

## **PROGRAM DISTRIBUTION AGREEMENT**

THIS PROGRAM DISTRIBUTION AGREEMENT (this “Agreement”) is between Diabetes Reversal Group, LLC (“DRG”), a Texas LLC, and the healthcare provider signing below (the “Provider”) and is effective as of \_\_\_\_\_, 2024.

**INTRODUCTION.** DRG offers a program involving a natural, non-drug approach to helping people with metabolic and nutritional imbalances which are associated with numerous health problems, including Type 2 Diabetes, with the goal of attaining diabetes reversal, consisting generally of certain counseling, advice and nutritional services and products (the “Program”). Through the expenditure of considerable time, effort and money, DRG and its affiliates have developed certain intellectual property, know-how, trade secrets, materials, procedures and information relating to the operation of the Program (the “Program IP”), all of which is deemed by DRG to be proprietary and confidential. DRG agrees that Provider will have the right to act as a non-exclusive distributor of the Program as described in this Agreement.

DRG and Provider have no pre-existing business relationship, this Agreement constitutes the only business relationship between the parties, and the only compensation to be paid, directly or indirectly, between DRG and Provider is as set forth in this Agreement. Without limiting the foregoing, it is not expected, and DRG and Provider do not intend, that patients will be referred to or by Provider or otherwise directly or indirectly between DRG and Provider.

For purposes of this Agreement, references to “applicable law” shall include any federal, state or local law, rule or regulation, any applicable ethical or other rules promulgated by professional associations or other administrative or regulatory bodies with jurisdiction over Provider, and any other applicable governmental, administrative or regulatory authorities.

For good and valuable consideration, the legal sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

### **SECTION 1. THE PROGRAM; PROVIDER’S ROLE**

1.1 **Program Suitability.** For Provider’s patients expressing interest in DRG’s services, Provider shall make an assessment of the patients’ suitability for the Program and when deemed appropriate by Provider, advise patients to access a dedicated website landing page maintained by DRG for more information about the Program. Provider will recommend the Program only to its existing patients and Provider will not provide DRG contact information to, or otherwise market the Program to, any person that is not a patient of Provider.

1.2 **Provider’s Independence and Judgment.** The parties acknowledge and agree that Provider is neither an agent nor employee of DRG, but DRG is an independent contractor rendering services directly to and for the benefit of the Provider’s patients. Provider shall determine the method, details, and means of independently determining the suitability of the Program for each patient in Provider’s own clinical judgment and in accordance with applicable law, giving priority to medical considerations, patient need, reasonable expectations of effectiveness for the particular patient and any other considerations deemed appropriate by Provider. Provider shall independently determine the price Provider will charge the patient for the Program. Without limiting the foregoing and notwithstanding any training, advice or instruction DRG may provide from time to time, DRG will not supervise, direct, control or try to influence Provider’s (a) exercise of professional and/or medical judgment, treatment protocols, employee decisions, clinical advice, clinical training, clinical care or relationships with patients, or (b) relationships with Provider’s employees. Provider will be free to offer patients treatment protocols that do not include the Program, will

have no minimum sales requirements under this Agreement, and will not be entitled to any volume or other discounts based upon the number of Program orders placed by patients with Provider. Each party to this Agreement shall be responsible for its own acts and omissions and shall not be responsible for the acts and omissions of the other party.

1.3 Participating Patients. If a patient elects to purchase the Program through Provider, Provider will have the right to offer and sell the Program to that patient, subject to the terms of this Agreement and applicable law. If the patient does elect to purchase the Program, he/she shall do so by paying to Provider the price agreed upon between Provider and the patient, and then Provider shall pay to DRG the fixed price for the applicable Program as set forth in this Agreement.

1.4 Maintenance of Medical Records. Provider shall maintain medical records for all patients that are referred to the Program by Provider. All such records shall be legible, promptly completed, and maintained in accordance with prudent record-keeping practices.

1.5 Not a Franchise or Business Opportunity. This Agreement and the relationship between DRG and Provider created hereunder is not intended to be a franchise or regulated business opportunity. In the event any component of our relationship is deemed to constitute a franchise or business opportunity, DRG is entitled to modify this Agreement or the scope or structure of the Program so that this Agreement is treated as it is intended by DRG and Provider.

1.6 Due Diligence; No Other Representations. In signing this Agreement, Provider acknowledges that it has conducted an independent investigation of the Program and that the specific components of the Program may evolve and change over time. DRG expressly disclaims making, and Provider acknowledges that it has not received or relied on, any representations or guarantees, express or implied, as to the revenues, profits, income or likelihood of success that may result from Provider's utilization of the Program, the existence or size of the potential market for the Program, that DRG will provide or assist Provider with obtaining patients, customers, locations or outlets for the sale of the Program, or that DRG will repurchase products or refund payments made for Programs. Provider specifically acknowledges that there have been no representations by DRG or its affiliates or their respective officers, directors, owners, employees, or agents that are inconsistent with the provisions of this Agreement.

## **SECTION 2. RESPONSIBILITIES OF PROVIDER**

2.1 Qualifications of Provider. Provider must be a health care professional duly licensed by the applicable professional licensing board of the state where Provider practices. Provider's license shall be in good standing and maintained as such throughout the term of this Agreement. Provider represents to DRG that it has operated a health care practice for at least two years prior to the effective date of this Agreement, and that Provider is not required by this Agreement to use or recommend any component of the Program to any patient. Provider further covenants and agrees that revenues derived from sales of the Program will at all times be less than 20% of all revenues received by Provider in its health care practice.

2.2 Patient Relationship. Provider acknowledges that any actions taken by Provider in connection with this Agreement or the Program will be in accordance with prevailing medical and clinical standards, as applicable, in the community in which Provider practices and in a manner at least equal in quality, completeness, promptness and other attributes to medical and clinical services provided by Provider to patients not participating in the Program. Provider shall maintain the same doctor-patient relationship with each patient as would arise in the absence of this Agreement, and no provision of this Agreement shall have the effect of infringing upon Provider's professional relationship with each patient.

2.3 Ethical and Professional Standards. During the term of this Agreement, Provider shall maintain professional competence and skills commensurate with the standards of the community, or as otherwise required by applicable law. Provider shall comply with all applicable laws, including without limitation all applicable rules of the state licensing board having jurisdiction over the Provider. Provider acknowledges and agrees that such compliance is the sole responsibility of Provider, and DRG has no duty or responsibility to advise Provider with respect thereto.

Provider further acknowledges that applicable laws or ethical considerations may require it to disclose to patients in an easily understood manner: (i) any financial interest Provider may have in the transaction, such as the difference between the price paid by Provider for the Program and the price being charged to the patient, (ii) that the patient is under no obligation to purchase the Program from Provider, (iii) information about the risks, benefits, and any limits of scientific knowledge regarding the products and services included in the Program, and (iv) that products or services similar to the Program may be available elsewhere at different price and service levels.

2.4 Marketing. DRG does not prescribe or authorize Provider to engage in any marketing of the Program or any use of DRG's name or trademarks, including the federally-registered "Diabetes Reversal Group" trademark ("Marks"), except as expressly provided in this Agreement. Provider agrees that it will only use the Marks on the interior office signage provided by DRG and in informational materials, if any, that are provided by DRG. Accordingly, (1) Provider cannot use DRG Marks in any general or public advertisements, marketing or signage or in any materials that are not provided by DRG, (2) Provider will not advertise, promote or market the Program other than via interactions with patients of the Provider, (3) Provider will not make any claims or representations about the Program except as may be contained in materials provided by DRG for use by Provider, and (4) Provider shall not adopt or use any DRG Marks, or names/marks that are similar to those of DRG, in the marketing or operation of its health care practice as a whole. Finally, Provider acknowledges that DRG is the sole owner of the Marks and Provider disclaims any rights in or to the Marks or any derivation thereof, whether arising by registration, use or otherwise, and that upon DRG's request Provider will immediately cease any use of the Marks.

### **SECTION 3. CONTRACTING AND COMPENSATION**

3.1 Non-Exclusivity. Provider shall remain free to sell Provider's own services individually to any person, at any price chosen, outside of this Agreement, even if those services are in lieu of or similar to the Program. DRG shall be entitled to enter into agreements with third parties for the provision of the Program to patients or customers, some of which may be in close proximity to Provider or be patients of Provider. Provider is not guaranteed any exclusive geographical or other territory or other exclusive rights to any market or persons. Without limiting the foregoing, Provider acknowledges that DRG also opens clinics that provides services and products that include those offered through the Program, which may publicly market the Program in the general area of Provider's practice, but the relationship between DRG and Provider is substantially different from, and is not part of, the DRG clinics.

#### **3.2 Cost of the Program.**

3.2.1. If Provider determines that a patient should participate in the Program and the patient wishes to do so, Provider will collect such fees from the patient as Provider determines to be appropriate in Provider's sole discretion and in compliance with all applicable law, it being understood that applicable law may require Provider to determine any difference between the cost of the Program to Provider and the price offered to patients based upon the fair value of Provider's time, effort and services in connection with providing access to the Program.

3.2.2 Patients will purchase the Program through a website portal that provides payment directly to Provider and any payments from patient to Provider shall be the sole and unencumbered property of Provider. Upon collection of all or any portion of such fees, Provider must pay DRG the full Program wholesale cost set forth below within 3 business days, even if Provider offers installment payment terms to its patients:

3 month Program - \$2,945

5 month Program - \$4,445

7 month Program - \$5,945

Payments will be paid to DRG in United States Dollars. Provider will provide DRG with 2 credit cards, 1 primary and 1 back up, so DRG can charge Provider the DRG wholesale fees listed above within 3 days of Patient joining the DRG program.

3.3 Cash Billing. The cost of the Program is not a reimbursable claim with respect to any state or federally-funded healthcare program, insurance company or other third-party payer, so Provider may only bill the patient directly and will not submit any claim to any third party for the Program, or otherwise collect co-payments or deductibles from the patient. Provider agrees that neither it nor any of its staff will make any representation to the patient that conflicts with the foregoing, and Provider agrees that it will affirmatively advise patients that the Program will not be covered by health insurance, Medicare, Medicaid or any other third-party payer.

3.4 Services Outside Scope of Agreement. Professional services rendered by Provider will not be billed by or through DRG, and DRG shall not have any liability or responsibility whatsoever in connection with such services, nor shall this Agreement have any force or effect with respect to such services.

#### **SECTION 4. NO PAYMENT FOR REFERRALS; PATIENT CHOICE**

The parties acknowledge that the payments made by Provider to DRG pursuant to this Agreement are reflective of the fair market value for the Program's services and materials, and that such compensation shall in no way be contingent upon, or conditioned by, the referral of any patients, goods, or supplies, for which payment may be made by Medicare, Medicaid, or any other payment source. The parties further acknowledge that patients have the freedom to choose whether to participate in the Program and whether to request follow up care and services from DRG, Provider or any other health care provider.

#### **SECTION 5. CONFIDENTIALITY**

5.1 Confidential Information. For purposes of this Agreement, "Confidential Information" shall mean information of a party that shall be subject to patent, copyright, trademark, trade secret, trade name or service mark protection, or described or treated as confidential or proprietary by a party, or not otherwise in the public domain and related to the business and operations of a party, including, without limitation, this Agreement and the exhibits hereto. The contents of the Program, including the Program IP, shall be deemed to be the Confidential Information of DRG regardless of whether it satisfies any separate legal definition of a trade secret.

## 5.2 Confidential Information.

5.2.1 Each party acknowledges that (i) due to the nature of this Agreement, each party may have access to and acquire Confidential Information, related to the business and operations of the other party; (ii) all Confidential Information is solely the property of the disclosing party and constitutes the proprietary information of the disclosing party; (iii) the disclosure of Confidential Information by the receiving party to third parties would cause substantial loss to the goodwill of, and irreparable harm to, the disclosing party; and (iv) the restrictions imposed upon each party herein do not unreasonably restrict such party in doing business.

5.2.2 In consideration of the acknowledgements set forth above and in consideration for this Agreement, each party (and their respective officers, directors, employees, agents, successors and assigns) shall hold any and all Confidential Information of the other party in the strictest confidence as a fiduciary, and shall not directly or indirectly, voluntarily or involuntarily, (i) sell, transfer, publish, disclose, display or otherwise make available to others any portion of such Confidential Information or (ii) use any portion of such Confidential Information for any purpose other than satisfying its obligations hereunder, in each case without the express written consent of the disclosing party. Each party shall use its best efforts to protect the Confidential Information of the other party consistent with the manner in which such party protects its own confidential business information.

5.2.3 The parties' rights and obligations under this Section will survive termination of this Agreement indefinitely.

5.3 Medical Records. The parties hereto shall maintain the confidentiality of any and all medical records which shall be in their possession and control, and such information shall only be released or disseminated pursuant to the valid authorization of the patient whose medical condition is reflected in such medical records or as shall be otherwise permitted under applicable law. If in Provider's opinion it is necessary to do so, DRG will execute a reasonable HIPAA business associate agreement as supplied by Provider.

## **SECTION 6. TERM AND TERMINATION**

6.1 Term. This Agreement will be for a term of one (1) year beginning on the effective date of this Agreement. This Agreement will automatically be renewed for subsequent one (1) year terms unless either party gives written notice of its intent to not renew the Agreement at least sixty (60) days prior to the expiration date.

6.2 Immediate Termination. This Agreement shall immediately terminate without notice upon the occurrence of the following:

6.2.1 Breach of Agreement. Breach of the terms of this Agreement by either party, which breach is not corrected by the breaching party within thirty (30) days after written notice thereof, by certified or registered mail, return receipt requested, is given to the breaching party;

6.2.2 Professional Negligence. Gross or culpable negligence by Provider;

6.2.3 Inability to Fulfill Agreement. The inability of Provider to fulfill the provisions of this Agreement for any reason; or

6.2.4 Loss of License. Loss by Provider of professional licensure.

6.2.5 Relationship Change. In the event any component of the relationship between DRG and Provider is deemed to constitute a franchise or business opportunity under applicable law.

6.3 Payment Following Termination. DRG shall be entitled to payments as specified herein for Programs purchased by patients prior to the date of termination of this Agreement.

6.4 Upon Termination. Following termination of this Agreement for any reason, (1) Provider shall have no further right to offer the Program or to use the Marks, (2) DRG will continue to provide Program services and products for any of Provider's patients that have ordered and paid for the Program prior to the date of termination, and (3) Provider will return to DRG all materials containing any DRG Marks or Program IP.

## **SECTION 7. NOTICES**

Any notice required or permitted to be given by any provision of this Agreement shall be in writing and shall be deemed to have been delivered, given and received for all purposes (i) if delivered personally to the party to whom the notice is directed; or (ii) whether or not the same is actually received, if sent registered or certified mail, postage and charges prepaid, addressed as provided next to the signature lines of this Agreement, or such other addresses as the parties may agree to in writing.

## **SECTION 8. SEVERABILITY AND REFORMATION**

8.1 Invalid Provisions. To the extent any provision of this Agreement is deemed void, invalid or otherwise unenforceable, DRG and Provider agree that the invalid provision will be deemed modified or limited to the extent or manner necessary to make that particular provision valid and enforceable to the greatest extent possible in light of the intent of the parties expressed in such provision under the laws applied in the forum in that we are seeking to enforce such provision.

8.2 Legal Requirements. In addition, if, in the opinion of DRG's legal counsel, any provision of this Agreement is contrary to law, then this Agreement shall remain in full force and effect and DRG and Provider agree to negotiate in good faith an amendment that would make this Agreement conform to the applicable legal requirements. If DRG and Provider are unable to reach such an agreement within 30 days after notice of the issue is given to the other party, or if fundamental changes to this Agreement are required to make it conform to the legal requirements, then DRG reserves the right to terminate this Agreement upon notice to Provider, in which case neither party shall have any liability to the other except for obligations that survive termination.

## **SECTION 9. MISCELLANEOUS**

Each party, its officers, agents and employees are at all times independent contractors to the other party. Except as otherwise specifically provided herein, this Agreement may not be amended, modified or terminated except by written agreement of all the parties hereto. This Agreement supersedes all prior or contemporaneous agreements or understandings (whether oral or written), if any, among any of the parties with respect to the subject matter hereof. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. No party may assign any right or obligation under this Agreement without the other parties' prior written consent, except that DRG may assign this Agreement, without the Provider's consent, to any entity controlling, controlled by, or under common control of DRG. Any waiver by either party of any breach or any term or condition hereof shall be effective only if in writing and such writing shall not be deemed to be a waiver of any subsequent or other breach, term or condition of this Agreement. This Agreement may be executed in multiple counterparts all of which taken together shall constitute one and the same Agreement.

**SECTION 10. Jurisdiction; Service of Process.**

The parties hereby irrevocably agree that any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement must be brought exclusively in the courts of the State of Texas located in Dallas County, Texas, or, if it has or can acquire jurisdiction, in the United States District Court for the Northern District of Texas. Each of the parties hereto irrevocably consents and submits itself to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and irrevocably waives any objection it may now or hereafter have to the placing of venue in any such courts and any right to remove any such action or proceeding to another court. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

IN WITNESS WHEREOF, DRG and Provider have hereunto caused this Agreement to be executed as of the effective date set forth at the beginning of this Agreement.

Notice Addresses

\_\_\_\_\_  
\_\_\_\_\_

PROVIDER

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

Its: \_\_\_\_\_

750 N St. Paul Street, Suite 211  
Dallas, Texas 75201

By: \_\_\_\_\_  
Its: Traci Hockings  
Owner