment.