

EXECUTION COPY

SECOND AMENDED AND RESTATED PAY FOR SUCCESS AGREEMENT

Dated as of August 28, 2020

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This Second Amended and Restated Pay for Success Agreement (this “Agreement”), dated as of August 28, 2020, is among Payor Alliance for Veterans Employment, LLC (“PAVE”), a Delaware limited liability company, Veterans CARE Managing Member, LLC (the “Veterans CARE Managing Member”), a Delaware limited liability company, and Veterans Coordinated Approach to Recovery and Employment, LLC, a Delaware limited liability company (“Veterans CARE”). PAVE, Veterans CARE Managing Member and Veterans CARE are referred to herein collectively as the “Parties” and each as a “Party”. This Agreement amends and restates the Amended and Restated Pay for Success Agreement dated as of July 24, 2018 (the “Original PFS Agreement”) previously entered into by the Parties. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in Appendix A.

WHEREAS, Social Finance, Inc., on behalf of PAVE, accepted a \$3,000,000 grant from the U.S. Department of Veterans Affairs (the “VA”) in September 2016 by executing the Veterans Grant Program Grant Agreement (the “VA Grant”), as included in Appendix B, for purposes of providing a portion of the Outcome Payments for the Project (as defined below);

WHEREAS, the VA Grant is in support of the Veterans Coordinated Approach to Recovery and Employment Project (the “Project”), in which the highest priority and goal is to provide supported employment services to Veterans with service-connected Post-Traumatic Stress Disorder (“PTSD”) via four Project Teams;

WHEREAS, PAVE has entered into three Payor Contracts (collectively, the “Payor Contracts,” attached hereto in Appendix C) with each of (i) The Commonwealth of Massachusetts, acting through its Executive Office for Administration and Finance, (ii) the Neighborhood Jobs Trust of the City of Boston together with the Economic Development and Industrial Corporation of Boston (together, the “MA/Boston Payors”), and (iii) the City of New York, acting through its Department of Veterans’ Services (“NYC DVS Payor” and, collectively with the MA/Boston Payors, the “Payors”) pursuant to which each of the Payors will provide a portion of matching funds for the VA Grant to be applied collectively with the VA Grant as Outcome Payments in the maximum amount set forth in each Payor Contract, with respect to their applicable Project Teams;

WHEREAS, the Tuscaloosa Research and Education Advancement Corporation (“TREAC”), a nonprofit corporation affiliated with the Tuscaloosa VAMC (“TVAMC” and collectively with TREAC, the “Implementation Coordinating Center”), facilitates implementation of a supported employment intervention known as Individual Placement and Support (“IPS”), to be delivered to Veterans with PTSD by dedicated employment specialists via the Project Teams, all as more fully described in Schedule 1 (Operating Responsibilities);

WHEREAS, Veterans CARE has entered into an agreement (the “Evaluator Agreement”) with Westat, Inc. (the “Evaluator”), an independent third party, to measure four different Outcomes, including a Fidelity Score Outcome, Earnings Outcome, Days Worked Outcome and Job Satisfaction Outcome, all as more fully described in Schedule 2 (Project Evaluation);

WHEREAS, Veterans CARE Managing Member will calculate the Outcome Payments, if any, attributable to each of the Project Teams, and the amount of such Outcome Payments to be paid by each of the Payors, in accordance with Schedule 3 (Calculation of Outcome Payments), and provide an invoice for such amounts to PAVE;

WHEREAS, operating costs for the Project were initially funded by the proceeds of loans to Veterans CARE (the “Financing”) provided by certain lenders (the “Funding Partners”), with such amounts to be repaid from proceeds of Outcome Payments pursuant to the terms of the Original PFS Agreement;

WHEREAS, due to the under-enrollment of Veterans in the Project since its commencement and the uncertainty introduced by COVID-19, the Parties, the VA, the Payors and the Funding Partners have agreed to (i) a repayment of the principal investment to date from the Funding Partners from Outcome Payments made by the VA and the Payors, and the termination of the related Funding Partner agreements and any further obligations thereunder, (ii) continuation of services to enrolled Veterans by certain of the Project Teams through June 2021 to be funded from remaining Outcome Payments to be made by the MA/Boston Payors pursuant to the applicable Payor Contracts and pursuant to the VA Grant, and (iii) the termination of the Payor Contract for the NYC DVS Payor; and

WHEREAS, the Parties have entered into this Agreement to implement such changes; and

NOW THEREFORE, in consideration of the promises, responsibilities and covenants herein, the Parties agree as follows:

ARTICLE I. DEFINITIONS/CONSTRUCTION

Section 1.1 Defined Terms In this Agreement, capitalized terms have the meaning assigned to them in this Agreement and accompanying Schedules, and in Appendix A – Index of Defined Terms, a copy of which is attached hereto and incorporated by this reference.

Section 1.2 Schedules

The following Schedules attached hereto are hereby incorporated into this Agreement in their entirety:

Schedule 1: Operating Responsibilities

Schedule 2: Project Evaluation

Schedule 3: Calculation of Outcome Payments

Schedule 4: Governance and Reporting

Schedule 5: Publicity

Section 1.3 Appendices.

The following additional Appendices are attached hereto:

Appendix B: VA Grant and SFI MOU, included herein for reference purposes only.

Appendix C: Payor Contracts with each of the Payors, hereby incorporated into this Agreement in their entirety.

ARTICLE II. TERM OF AGREEMENT; SERVICES

Section 2.1 Effective Date

This Agreement, as so amended and restated, will become effective as of the date first written above (the “Effective Date”) and will remain in effect until October 29, 2021 (the “Term”), unless earlier terminated pursuant to Section 8.1.

Section 2.2 Project Launch Date

The Implementation Coordinating Center oversees the implementation of IPS services described more fully in Schedule 1 (Operating Responsibilities) via the Project Teams, which services commenced on May 31, 2018 (the “Service Commencement Date”).

Section 2.3 Project Goals

The goals of the Project are consistent with the mission of the VA, which is to fulfill President Lincoln’s promise, “To care for him who shall have borne the battle, and for his widow, and his orphan...” by serving and honoring the men and women who are America’s Veterans, and to help Veterans attain personal and economic success. The VA Grant awarded to this Project is a collaborative effort by the VA and the Corporation for National and Community Service to test the Pay for Success model as a way to improve suitable employment outcomes for Veterans with a service-connected PTSD disability. Improving suitable employment outcomes means creating positive impact, where the results for Veterans who receive services provided under the Project will improve.

ARTICLE III. REPRESENTATIONS AND WARRANTIES

Section 3.1 Veterans CARE Managing Member’s Representations and Warranties

(a) Organization and Good Standing. Veterans CARE Managing Member is a limited liability company validly existing and in good standing under the laws of the State of Delaware, is qualified to conduct business in the Commonwealth of Massachusetts, and has full corporate power and authority to conduct its business as presently conducted and to enter into and perform under this Agreement.

(b) Authority for Agreement. The execution, delivery and performance by Veterans CARE Managing Member of this Agreement and the performance by Veterans CARE Managing Member under this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by Veterans CARE Managing Member and, assuming the due authorization, execution and delivery by PAVE and Veterans CARE, and subject to the effect of applicable Laws (e.g., bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to the rights of creditors generally), constitutes a legal, valid and binding obligation of Veterans CARE Managing Member, enforceable against Veterans

CARE Managing Member in accordance with its terms. The execution and performance of this Agreement by Veterans CARE Managing Member will not violate any provision of Law and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under or require a consent or waiver under, Veterans CARE Managing Member's organizational documents or any decree, judgment, order applicable to Veterans CARE Managing Member.

(c) No Litigation. No litigation, arbitration or administrative proceeding is presently in progress or, to Veterans CARE Managing Member's knowledge, pending or threatened in writing against Veterans CARE Managing Member or any of its assets which might reasonably be expected to materially adversely affect the ability of Veterans CARE Managing Member to perform its obligations under this Agreement.

Section 3.2 Veterans CARE's Representations and Warranties

(a) Organization and Good Standing. Veterans CARE is a limited liability company validly existing and in good standing under the laws of the State of Delaware, is qualified to conduct business in the Commonwealth of Massachusetts, and has full corporate power and authority to conduct its business as presently conducted and to enter into and perform under this Agreement.

(b) Authority for Agreement. The execution, delivery and performance by Veterans CARE of this Agreement and the performance by Veterans CARE under this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by Veterans CARE and, assuming the due authorization, execution and delivery by PAVE and Veterans CARE Managing Member, and subject to the effect of applicable Laws (e.g., bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to the rights of creditors generally), constitutes a legal, valid and binding obligation of Veterans CARE, enforceable against Veterans CARE in accordance with its terms. The execution and performance of this Agreement by Veterans CARE will not violate any provision of Law and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under or require a consent or waiver under, Veterans CARE's organizational documents or any decree, judgment, order applicable to Veterans CARE.

(c) No Litigation. No litigation, arbitration or administrative proceeding is presently in progress or, to Veterans CARE's knowledge, pending or threatened against Veterans CARE or any of its assets which might reasonably be expected to materially adversely affect the ability of Veterans CARE to perform its obligations under this Agreement.

Section 3.3 PAVE Representations and Warranties

(a) Organization and Good Standing. PAVE is a limited liability company validly existing and in good standing under the laws of the State of Delaware, is qualified to conduct business in the Commonwealth of Massachusetts, and has full corporate power and authority to conduct its business as presently conducted and to enter into and perform under this Agreement.

(b) Authority for Agreement. The execution, delivery and performance by PAVE of this Agreement and the performance by PAVE under this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by PAVE and, assuming the due authorization, execution and delivery by Veterans CARE Managing Member and Veterans CARE, and subject to the effect of applicable Laws (e.g., bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to the rights of creditors generally), constitutes a legal, valid, and binding obligation of PAVE, enforceable against PAVE in accordance with its terms. The execution and performance of this Agreement by PAVE will not violate any provision of Law and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under or require a consent or waiver under, PAVE's organizational documents or any decree, judgment, order applicable to PAVE.

(c) No Litigation. No claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to PAVE's knowledge, pending or threatened against PAVE which will or might reasonably be expected to materially adversely affect the ability of PAVE to perform under this Agreement.

ARTICLE IV. OBLIGATIONS AND RESPONSIBILITIES OF THE PARTIES

Section 4.1 Veterans CARE Managing Member's Obligations and Responsibilities

Without limiting the generality or effect of any other provision of this Agreement, Veterans CARE Managing Member will:

(a) use reasonable efforts to perform its responsibilities and to take such actions in each case as are required to be taken by it in this Agreement and the Schedules attached hereto;

(b) in rendering its services hereunder, comply with all Laws applicable to it and its subsidiaries;

(c) enter into and enforce the Intermediary Services Agreement; and

(d) use its reasonable efforts to perform its responsibilities and to take such actions in each case as are required to be taken by it in this Agreement, including the Schedules attached hereto.

Section 4.2 Veterans CARE's Obligations and Responsibilities

Without limiting the generality or effect of any other provision of this Agreement, Veterans CARE will:

(a) use reasonable efforts to perform its responsibilities and to take such actions in each case as are required to be taken by it in this Agreement and the Schedules attached hereto;

(b) reserved;

(c) in rendering its services hereunder, comply with all Laws applicable to it and its subsidiaries;

(d) enter into and enforce the Intermediary Services Agreement, the Intervention Agreement and the Evaluator Agreement, and without the prior written consent of PAVE, subject to the approval of the VA and the applicable Payors, subsequently not (x) amend such Intervention Agreement or Evaluator Agreement in any material respect, (y) terminate the Intervention Agreement or Evaluator Agreement or (z) enter into an Intervention Agreement or an Evaluator Agreement with a successor to TREAC and TVAMC or Evaluator, as applicable;

(e) promptly notify PAVE of any Material Breach of the Intermediary Services Agreement, Intervention Agreement or Evaluator Agreement, and use reasonable efforts to (i) cause Social Finance, Inc., TREAC, TVAMC or Evaluator, as applicable, to remedy such Material Breach, or (ii) if necessary, replace Social Finance, Inc., TREAC, TVAMC or Evaluator, as directed by the Payor Steering Committee;

(f) enter into and enforce certain agreements with Wilmington Trust, National Association, including a custody account agreement and entity management services agreement (together, the “Veterans CARE Fiscal Agency Agreement”); and

(g) reserved.

Section 4.3 PAVE Obligations and Responsibilities

Without limiting the generality or effect of any other provision of this Agreement, PAVE will:

(a) Upon receipt of an Outcome Payment invoice from Veterans CARE Managing Member in accordance with Schedule 3 (Calculation of Outcome Payments), notify each of the VA and the Payors in accordance the VA Grant and the applicable Payor Contracts of the applicable amount of the Outcome Payment due from such entity. Upon receipt of such amounts by PAVE in accordance with the VA Grant and the applicable Payor Contracts, respectively, PAVE will transfer such amounts to a bank account designated by Veterans CARE within 10 Business Days of payment in full of all outstanding Outcome Payment invoices. Notwithstanding any other provision in this Agreement, PAVE’s obligation to fund any Outcome Payments or Early Outcome Payments shall be limited to funds received from the VA and the applicable Payors for the purpose of making such Outcome Payments.

(b) promptly inform Veterans CARE Managing Member and Veterans CARE of potential shortfalls in the amount of Outcome Payments;

(c) enter into and enforce certain agreements with Wilmington Trust, National Association, including a custody account agreement and entity management services agreement (together, the “PAVE Fiscal Agency Agreement” and together with the Veterans CARE Fiscal Agency Agreement, the “Fiscal Agency Agreement”);

(d) promptly notify Veterans CARE Managing Member and Veterans CARE of any information provided by Payors related to the status of any relevant budget, legislative or other action related to appropriations, or authorization of the applicable Payor Contract and Pay for Success projects generally; and

(e) enter into and enforce the Payor Contracts.

Section 4.4 Confidential Information

(a) Confidential Information Generally. Each Party acknowledges that, during the term of this Agreement, it may disclose (the “Disclosing Party”) to the other (the “Receiving Party”) certain confidential information and data (the “Confidential Information”). Subject at all times to applicable state law as set forth in the Payor Contracts, each Party agrees to maintain all Confidential Information provided to it by another Party as confidential and to not disclose such information to any Persons other than to its representatives or as otherwise required by Law.

(b) Notice. Veterans CARE Managing Member or Veterans CARE shall endeavor to clearly mark each page of all documents which such Party wishes to designate as Confidential Information “Confidential Information” and may also include a reference to this Agreement; provided, however, that Veterans CARE Managing Member or Veterans CARE’s failure to mark any document shall not foreclose such Party from asserting that a document should be designated as Confidential Information.

(c) Certain Required Disclosures. For purposes of this Section 4.4, “Confidential Information” does not include, and there will be no obligation hereunder with respect to, information that (i) was available or became available to the public other than as a result of a disclosure by the Receiving Party; or (ii) was available, or became available, to the Receiving Party on a non-confidential basis prior to its disclosure to the Receiving Party by the Disclosing Party or its representative, but only if such information was not made available through a breach of an obligation of confidentiality owed to the Disclosing Party; (iii) is subject to disclosure in accordance with state or federal law, including the U.S. Freedom of Information Act, or (iv) is legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, civil or criminal investigative demand or similar legal process) or the disclosure of which is required by a regulatory body or court, provided, that Receiving Party shall: (A) provide the Disclosing Party with prompt notice of any such request(s) so that it may seek an appropriate protective order or other appropriate remedy, and (B) provide reasonable assistance to the Disclosing Party in obtaining any such protective order. If such protective order or other remedy is not obtained or the Disclosing Party otherwise consents to disclosure, then the Receiving Party may furnish that portion (and only that portion) of the Confidential Information which, in the opinion of counsel to the Receiving Party, the Receiving Party is legally compelled to disclose.

Section 4.5 Payor Steering Committee; Management Committee

Promptly and in any event within thirty days after the execution of this Agreement, the Parties will form the Payor Steering Committee and the Management Committee, both as

contemplated by Schedule 4 (Governance and Reporting), which committees will have the powers and duties set forth on Schedule 4 (Governance and Reporting).

Section 4.6 Publicity

News releases or any other similar public announcements regarding the Project or this Agreement may not be released or made by any Party prior to following the procedures outlined in Schedule 5 (Publicity); provided, however, that any Party may make any public announcement that its counsel advises is required by Law or legal process, in which case, to the extent practicable, it will consult with the other Party with respect to the timing and content thereof. PAVE acknowledges and agrees that the Payors have agreed to a similar provision regarding publicity in the Payor Contracts, as applicable.

Section 4.7 Books and Records; Audit Rights

Veterans CARE Managing Member, Veterans CARE and PAVE will establish and maintain books, records and documents (including electronic storage media) in accordance with generally accepted accounting principles and practices which sufficiently and properly reflect all revenues and expenditures of funds in connection with the Project. Each of Veterans CARE Managing Member, Veterans CARE and PAVE will retain all records, financial records, supporting documents, statistical records and any other documents (including electronic storage media) pertinent to this Agreement, if any, for a period of three years after termination of this Agreement, or if an audit has been initiated and audit findings have not been resolved at the end of three years, the records will be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement. Veterans CARE Managing Member and Veterans CARE will assure that these records will be subject at all reasonable times to inspection, review, or audit by Federal, state, or other personnel duly authorized by PAVE. Each of the Payors or their duly authorized representatives shall have the right to examine any directly pertinent books, documents, papers and records of PAVE involving transactions related to the Payor Contracts until three years after the final payment under such Payor Contract.

ARTICLE V. OUTCOMES AND OUTCOME PAYMENTS

Section 5.1 Calculation of Outcomes and Outcome Payments.

Outcome Payments are contingent upon the Evaluator's determinations as to whether the Outcomes have been met in accordance with Schedule 2 (Project Evaluation). Upon such a determination that one or more of the Outcomes have been met, Veterans CARE Managing Member shall calculate the applicable Outcome Payments in accordance with Schedule 3 (Calculation of Outcome Payments).

Section 5.2 Maximum Payments.

The maximum total amount payable by PAVE to Veterans CARE for cumulative Outcome Payments is \$6,000,000, provided that the maximum amount payable by the VA is \$3,000,000 and

the maximum amount payable by each of the Payors is set forth in the applicable Payor Contract but does not collectively exceed \$3,000,000.

Section 5.3 Outcome Payments.

PAVE will make the Outcome Payments to Veterans CARE in accordance with Schedule 3 (Calculation of Outcome Payments) and Section 4.3(a), solely from, and subject to, funds received by PAVE pursuant to the VA Grant and the Payor Contracts, as applicable. PAVE hereby assigns the right to payment set forth in each of the Payor Contracts and the SFI MOU to Veterans CARE, as collateral for its obligations hereunder. Veterans CARE Managing Member shall make a proposal to the Payor Steering Committee for the future use of any expected unspent Outcome Payments remaining in the Veterans CARE account after the Term. If no such proposal is accepted by the Payor Steering Committee(s) within 120 calendar days following the end of the Term, any unspent Outcome Payments in the Veterans CARE account shall be disbursed back to Payors.

Section 5.4 No Third Party Rights.

Except as set forth in Sections 7.1 and 8.1 below, the Parties agree that nothing in this Agreement shall be deemed to create or give to any third party any claim or right of action against PAVE or any other Party.

ARTICLE VI. [RESERVED]

ARTICLE VII. MODIFICATION

Section 7.1 Generally.

Other than as explicitly stated in this Agreement or any of the Schedules attached hereto, this Agreement or any part of it may only be modified, revised, supplemented, abrogated, extended, waived, or amended in writing agreed to and signed by all Parties, subject to approval by the VA and the Payors in accordance with their respective agreements. In the event of any change in Federal or state Law or regulation which affects a Party's responsibilities, this Agreement shall be automatically amended to reflect such changes. Thereafter, the Parties mutually agree to enter into good faith negotiations to enter into a written amendment to reflect such changes.

ARTICLE VIII. TERMINATION OF AGREEMENT

Section 8.1 Termination Rights.

This Agreement may be terminated as follows and may not be terminated for any other reason or under any other theory whatsoever, provided that each of the VA and the Payors shall consent to such termination, in accordance with the respective agreements, which consent shall

not be unreasonably withheld, conditioned or delayed (except as provided in Sections 8.1(a) and 8.1(f) below):

(a) Payment Breach by PAVE. By Veterans CARE Managing Member, by delivery of written notice to PAVE if PAVE fails to make all or part of an Outcome Payment, including an Early Outcome Payment in accordance with Section 4.3, when due and payable, due either to the failure of one or more of the VA or the Payors to transfer funds to PAVE in a timely manner, in which case this Agreement may be terminated without the consent of the defaulting Payor or VA, as applicable or to the failure of PAVE to transmit funds it has received to Veterans CARE Managing Member in a timely fashion.

(b) Material Breach by Veterans CARE Managing Member or Veterans CARE. By PAVE, at the written direction of the Payor Steering Committee, by delivery of written notice to Veterans CARE Managing Member or Veterans CARE if Veterans CARE Managing Member or Veterans CARE is in Material Breach of its obligations under this Agreement including the Schedules hereto, and such breach is not Cured within 60 days after written notice of such breach is given by PAVE to Veterans CARE Managing Member or Veterans CARE, as applicable.

(c) Mutual Consent: Automatically upon the written mutual consent of the Parties, which consent may not be unreasonably withheld, conditioned, or delayed, in accordance with the terms of such written mutual consent to termination, with respect to one or more of the Project Team(s).

(d) Bankruptcy: By PAVE, within 60 days after the filing of a petition in bankruptcy or insolvency by or against Veterans CARE Managing Member or Veterans CARE such filing is not withdrawn.

(e) Force Majeure: By PAVE or Veterans CARE Managing Member by written notice to the other if Force Majeure prevents either Party from performing its material obligations under this Agreement (other than its obligation to pay) or prevents TREAC or TVAMC from performing its material obligations under the Intervention Agreement, in each case for a period in excess of three (3) calendar months, in all cases, with respect to one or more of the Project Team(s).

(f) Termination of VA Grant or one or more Payor Contracts. By PAVE or Veterans CARE Managing Member if the VA Grant is terminated, or if one or more of the Payor Contracts is terminated in accordance with its terms, in which case this Agreement may be terminated without the consent of the VA or the defaulting Payor, as applicable.

(g) Termination of Intermediary Services Agreement. By PAVE or Veterans CARE Managing Member upon the early termination of the Intermediary Services Agreement in accordance with the terms thereof, and the inability of Veterans CARE to enter into an Intermediary Services Agreement with an acceptable successor intermediary.

(h) Termination of Intervention Agreement. By PAVE or Veterans CARE Managing Member upon the early termination of the Intervention Agreement in accordance with

the terms thereof, and the inability of Veterans CARE to enter into an Intervention Agreement with an acceptable successor intervention provider.

(i) Insufficient Funds. By Veterans CARE, if at any point the available funds in the Veterans CARE operational account, with the addition of any expected Outcome Payments, are not sufficient to continue delivery of the Intervention.

(j) Reserved.

(k) Reserved.

For purposes of this Article VIII, “Cure” means, with respect to a particular set of facts and circumstances constituting a Material Breach, that Party has (i) taken actions such that there is no longer a Material Breach or taken all steps reasonably necessary that there is no continuing Material Breach, including by implementing appropriate procedures or controls, or (ii) in the case of a breach of Section 4.4, the breaching Party has taken prompt and satisfactory corrective action to remedy a breach of data confidentiality and restore security so as to prevent further breaches.

Section 8.2 Effect of Termination.

The remedies provided in this Section 8.2 are the exclusive and sole remedy of any Party in connection with a termination of this Agreement, provided that all such remedies are subject to the Wind-Up procedures set forth in Section 8.2(e) below.

(a) Mutual Consent; Force Majeure; Insufficient Funding. Once a notice of termination is given pursuant to Section 8.1(c) (Mutual Consent), Section 1.1(e) (Force Majeure) or Section 8.1(i) (Insufficient Funding), the Management Committee shall determine whether to revise the Project to eliminate the applicable Project Team(s), and revise the Project budget and expected Outcome Payments accordingly, or terminate this Agreement in its entirety. No additional Program Participants will be enrolled in IPS services with such Project Team(s) after such notice of termination is given, provided that any Program Participants will continue to receive IPS Services with such Project Team(s) for a period of time to be determined by the Management Committee. PAVE shall remain obligated to make any Outcome Payments, including Early Outcome Payments related to such Project Team(s) in accordance with Section 8.2(e) below.

(b) Reserved.

(c) Veterans CARE Managing Member or Veterans CARE Material Breach; Bankruptcy; Termination of Intermediary Services Agreement; Termination of Intervention Agreement. Upon issuance of a notice of termination by PAVE pursuant to Section 8.1(b) (Veterans CARE Managing Member or Veterans CARE Material Breach), Section 8.1(d) (Bankruptcy), Section 8.1(g) (Termination of Intermediary Services Agreement), or Section 8.1(h) (Termination of Intervention Agreement), no additional Program Participants will be enrolled in IPS services, provided that any Program Participants will continue to receive IPS services with such Project Team(s) for a period of time to be determined by the Management Committee. PAVE

shall remain obligated to make any Outcome Payments, including Early Outcome Payments in accordance with Section 8.2(e) below.

(d) Payment Breach by PAVE; Termination of VA Grant or Payor Contract.

Upon issuance of a notice of termination pursuant to Section 8.1(a) (Payment Breach by PAVE) or Section 8.1(f) (Termination of the VA Grant or Payor Contract), (collectively, the “PAVE Termination”), the Management Committee, without the participation of the defaulting Payor or VA, as applicable, shall determine whether to revise the Project to eliminate the applicable Project Team(s), and revise the Project budget and expected Outcome Payments accordingly, or terminate this Agreement in its entirety, taking into account the potential impact on the Program Participants and the calculation and payment of Outcome Payments, and Early Outcome Payments. None of the VA or the Payors is obligated to remedy or Cure a default by any of the other Payors, nor does the default of one or more Payors automatically terminate this Agreement with respect to the non-defaulting Payors. Upon receipt of notice from Veterans CARE Managing Member of a PAVE Termination, no additional Program Participants will be enrolled in IPS services with the applicable Project Team(s), provided that any Program Participants will continue to receive IPS Services with such Project Team(s) for a period of time to be determined by the Management Committee. PAVE will remain obligated to make any Outcome Payments, including Early Outcome Payments, together with applicable amounts of the Wind-Up Budget, in accordance with Section 8.2(e) below.

(e) Wind-Up.

(i) Upon a notification of termination by one or more of the Parties pursuant to Section 8.1, Veterans CARE Managing Member will prepare a wind-up budget (the “Wind-Up Budget”) consisting of:

- (A) any extraordinary costs for Implementation Coordinating Center incurred as a result of the termination event and required for wind-up of Services, such as severance, occupancy, etc.;
- (B) any extraordinary costs incurred as a result of the termination event and required for wind-up of services by the Evaluator, including but not limited to costs to expedite measurement of outcomes per the procedures specified in Section 8.2(e)(iii) below and Schedule 3 (Calculation of Outcome Payments); and
- (C) any extraordinary costs incurred by Veterans CARE Managing Member or Veterans CARE as a result of the termination event and required for wind-up of services, including fees to Veterans CARE Managing Member to oversee wind-up activities.

(ii) The Wind-Up Budget will be presented to the Management Committee for approval, and will then be forwarded to the non-defaulting members of the Payor Steering Committee for approval.

(iii) Following receipt of a notice of termination from one of the Parties in accordance with this Article VIII, PAVE will pay to Veterans CARE the amounts set

forth below, solely from amounts received from the VA and the applicable Payors in payment of such obligations:

- (A) An Outcome Payment, which will consist of the following:
 - 1. Outcome Payments owed but not yet made; and
 - 2. For Program Participants for whom Outcomes have not yet been calculated by the effective date of termination of this Agreement in accordance with the applicable subparagraph in Section 8.2, PAVE shall pay an Early Outcome Payment in accordance with a timeline agreed to by the Parties, calculated as set forth in Section II of Schedule 3 (Calculation of Outcome Payments).
- (B) In the case of an Early Termination pursuant to Section 8.2(d) (PAVE Termination), PAVE will pay, in addition to the amounts set forth in Section 8.2(e)(iii)(A) above, the full amounts set forth in the Wind-Up Budget solely from amounts received from the VA and the applicable Payors in payment of such obligations.
- (iv) The payments to be made under Section 8.2(e)(iii) shall be made under a schedule to be reasonably agreed to by the Parties, taking into account the VA or applicable Payor's budget process and the anticipated schedule of expenditures required to facilitate an orderly wind-up of this Agreement.

ARTICLE IX. SUBCONTRACTORS

Section 9.1 Generally

Veterans CARE will not subcontract any of its work or services to any subcontractor without the prior written consent of Veterans CARE Managing Member and PAVE; provided that such consent may not unreasonably be withheld, conditioned or delayed. Any work or service so subcontracted will be performed pursuant to a Veterans CARE Managing Member/PAVE-pre-approved subcontract agreement template. Any such subcontract shall specify that Veterans CARE and the subcontractor shall be subject to every provision of this Agreement. Notwithstanding any such subcontractor engagement approved by Veterans CARE Managing Member and PAVE, Veterans CARE will remain liable to Veterans CARE Managing Member and PAVE for all of its work and services required hereunder.

Section 9.2 Veterans CARE

The Parties acknowledge and agree that Implementation Coordinating Center, any substitute provider of services, and the Evaluator are not subcontractors of Veterans CARE hereunder because this Agreement requires Veterans CARE to facilitate the obtaining of outcomes and to comply with Law, but does not contemplate that Veterans CARE will perform IPS services or Evaluation.

ARTICLE X. [RESERVED]

ARTICLE XI. FORCE MAJEURE

Section 11.1 Delays or Failures to Perform due to Force Majeure.

Neither Party will be liable or deemed to be in default for any delay or failure or omission to carry out, perform, or observe any of the terms or conditions of this Agreement to the extent such failure or omission is directly due to Force Majeure.

Section 11.2 Reasonable Efforts.

Notwithstanding the foregoing, each Party will use all reasonable efforts to continue to perform its obligations under this Agreement for the duration of such Force Majeure.

Section 11.3 Notification of Force Majeure.

If either Party becomes aware of Force Majeure which gives rise to, or is likely to give rise to, any failure or delay on its part as described in this Article XI it will immediately notify the other Party by the most expeditious method then available and will inform the other Party of the period for which it is estimated that such failure or delay will continue.

ARTICLE XII. MISCELLANEOUS

Section 12.1 Notices.

All notices and other communications among the Parties will be in writing and will be deemed to have been duly given (a) when delivered in person, (b) five days after posting in the United States mail having been sent registered or certified mail return receipt requested, (c) when delivered by FedEx or other nationally recognized overnight delivery service, or (d) when delivered by fax or email, addressed as follows:

In the case of PAVE to:

Payor Alliance for Veterans Employment, LLC
c/o Social Finance, Inc.
10 Milk Street, Suite 1010
Boston, MA 02108
Attention: Navjeet Bal
Email: nbal@socialfinance.org

In the case of Veterans CARE Managing Member and Veterans CARE to:

Social Finance, Inc.
10 Milk Street, Suite 1010
Boston, MA 02108
Attention: Rashmi Khare
Email: rkhare@socialfinance.org

with a copy (which will not constitute notice) to:

Jones Day
1755 Embarcadero Road
Palo Alto, CA 94303
Attention: Stephen E. Hall
Email: sehall@jonesday.com

or to such other address or addresses as the Parties may from time to time designate in writing.

Section 12.2 Captions.

The captions contained in this Agreement are intended for convenience and reference purposes only and do not modify or restrict any provision herein.

Section 12.3 Remedies Cumulative.

Except as otherwise expressly provided by this Agreement, all remedies available to Veterans CARE Managing Member, Veterans CARE or PAVE for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not exclude the exercise of any other remedy. Veterans CARE Managing Member understands and agrees that all rights and remedies described herein are in addition to all remedies or actions otherwise authorized or permitted by Law. Notwithstanding any other provision of this Agreement, no Party will be entitled to recover compensation or make a claim under this Agreement in respect of any loss that it has incurred to the extent that it has already been compensated in respect of that loss pursuant to this Agreement or otherwise by the other Party.

Section 12.4 Entire Agreement.

This Agreement (including the Schedules, Exhibits and Appendices hereto, which are incorporated by reference) constitutes the entire agreement between the Parties hereto and no statement, promise, condition, understanding, inducement, or representation, oral or written, expressed or implied, which is not contained herein will be binding or valid, and this Agreement may not be changed, modified, or altered in any manner except by an instrument in writing executed by both Parties hereto. Except as provided in Section 1.1(c), neither this Agreement nor any interest herein may be transferred by the Parties and such transfer will be null and void and will be cause to annul this Agreement. To the extent there are any conflicts or inconsistencies between this Agreement and any Schedule or Appendix, the provisions of this Agreement shall govern and control.

Section 12.5 Non-Waiver.

The failure of either Party to exercise any right or to require strict performance of any provision will not waive or diminish such Party's right thereafter to exercise such right or to require strict performance of any provision nor will a waiver of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself. No waiver of any of the provisions of this Agreement will be binding unless executed in writing by the Party making the waiver.

Section 12.6 Severability.

In the event that any one or more of the provisions of this Agreement shall for any reason be declared unenforceable under the Laws or regulations in force, such provision will not have any effect on the validity of the remainder of this Agreement, which will then be construed as if such unenforceable provision had never been written or was never contained in this Agreement.

Section 12.7 Survival of Covenants, Representations and Warranties.

Other than Section 4.4 (Confidential Information), Section 4.7 (Books and Records, Audit Rights), Article V (Outcomes and Outcome Payments), Article VII (Modification), Section 8.2 (Effect of Termination), Section 9.2 (Subcontractors), and ARTICLE XII (Miscellaneous), no covenant, representation or warranty of the Parties herein will survive the termination or expiration of this Agreement.

Section 12.8 Governing Law.

This Agreement will be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Delaware.

Section 12.9 Costs.

Each Party will bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the performance by it hereunder.

Section 12.10 Counterparts.

This Agreement may be executed in counterparts, each of which when executed and delivered will constitute an original but all counterparts together will constitute one and the same instrument.

Section 12.11 Assignment.

No Party may assign its respective rights or obligations under this Agreement without the prior written consent of the other Parties, which shall not be unreasonably withheld. This Agreement is binding upon and inures to the benefit of the Parties and their successors and assigns.

Section 12.12 Independent Contractor.

Nothing contained in this Agreement, and no action by any Party, shall be deemed to: (i) create between them an employer-employee or principal-agent relationship or partnership, joint venture, association, or syndicate; or (ii) confer on any party any right, power or authority to enter into any agreement or commitment, whether express or implied, or to incur any obligation or liability on behalf of the other party. Neither Party shall hold itself out as the agent of the other Party, nor imply, nor fail to correct a misunderstanding, that there is an agency relationship between it and the other Party.

Section 12.13 Further Assurances.

The Parties shall provide such information, execute and deliver any instruments and documents and take such other actions as may be necessary or reasonably requested by the other Party that are not inconsistent with this Agreement or any of the Project documents (including the Intervention Agreement, the Intermediary Services Agreement, the Evaluator Agreement, and the Payor Contracts) and that do not involve the vesting of rights or the assumption of obligations other than those provided for in this Agreement, in order to give full effect to this Agreement and carry out the intent thereof.

Section 12.14 Time of the Essence.

Time is of the essence with respect to all provisions of this Agreement that specify a time for performance; provided, that, this provision shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

Section 12.15 Construction.

Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms “hereof,” “herein,” “hereby,” “hereto” and derivative or similar words refer to this entire Agreement, (d) when a reference is made in this Agreement to an Article, Section, Schedule, Exhibit or Appendix, such reference is to an Article or Section of, or a Schedule, Exhibit or Appendix to, this Agreement, (e) the word “including,” “include” or “includes” means “including, without limitation,” (f) the words “Person” or “Persons” refers to a natural person and/or an entity of any type, and (g) the word “or” will be disjunctive but not exclusive. The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase will not mean simply “if.” References to agreements and other documents will be deemed to include all subsequent amendments and other modifications thereto. References to statutes will include all regulations promulgated thereunder, and references to statutes or regulations will be construed to include all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent and no rule of strict construction will be applied against any Party. Whenever this Agreement refers to a number of days, such number will refer to calendar days unless otherwise specified. All accounting terms used herein and not expressly defined herein will have the meanings given to them under United States generally accepted accounting principles.

Section 12.16 Electronic Signatures and Electronic Records.

Each Party consents to the use of electronic signatures by each other Party. This Agreement and any other documents requiring a signature under this Agreement, may be signed electronically by the Parties. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in formation.

[Signature Page to follow]

By execution of this Agreement, the Parties agree to the terms and conditions of this Agreement.

**PAYOR ALLIANCE FOR VETERANS
EMPLOYMENT, LLC**

DocuSigned by:
By: Hanna Jamal
Name: Hanna Jamal
Title: Secretary

VETERANS CARE MANAGING MEMBER, LLC

DocuSigned by:
By: Tracy Palandjian
Name: Tracy Palandjian
Title: President

**VETERANS COORDINATED APPROACH TO
RECOVERY AND EMPLOYMENT, LLC**

DocuSigned by:
By: Rashmi Khare
Name: Rashmi Khare
Title: Treasurer

APPENDIX A – INDEX OF DEFINED TERMS

Capitalized terms used in the Agreement have the meaning set forth below or in the attached Schedules.

“Agreement” has the meaning given to such term in the preamble of the Agreement.

“Average Earnings” has the meaning set forth in Schedule 2 (Project Evaluation).

“Average Days Worked” has the meaning set forth in Schedule 2 (Project Evaluation).

“Baseline Demographic and Clinical Characteristics Data” has the meaning set forth in Schedule 2 (Project Evaluation).

“Brockton” has the meaning set forth in Schedule 2 (Project Evaluation).

“Cohort(s)” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Competitive Employment” has the meaning set forth in Schedule 2 (Project Evaluation).

“Confidential Information” has the meaning given such term in Section 4.4 of the Agreement.

“CPRS” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Cured” has the meaning set forth in Section 8.1.

“CWMA” has the meaning set forth in Schedule 2 (Project Evaluation).

“Data Manager” has the meaning set forth in Schedule 2 (Project Evaluation).

“Days Worked” has the meaning set forth in Schedule 2 (Project Evaluation).

“Days Worked Outcome” has the meaning set forth in Schedule 2 (Project Evaluation).

“Days Worked Outcome Payment” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Disclosing Party” has the meaning set forth in Section 4.4 of the Agreement.

“Early Days Worked Outcome” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Early Earnings Outcome” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Early Fidelity Score Outcome” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Early Job Satisfaction Outcome” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Early Outcome Payment(s)” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Earnings” has the meaning set forth in Schedule 2 (Project Evaluation).

“Earnings Outcome” has the meaning set forth in Schedule 2 (Project Evaluation).

“Earnings Outcome Payment” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Effective Date” has the meaning set forth in Section 2.1 of the Agreement.

“Eligibility Criteria” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Employment Data” has the meaning set forth in Schedule 2 (Project Evaluation).

“Employment Source Documentation” has the meaning set forth in Schedule 2 (Project Evaluation).

“End Date” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Enforceable” means the legal, valid and binding obligation of the Person in question, enforceable against such Person in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other Laws affecting creditors’ rights generally and general principles of equity (whether considered in a proceeding at Law or in equity).

“Enrolled” or “Enrollment” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Enrollment Date” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Enrollment Period” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Evaluator” has the meaning given to such term in the recitals of the Agreement.

“Evaluator Agreement” has the meaning given to such term in the recitals of the Agreement.

“Evaluator Report” has the meaning set forth in Schedule 2 (Project Evaluation).

“Fidelity Score” has the meaning set forth in Schedule 2 (Project Evaluation).

“Fidelity Score Outcome” has the meaning set forth in Schedule 2 (Project Evaluation).

“Fidelity Score Outcome Payment” has the meaning set forth in Schedule 3 (Calculation of Outcome Payment).

“Fiscal Agency Agreement” has the meaning given such term in Section 4.3(c) of the Agreement.

“Follow-Up Period” is described in Schedule 1 (Operating Responsibilities).

“Force Majeure” means any event or occurrence which is outside the reasonable control of the Party concerned and which is not attributable to any act or failure to take preventative action by that Party, including epidemics, pandemics, fire; flood; lightning, violent storm; pestilence; explosion; malicious damage; armed conflict; acts of terrorism; nuclear, biological or chemical warfare; acts of God or any other disaster natural or man-made, fluctuations in market forces (including labor markets) and union strikes, and political developments which prevent any access to data or Payor funding, or similar cause beyond the reasonable control of the Party affected thereby.

“Funding Partners” has the meaning set forth in the recitals to the Agreement.

“Good Job Satisfaction” has the meaning set forth in Schedule 2 (Project Evaluation).

“Governmental Authority” means any (i) federal, state, local or municipal governmental authority, quasi-governmental authority of any nature or any political subdivision thereof (including any taxing authority, agency, branch, board, commission, bureau, official, or entity and any court, arbitral body or other tribunal); or (ii) body entitles to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority.

“HIPPA” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Indiana Job Satisfaction Scale” has the meaning set forth in Schedule 2 (Project Evaluation).

“Implementation Coordinating Center” has the meaning set forth in the recitals to this Agreement.

“Intervention(s)” means the IPS services being provided to Program Participants as described in Schedule 1 (Operating Responsibilities).

“Intervention Agreement” means the agreement dated as of the date set forth therein between TREAC, TVAMC and Veterans CARE, as such agreement may be amended from time to time.

“Intermediary Services Agreement” means the agreement dated as of the date set forth therein among Veterans CARE, Veterans CARE Managing Member and Social Finance, Inc., as such agreement may be amended from time to time.

“IPS” has the meaning set forth in the recitals to the Agreement and in Schedule 1 (Operating Responsibilities).

“IPS Coordinator(s)” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“IPS Fidelity Monitor” has the meaning set forth in Schedule 2 (Project Evaluation).

“IPS Fidelity Review Manual” has the meaning set forth in Schedule 2 (Project Evaluation).

“IPS Specialist(s)” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“IPS Supported Employment Fidelity Scale” has the meaning set forth in Schedule 2 (Project Evaluation).

“IRB” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Job Satisfaction Score” has the meaning set forth in Schedule 2 (Project Evaluation).

“Job Satisfaction Outcome” has the meaning set forth in Schedule 2 (Project Evaluation).

“Job Satisfaction Outcome Payment” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“JP” has the meaning set forth in Schedule 2 (Project Evaluation).

“July 31 Offset Amounts” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Late Enrollment” has the meaning set forth in Schedule 3 (Calculation of Outcome Payments).

“Law(s)” means any written law, statute, constitutional provision, treaty, code, ordinance, rule or regulation or other similar requirement of any Governmental Authority and any directive, policy or binding guideline of the applicable state or federal Governmental Authority.

“MA/Boston Payors” has the meaning set forth in the recitals to the Agreement.

“Management Committee” is described in Schedule 4 (Governance and Reporting).

“Master Data File” has the meaning set forth in Schedule 2 (Project Evaluation).

“Material Breach” means a material breach of this Agreement by a Party that would reasonably be expected to materially adversely impact any of the Outcomes or the amount or timing of any Outcome Payments.

“Measurement Period” is described in Schedule 1 (Operating Responsibilities).

“NPCs” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“NYC Harbor” has the meaning set forth in Schedule 2 (Project Evaluation).

“NYC DVS Payor” has the meaning set forth in the recitals to the Agreement.

“Operating Committee” is described in Schedule 4 (Governance and Reporting).

“Original PFS Agreement” has the meaning set forth in the recitals to the Agreement.

“Outcomes” means collectively, the Fidelity Score Outcome, the Earnings Outcomes, the Days Worked Outcome, and the Job Satisfaction Outcome.

“Outcome Payment(s)” means collectively, the Fidelity Score Outcome Payment, the Earnings Outcome Payment, the Days Worked Outcome Payment and the Job Satisfaction Outcome Payment.

“Outcome Payment Invoice” has the meaning set forth in Schedule 3 (Calculation of Outcomes Payments).

“Parties” or “Party” have the meaning given to such terms in the preamble of the Agreement.

“Patient-Aligned Care Teams” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“PAVE” has the meaning given to such term in the preamble of the Agreement.

“PAVE Fiscal Agency Agreement” has the meaning given such term in Section 4.3(c) of the Agreement.

“PAVE Termination” has the meaning set forth in Section 8.2(d) of the Agreement.

“Payor Contracts” has the meaning set forth in the recitals to the Agreement, provided that following the termination of the Payor Contract with NYC DVS, the term “Payor Contracts” shall refer to the Payor Contracts with each of the MA/Boston Payors.

“Payors” has the meaning set forth in the recitals to the Agreement, provided that following the termination of the Payor Contract with NYC DVS, the term “Payors” shall refer to the MA/Boston Payors.

“Payor Steering Committee” is described in Schedule 4 (Governance and Reporting).

“Person” or “Persons” have meaning given to such terms in Section 12.15 of the Agreement.

“Personally Identifying Information” refers to information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.

“PFS Eligible” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Program Participant(s)” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Project” has the meaning given to such term in the recitals of the Agreement.

“Project Budget” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Project Teams” means, collectively, the following four project teams, each of which may include two IPS Specialists and one IPS Coordinator (as more fully described in Schedule 1 (Operating Responsibilities)):

(i) the Central/Western Massachusetts Project Team means the team delivering services via the Veterans Education & Research Association of Northern New England, Inc. (VERANNE).

(ii) the Brockton Project Team means the team delivering services via the Boston VA Research Institute, Inc. (BVARI), in proximity of the Brockton VA Medical Center.

(iii) the JP Project Team means the team delivering services via the Boston VA Research Institute, Inc. (BVARI), in proximity of the Jamaica Plain VA Medical Center.

(iv) the NYC Harbor Project Team means the team delivering services via the Narrows Institute for Biomedical Research, Inc.

“PTSD” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“PTSD Clinical Treatment (PCT) Teams” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“PTSD Checklist” or “PCL-5” has the meaning set forth in Schedule 2 (Project Evaluation).

“Ramp-Down Period” is described in Schedule 1 (Operating Responsibilities).

“Ramp-Up Period” is described in Schedule 1 (Operating Responsibilities).

“Receiving Party” has the meaning set forth in Section 4.4 of the Agreement.

“Referral Sources” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Request” has the meaning given to such term in Section 4.4 of the Agreement.

“Scalar” is described in Schedule 3 (Calculation of Outcome Payments).

“Service Commencement Date” has the meaning given to such term in Section 2.2 of the Agreement.

“Service Delivery Period” is described in Schedule 1 (Operating Responsibilities).

“SFI MOU” means the Memorandum of Understanding between PAVE and Social Finance, Inc. pursuant to which Social Finance, Inc. agrees to transfer funds received from the VA pursuant to the VA Grant to PAVE as Outcome Payments.

“Study Chair” has the meaning given to such term in Schedule 2 (Project Evaluation).

“Term” has the meaning given to such term in Section 2.2 of the Agreement.

“TREAC” has the meaning set forth in the recitals to the Agreement and in Schedule 1 (Operating Responsibilities).

“TVAMC” has the meaning set forth in the recitals to the Agreement and in Schedule 1 (Operating Responsibilities).

“VA” has the meaning set forth in the recitals to the Agreement and in Schedule 1 (Operating Responsibilities).

“VA Grant” has the meaning set forth in the recitals to the Agreement

“VAMC” has the meaning set forth in Schedule 1 (Operating Responsibilities).

“Veterans” means men and women who have served in the United States military generally and who are not yet Program Participants.

“Veterans CARE” has the meaning given to such term in the preamble of the Agreement.

“Veterans CARE Fiscal Agency Agreement” has the meaning given such term in Section 4.2(f) of the Agreement.

“Veterans CARE Managing Member” has the meaning given to such term in the preamble of the Agreement.

“Wind-Up Budget” has the meaning set forth in Section 8.2(e) of the Agreement.

“WOC” has the meaning set forth in Schedule 1 (Operating Responsibilities).

APPENDIX B – VA GRANT AGREEMENT AND SFI MOU

[Attached]

AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING

This Amended and Restated Memorandum of Understanding (“MOU”), is effective as of July 24, 2018, between Payor Alliance for Veterans Employment, LLC (“PAVE”), a Delaware limited liability company, and Social Finance, Inc. (the “Intermediary”), a Massachusetts nonprofit corporation and a 501(c)(3) organization. PAVE and Intermediary are referred to herein as the “Parties” and each as a “Party.”

WHEREAS, simultaneously herewith, PAVE shall enter into that certain Amended and Restated Pay for Success Agreement, dated July 24, 2018 (the “PFS Agreement”), by and among Veterans Coordinated Approach to Recovery and Employment, LLC (“Veterans CARE”), Veterans CARE Managing Manager, LLC (“Veterans CARE Managing Member”) and PAVE to implement the Veterans Coordinated Approach to Recovery and Employment Project (the “Project”), in which the highest priority and goal is to provide supported employment services to Veterans with service-connected Post-Traumatic Stress Disorder;

WHEREAS, pursuant to the PFS Agreement, Veterans CARE Managing Member will calculate payments (“Outcome Payments”) to be paid by the VA and other government payors upon the achievement of certain outcomes in accordance with the PFS Agreement, and will submit invoices for such Outcome Payments (“Outcome Payment Invoices”) to PAVE;

WHEREAS, pursuant to the PFS Agreement, PAVE is responsible for submitting such Outcome Payment Invoices and collecting the amounts due thereunder from the applicable government payors, including the U.S. Department of Veterans Affairs (the “VA”);

WHEREAS, the Intermediary accepted a \$3,000,000 grant from the VA in September 2016 by executing the Veterans Grant Program Grant Agreement (the “VA Grant”), included as Appendix A hereto, for purposes of providing a portion of the Outcome Payments for the Project;

WHEREAS, the Parties wish to enter into this MOU to provide for the submission and payment of Outcome Payment Invoices by the VA in accordance with the VA Grant;

NOW THEREFORE, in consideration of the promises, responsibilities and covenants herein, the Parties agree as follows:

1. **Outcomes Payment Invoices.** PAVE hereby agrees to submit all Outcome Payment Invoices related to the VA to the Intermediary within ten (10) days of receipt of any such Outcome Payment Invoice from Veterans CARE Managing Member. The Intermediary hereby agrees to remit all such Outcome Payment Invoices to the VA within five (5) days of receipt from PAVE.
2. **Outcome Payments Transfer.** Upon payment in full of each Outcome Payment Invoice by the VA to the Intermediary, the Intermediary hereby agrees to transfer such amounts within five (5) days, in full, to PAVE for the purpose of making Outcome Payments pursuant to the PFS Agreement.

3. **Modification/Termination.** Either the Intermediary or PAVE may terminate this MOU upon thirty (30) days written notification to the other Party. The Intermediary reserves the right to discontinue or modify services to be provided under this MOU if, in the Intermediary's sole discretion, such action is necessary to comply with established requirements of the VA Grant or other applicable law. This MOU will terminate upon the termination of the PFS Agreement.
4. **Amendments or Changes.** Amendments or changes to this MOU must be in writing and signed by each Party's authorized representative; provided, however, that if the terms of the VA Grant affect the parties' obligations here under, this MOU shall be amended to effectuate such changes and notice will be made to PAVE within five (5) business days.
5. **Authority.** The undersigned certifies that he or she is a duly authorized officer of the Party and, as such, is authorized to execute this MOU on behalf of the Party, to obligate the Party to observe all of the terms and conditions contained in this MOU, and in connection with this MOU to make, execute, and deliver on behalf of such Party all contract agreements, representations, receipts, and reports.

[Signature Page to follow]

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this MOU to be effective as of July 24, 2018.



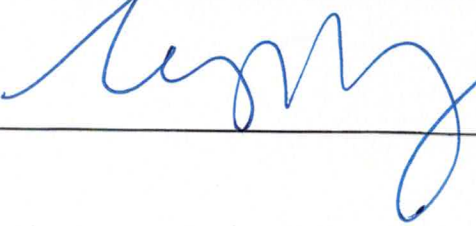
**PAYOR ALLIANCE FOR VETERANS
EMPLOYMENT, LLC**

By: 
Name: Navjeet K. Bal
Title: Treasurer

SOCIAL FINANCE, INC.

By: 
Name: Tracy Palandjian
Title: President

TP

 U.S. Department of Veterans Affairs		Veterans Grant Program Grant Agreement		Page 1 of 14
1. Recipient Name and Address Social Finance, Inc. 10 Milk Street, Suite 2010 <i>Suite 1010</i> Boston, MA		2. Award Date: 09/30/2016	3. Action: New Award	
		4. Project Period: From 09/30/2016 to 09/29/2021 Budget Period: From 09/30/2016 to 09/29/2021		
5. Recipient DUNS Number: 9393439630000		6. Grantee IRS/Vendor Number 27-462-963 <i>27-4620963</i>		
7. Unique Federal Award Identification Number (FAIN): VEPFS-2016-0001		8. CFDA Number/Name 64.052/Social Finance, Inc.		
9. Amount of Federal Funds Obligated by this Action: \$1,500,000	10. Total Amount of Federal Funds Obligated: \$1,500,000 from CNCS \$1,500,000 from VA		11. Total Amount of Federal Award: \$3,000,000	
12. Budget Approved by the VA: Yes, September 21, 2016	13. Total Approved Cost Sharing/Matching: 50%/100%		14. Supplement Number: N/A	
15. Is this a Research & Development Award: No		16. Indirect Cost Rate: 0% (Per Application)		
17. Project Title: Veteran Employment Pay-for-Success (VEPFS)				
18. Statutory Authority for Grant: 38 USC 3119				
19. Method of Payment: ACH				
20. Project Description: The VEPFS program is a collaborative effort by the Department of Veterans Affairs (VA) and the Corporation for National and Community Service (CNCS) to test the Pay for Success (PFS) model as a way to improve suitable Employment Outcomes for Veterans with a Service-connected Disability of Post-Traumatic Stress Disorder (PTSD).				
21. VA Contact: Patrick Littlefield, Executive Director, VA Center for Innovation				
AGENCY APPROVAL		GRANTEE ACCEPTANCE		
22. Title and name of VA awarding official: Robert McDonald Secretary, US Department of Veterans Affairs		23. Title and name of authorized grantee official: Tracy Palandjian, CEO Social Finance, Inc.		
24. Signature of VA awarding official: 		25. Signature of authorized grantee official: 		

TP



U.S. Department
of Veterans Affairs

Veterans Grant Program
Award Continuation Sheet
Grant Agreement

Page 2 of 14

Award Number: VEPFS-2016-0001

Award Date: 09/30/2016

In accepting a Department of Veterans affairs award, your organization assumes legal, financial, administrative, and programmatic responsibility for administering the award in accordance with any provisions included in the award, as well as the laws, rules, regulations, and Executive Orders governing assistance awards; and these General Terms, all of which are hereby incorporated into this award by reference. While we may provide you with reminder notices regarding award requirements, the absence of receiving such notice does not relieve you of your responsibility to meet all applicable award requirements.

1. The grantee has executed and will comply with SF 424B "Assurances—Non-Construction Programs".
2. The grantee agrees that it is responsible for the use of grant funds provided by VA. In accordance with 2 CFR Part 200.339 VA may terminate this award or take other action if the grantee materially fails to comply with any one of the terms and conditions of this award, whether stated in a Federal statute, regulation, assurance application, or notice of award.
3. The grantee agrees to comply with the organizational audit requirements of 2 CFR Part 200 Subpart F, Audit Requirements, and further understands and agrees that funds may be withheld, or other related requirements may be imposed, if outstanding audit issues (if any) from 2 CFR Part 200 Subpart F audits (and any other audits of VA grant funds) are not satisfactorily and promptly addressed.
4. Grant funds may be used only for the purposes in the grantee's approved application and allocated as directed in 2 CFR Part 200 Subpart E. The grantee shall not undertake any work or activities that are not described in the grant application, and that use staff, equipment, or other goods or services paid for with VA grant funds, without prior written approval from the VA.
5. The grantee agrees to comply with applicable requirements regarding System for Award Management (SAM) and applicable restrictions on sub-awards to first-tier sub-grantees that do not acquire and provide a Data Universal Numbering System (DUNS) number. The grantee will work with VA to ensure that all of the sub-grantees have current account on SAM. The details of grantee obligations are posted on the SAM web site at <https://www.sam.gov/portal/public/SAM/>.

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6. The grantee agrees to comply with applicable requirements to report first-tier sub-awards of \$25,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the grantee and first-tier sub-grantees of award funds. Bonuses to any individuals utilizing Federal funds must conform to 2 CFR and be approved in advance by the agency in writing. The details of grantee obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the FFATA Subaward Reporting System (FSRS) website at <https://www.fsrs.gov/>.
7. The grantee will comply with Federal laws and regulation applicable to grants and grantees, including applicable provisions of 2 CFR Part 200 and 38 CFR Part 49.
8. Standards for Financial Management Systems, 38 CFR 49.21, prescribes requirements for a Recipient's system that controls and accounts for Federal funds and cost sharing under the award and produces financial reports.

The financial management system must enable Recipients to meet the following OMB requirements:

- a) Financial Reporting. For financial reports required by the award, Recipients must provide accurate, current, and complete financial information about the federally assisted activities. If sub-awards are executed under the award, Recipients must have reasonable procedures for ensuring the receipt of financial reports from each sub-recipient in sufficient time to allow the Recipient to prepare reports.

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- b) Accounting Records. Recipients must maintain records that adequately identify the sources of funds for federally assisted activities and the purposes for which funds are to be used. The records must contain information about the award and any sub-award, including authorizations, obligations, un-obligated balances, assets, liabilities, outlays or expenditures, and any program income. The accounting records must be supported by source documentation, such as cancelled checks, paid bills, payrolls, and time and attendance records.
- c) Internal Control. Recipients must maintain effective control over and accountability for all cash, real and personal property, and other assets under the award. Recipients must adequately safeguard all of these assets and ensure that they are used only for authorized purposes.
- d) Budget Control. Recipients must be able to compare actual expenditures or outlays with the approved budget.
- e) Allowable Costs. Recipients must have established procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the applicable Federal cost principles, program regulations, or other OMB requirements.
- f) Cash Management. Recipients must have procedures for minimizing the time elapsing between the transfer of any advance payments of funds under the award and disbursement of the funds for direct program costs and the proportionate share of any allowable indirect or facilities and administrative costs. Recipients must ensure that the timing and amount of any payments to sub-recipients under the award conform to this standard.
- g) Requirement for Performance Data. In comparing actual expenditures or outlays with budget amounts, as required, Recipients must relate financial information to performance data. For this purpose, VA will accept estimates based on available documentation.
- h) Review of Financial Management System. VA may review the Recipient's financial management system at any time to determine whether it complies with the requirements of this provision.

9. Period of Availability of Funds

The project period under the award is indicated on the award cover sheet. The Recipient may charge to the award only allowable costs resulting from obligations incurred during the funding period. Expenditures only for staff costs that are obligated during the award project period may be charged to the award up to 90 days following the expiration date. These funds shall be available for closeout activities limited to the preparation of final reports. No other staff costs should be obligated and expended.

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10. Publication for Professional Audiences

Any publications or articles resulting from the award must acknowledge the support of the Department of Veterans Affairs and will include a disclaimer of official endorsement as follows: "This [article] was funded [in part] by a grant awarded by the United States Department of Veterans Affairs and funded by the United States Department of Veterans Affairs and the Social Innovation Fund of the Corporation for National and Community Service. The opinions, findings and conclusions stated herein are those of the author[s] and do not necessarily reflect those of the United States Department of Veterans Affairs or the Corporation for National and Community Service." The Recipient must ensure that this disclaimer be included on all brochures, flyers, posters, billboards, or other graphic artwork that are produced under the terms of the award.

Seal/Logo

The Department of Veterans Affairs seal may not be used by Recipients without the express written permission of the United States Department of Veterans Affairs.

11. Post-award Requirements for Closeout

The Program Office Specific Requirements will provide Recipients with the due dates and where to send final reports. VA will notify the Recipient in writing of any changes to the reporting requirements before the project period end date. Copies of any required forms and instructions for their completion are included with the award and Program Office Specific Requirements.

Recipients must submit, within 90 calendar days after the project period end date of the award, all final financial, performance, and other reports as required by the terms and conditions of the award. VA may approve written Recipient requests for extensions.

Unless VA authorizes an extension, a Recipient must liquidate all obligations incurred under the award not later than 90 calendar days after the funding period or the project period end date.

VA must make prompt payments to Recipients for allowable reimbursable costs under the award being closed out. The Recipient must promptly refund any balances of un-obligated cash that VA has advanced or paid and that is not authorized to be retained by the Recipient for use in other projects. OMB Circular A-129 governs unreturned amounts that become delinquent debts.

When authorized by the award, VA must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received, not to exceed the amount of the award, unless otherwise prohibited by statute or regulation.

The Recipient must account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with applicable rules, regulations, and laws.

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In the event a final audit has not been performed before the closeout of the award, VA will retain the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.

12. The Recipient shall submit quarterly progress reports. Progress reports shall be submitted within 30 days after the end of the reporting periods, which are December 31, March 31, June 30 and September 30. These reports will include specific information as detailed in 38 C.F.R § 21.448(a).
13. The Recipient agrees that it will submit annual financial status reports to VA using the SF 425 Federal Financial Report form (available for viewing at http://www.whitehouse.gov/sites/default/files/omb/grants/standard_forms/ff_report.pdf), not later than 30 days after the end of each calendar quarter. The final report shall be submitted not later than 90 days following the end of the award period. Failure to provide this report may result in the deobligation of grant funds and the project to be closed at the discretion of the government.

14. Retention and Access Requirements for Records

The Recipient must maintain financial records, supporting documents, statistical records, and all other records pertinent to an award for a period of three years from the date of submission of the final expenditure report. For awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report as authorized by VA. The only exceptions are the following:

- a) If any litigation, claim, or audit is started before the expiration of the three-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- b) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- c) When records are transferred to or maintained by VA, the three-year retention requirement is not applicable to the Recipient.

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15. Timely and Unrestricted Access

VA, the Inspector General, Comptroller General, or any of their duly authorized representatives have the right of timely and unrestricted access to any books, documents, papers, or other records of Recipients and sub-recipients that are pertinent to the award, in order to make audits, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to a Recipient's and sub-recipients personnel for the purpose of interview and discussion related to such documents. The rights of access in this paragraph are not limited to the required retention period, but must last as long as records are retained.

Except for federally required restrictions on lobbying, the grantee may not place any restrictions on sub-recipients that limit the right or ability of the sub-recipients or their agents to contract or otherwise conduct business with the Federal government.

16. The VA Office of the Inspector General (OIG) maintains a toll-free number (1-800-488-8244) for collecting information concerning fraud, waste, or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to vaoighotline@va.gov or by mail to VA Inspector General Hotline (53E), P.O. BOX 50410, Washington, DC 20091-0410. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous"

17. Federal Debt Status

You may not be delinquent in the repayment of any Federal debt. Examples of relevant debt include delinquent payroll or other taxes, audit disallowances, and benefits that were overpaid (OMB Circular A-129). You must notify VA immediately if you become delinquent during your project period. We cannot release your award funds until you provide documentation showing a repayment plan has been accepted by the Internal Revenue Service and payments have been made.

18. Nondiscrimination Policies

You must execute your project (e.g., productions, workshops, programs, etc.) in accordance with the following laws, where applicable.

- a) **Title VI of the Civil Rights Act of 1964**, as amended, provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance. Title VI also extends protection to persons with limited English proficiency (42 U.S.C. Sec. 2000d et seq.).

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- b) **Title IX of the Education Amendments of 1972** provides that no person in the United States shall, on the basis of sex or blindness, be excluded from participation in, be denied benefits of, or be subject to discrimination under any education program or activity receiving Federal financial assistance (20 U.S.C. Sec. 1681 and Sec. 1684 et seq.).
- c) **Section 504 of the Rehabilitation Act of 1973** provides that no otherwise qualified individual with a disability in the United States, shall, solely by reason of his/her disability, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance (29 U.S.C. Sec. 794).
- d) **The Age Discrimination Act of 1975** provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance (42 U.S.C. Sec. 6101 et seq.).
- e) **The Americans with Disabilities Act of 1990 (ADA)** prohibits discrimination on the basis of disability in employment (Title I), state and local government services (Title II), places of public accommodation and commercial facilities (Title III) (42 U.S.C. Sections 12101-12213).

19. Environmental and Preservation Policies

- a) **The National Environmental Policy Act of 1969**, as amended, applies to any Federal funds that would support an activity that may have environmental implications. We may ask you to respond to specific questions or provide additional information in accordance with the Act. If there are environmental implications, we will determine whether a categorical exclusion may apply, to undertake an environmental assessment or to issue a "finding of no significant impact," pursuant to applicable regulations and 42 U.S.C. Section 4332.
- b) **The National Historic Preservation Act of 1966**, as amended, applies to any Federal funds that would support either the planning or major renovation of any structure eligible for or on the National Register of Historic Places, in accordance with Section 106. This law also applies to project activities, such as new construction, that would affect such properties. We will consult with your State Historic Preservation Officer, as appropriate, to determine the impact of your plan or renovation on the structure or any affected properties. Any change in your design, renovation, or construction plans must be submitted to us for review and approval prior to undertaking any of the proposed changes. You may be asked to provide additional information on your project to ensure compliance with the Act (16 U.S.C. Sections 470, 470-1).

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20. Debarment and Suspension. You must comply with requirements regarding debarment and suspension in Subpart C of 2 CFR Part 180.

There are circumstances under which we may receive information concerning your fitness to carry out a project and administer Federal funds; for instance:

- a) Conviction of, or a civil judgment for, the commission of fraud, embezzlement, theft, forgery, making false statements;
- b) Any other offense indicating a lack of business integrity or business honesty that seriously and directly affects your present responsibility; and/or
- c) Any other cause of so serious or compelling a nature that it affects an organization's present responsibility.

In these circumstances, we may need to act quickly to protect the interest of the government by suspending your funding while we undertake an investigation of the specific facts. We may coordinate our suspension actions with other Federal agencies that have an interest in our findings. A suspension may result in your debarment from receiving Federal funding government-wide for up to three years.

21. The Drug Free Workplace Act requires you to publish a statement about your drug-free workplace program. You must give a copy of this statement to each employee (including consultants and temporary personnel) who will be involved in award-supported activities at any site where these activities will be carried out.

You must maintain on file the place(s) where work is being performed under this award (i.e., street address, city, state and zip code.) You must notify VA's Program Office of any employee convicted of a violation of a criminal drug statute that occurs in the workplace. (41 U.S.C. Sec. 8102 et seq. and 45 CFR Part 1155).



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22. Lobbying. You may not conduct political lobbying, as defined in the statutes, regulations and OMB Circulars listed below, within your Federally-supported project. In addition, you may not use Federal funds for lobbying specifically to obtain awards. For definitions and other information on these restrictions, refer to the following

- a) "No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, a jurisdiction, or an official of any government, to favor, adopt, or oppose, by vote or otherwise, any legislation, law, ratification, policy, or appropriation, whether before or after the introduction of any bill, measure, or resolution proposing such legislation, law, ratification, policy, or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to any such Member or official, at his request, or to Congress or such official, through the proper official channels, requests for any legislation, law, ratification, policy, or appropriations which they deem necessary for the efficient conduct of the public business, or from making any communication whose prohibition by this section might, in the opinion of the Attorney General, violate the Constitution or interfere with the conduct of foreign policy, counter-intelligence, intelligence, or national security activities." (18 USC § 1913. Lobbying with appropriated moneys).
- b) 2 CFR Part 200.450 – "Lobbying" Regulation clarifies that lobbying is an unallowable project cost. The Regulation generally defines lobbying as conduct intended to influence the outcome of elections or to influence elected officials regarding pending legislation, either directly or through specific lobbying appeals to the public.
- c) Certification Regarding Lobbying to Obtain Awards. Section 319 of Public Law 101-121, codified at 31 U.S.C. Sec. 1352, prohibits the use of Federal funds in lobbying members and employees of Congress, as well as employees of Federal agencies, with respect to the award or amendment of any Federal grant, cooperative agreement, contract, or loan. While non-Federal funds may be used for such activities, they may not be included in your project budget, and their use must be disclosed to the awarding Federal agency. Disclosure of lobbying activities by long-term employees (employed or expected to be employed for more than 130 days) is, however, not required. In addition, the law exempts from definition of lobbying certain professional and technical services by applicants and awardees.

We strongly advise you to review these regulations carefully. They are published at 38 CFR Part 45, and can be found at www.ecfr.gov.

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23. Site Visits

The grantor, through authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments and to provide such technical assistance as may be required. If any site visit is made by the grantor on the premises of the Recipient, a sub-recipients, or subcontractor, the Recipient shall provide, and shall require its sub-recipients and subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the government representatives in the performance of their duties. All site visits and evaluations shall be performed in such a manner that will not unduly interfere with or delay the work.

24. Trafficking in Persons

This government-wide award term implements Section 106 (g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104), located at 2 CFR Part 175. In accordance with the statutory requirement, in each agency award under which funding is provided to a private entity, section 106(g) of the TVPA, as amended, requires the agency to include a condition that authorizes the agency to terminate the award, without penalty, if the Recipient or a sub-recipients —

- a) Engages in severe forms of trafficking in persons during the period of time that the award is in effect;
- b) Procures a commercial sex act during the period of time that the award is in effect; or
- c) Uses forced labor in the performance of the award or sub-awards under the award.

Full text of the award term is provided at 2 CFR Part 175.15.

25. Prompt Payment Act

Federal funds may not be used by the Recipient for the payment of interest penalties to contractors when bills are paid late nor may interest penalties be used to satisfy cost sharing requirements. Obligations to pay such interest penalties will not be obligations of the United States.

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26. Outcomes Targets, Evaluation Methodology, and PFS Agreement

a) Outcome Targets

- 1) An outcome target is the specific level of achievement of an Employment Outcome that the project intends to attain. Outcome targets can be a defined change of an outcome or a percentage improvement of that outcome when compared to a comparison or control population that did not receive the Intervention. Outcome targets must be defined as improvement relative to the comparison or control group. Examples could include a specific increase in duration of employment, attainment or increase in the rate of attainment of employment, or a percentage increase in annual earnings.
- 2) An outcome target must be specific, measurable, achievable, and realistic for the period of performance.
- 3) The Recipient must submit to VA for review by January 15, 2017 a definition or explanation of how the Employment Outcomes will be measured (e.g., wage earnings will be measured as the wages of an individual the second and fourth quarter after a Veteran concludes his or her participation in the Intervention).

b) Evaluation Methodology

- 1) The evaluation methodology is the project's methodology, deployed by the Evaluator, to evaluate the impact of the Intervention. The impact is the net result as compared to outcomes for a comparison or control group.
- 2) The evaluation methodology must be objective, transparent, and independently verifiable.
- 3) The evaluation methodology must ascertain the level of achievement, if any, of the outcome targets that is due to the Intervention and not due to random chance, selection, economic conditions, or other factors other than the Intervention. To make this determination, the project must define the outcome target relative to a well-defined comparison population or control group. Specifically the project may pursue either of the following approaches:
 - a) The project may measure outcomes for the treatment group and define the outcome targets relative to a control group. This approach requires experimental design methodology that uses random assignment to create treatment and control groups.
 - b) The project may measure outcomes for a treatment group, or a broader target population that includes both those the project intends to treat and those the project doesn't, and define the outcome targets relative to a comparison group. This approach requires a credible quasi-experimental design that deals appropriately with other possible causes of the outcomes, such as selection, other policies, and economic conditions. Examples of approaches that have been used to construct control/comparison groups via quasi-experimental design include using matching techniques on propensity scores or other quantitative measures.



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- c) PFS Agreement. Within 60 days of executing the PFS Agreement, the Recipient must submit to VA a copy of the PFS Agreement by email.

27. Payments

For registered Recipients in the U.S. Department of Health and Human Services Payment Management System (PMS-SMARTLINK), instructions for submitting requests for payment may be found at <http://www.dpm.psc.gov/>. If the Recipient submits a payment request electronically, it may submit requests as frequently as required to meet needs to disburse funds for program purposes.

Recipients that do not submit requests electronically through PMS-SMARTLINK must request payment by submitting a signed "Request for Advance or Reimbursement" Standard Form 270 (SF-270) to the award program office.

Whenever it is administratively feasible to do so, the Recipient is to time each request for advance so that payments of VA funds are received on the same day of the need to disburse the funds. When same day transfers are not feasible, advance payments should not exceed three days' estimated cash needs.

Payments under this award are subject to 2 CFR § 200.305.

- a) Administrative Costs. The Recipient will access funds through the Payment Management System and can draw down funds for administrative costs using the indirect cost rate as it needs them. Indirect cost rate requirements are located at 2 CFR § 200.414. Reimbursement for indirect costs, general and administrative costs, overhead, or any similar cost rate type agreement will be at the rate(s) and on the base(s) specified in the approved award budget. These amounts are subject to finalization by the cognizant Federal agency for indirect costs, which may be VA. Any provisional rate(s) is subject to downward adjustment only under this award. Accordingly, final approved rate(s) charged to this award may not exceed the maximum provisional rate(s). If the cognizant Federal agency does not approve a final rate, then the maximum provisional rate will be considered the final rate.

However, the Recipient must ensure it is following the requirements at 2 CFR § 200.305, which limits funds drawn down to amounts needed to meet immediate cash needs. Pass-through entities must follow 2 CFR § 200.305 requirements for their subrecipients (which includes subcontractors and subgrantees). For non-Federal entities other than states:

- 1) Advance Payments. The Recipient will receive advance payments of indirect costs provided the Recipient meets the financial management standards specified in 2 CFR §200.302.
- 2) Immediate Cash Flow Needs. The amount of advance payments requested by the Recipient must be based on actual and immediate cash needs in order to minimize Federal cash on hand, in accordance with policies established by the U.S. Department of the Treasury in 31 CFR Part 208.

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- 3) **Discontinuing Advance Payments.** If the Recipient does not minimize the time elapsing between the receipt of the cash advance and its disbursement, VA may, after providing due notice to the Recipient, discontinue the advance payment method and allow payments by reimbursement.
- 4) **Interest-Bearing Accounts.** The Recipient must deposit advance funds received from VA in federally-insured, interest bearing accounts. The exceptions to this requirement are:
 - a) The non-Federal entity receives less than \$120,000 in Federal awards per year; or
 - b) The best reasonably available account would not be expected to earn interest in excess of \$500 per year on Federal cash balances; or
 - c) The required minimum balance is so high that it would not be feasible within expected Federal and non-Federal cash resources; or
 - d) A foreign government or banking system prohibits or precludes interest bearing accounts.

Earned interest must be remitted annually to HHS-PMS, P.O. Box 6021 Rockville, MD 20852. Recipients may keep up to \$500 of interest per year to offset administrative expenses.
- b) **Outcomes Payments.** The Recipient may not draw funds for the federal share of the Outcomes Payments until the Intervention of the PFS Agreement achieves pre-set target levels as presented to VA in the PFS Agreement as required under section 26 of these terms and conditions. VA will place a manual hold in the Payment Management System on funds for Outcomes Payments until the outcomes are achieved and verified by the Evaluator and the Recipient has submitted official documentation from the Evaluation to VA that these outcomes have been achieved. The amount of funds for Outcomes Payments, which will be placed under a manual hold until these two conditions are met, will equal the amount of federal funds for Outcomes Payments requested in the Recipient's application to the VA. The documentation required from the Evaluator may take the form of a letter or report from the Evaluator that summarizes the methodology and findings of the evaluation of the Intervention. (Should there be multiple points of disbursement of Outcomes Payments, the letter or report should summarize the methodology and findings of the evaluation to date that is triggering release, subject to VA review of this particular Outcomes Payment.) After reviewing the documentation, VA will release the manual hold for the federal share of the Outcomes Payment(s).

28. Financial Guide Compliance

The Recipient agrees to comply with the financial and administrative requirements set forth in the current edition of the Department of Veterans Affairs (VA) Financial Guide for Grantees. The latest version of the VA financial guide can be viewed and downloaded at <http://www.va.gov/finance/docs/guideFinancialForGrantees.pdf>.

CEO

APPENDIX C – PAYOR CONTRACTS

[Attached]

EXECUTION COPY

PAYOR AGREEMENT

ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION OF BOSTON

Dated as of June 4, 2018

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This Payor Agreement (this “Agreement”), dated as of June 4, 2018 is entered into by and between the Economic Development and Industrial Corporation of Boston (the “EDIC”), as fiscal agent for the Neighborhood Jobs Trust (the “NJT”), and Payor Alliance for Veterans Employment, LLC (“PAVE”). The EDIC and PAVE are referred to herein as the “Parties” and each as a “Party”. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in Appendix A.

WHEREAS, Social Finance, Inc., on behalf of PAVE, accepted a \$3,000,000 grant from the U.S. Department of Veterans Affairs (the “VA”) in September 2016 by executing the Veterans Grant Program Grant Agreement (the “VA Grant”), as included in Appendix B, for purposes of providing a portion of the Outcome Payments for the Project (as defined below);

WHEREAS, the VA Grant is in support of the Veterans Coordinated Approach to Recovery and Employment Project (the “Project”), in which the highest priority and goal is to provide supported employment services to Veterans with service-connected Post-Traumatic Stress Disorder (“PTSD”) via four Project Teams, as set forth in Schedule 1 (Operating Responsibilities) to the Pay for Success Agreement (the “PFS Agreement”) among PAVE, Veterans CARE Managing Member, LLC (“Veterans CARE Managing Member”), and Veterans Coordinated Approach to Recovery and Employment, LLC (“Veterans CARE”), and attached hereto as Appendix C;

WHEREAS, PAVE is a limited liability company which partners with participating municipalities to secure matching public/private funds towards the goal(s) of the Project, and Social Finance, Inc. is a 501(c)(3) nonprofit organization which partners with governments, nonprofits, foundations, impact investors, and financial institutions to create innovative financing solutions to improve social outcomes;

WHEREAS, in order to meet the VA Grant’s requirement to secure one-for-one cash match for the VA Grant, PAVE is securing matching funds related to each of the Project Teams, in an aggregate amount of \$3,000,000;

WHEREAS, the EDIC and PAVE are entering into this Agreement in order to provide up to \$750,000 in matching funds to be used by PAVE for Outcome Payments related to certain Project Teams served by the Boston VA Research Institute, Inc. (BVARI) in proximity to the Jamaica Plain Boston Healthcare System VA Medical Center (the “City of Boston Project Site”);

WHEREAS, the EDIC serves as the fiscal agent of the NJT, including dispersal of NJT funds;

WHEREAS, the EDIC is authorized to enter into this Agreement, and to make Outcome Payments, when due, in accordance with this Agreement and the PFS Agreement;

WHEREAS, PAVE will enter into similar agreements (together with this Agreement, the “Payor Contracts”) with other payors related to the other Project Teams (together with the EDIC, collectively, the “Payors”) pursuant to which each of the Payors will provide matching funds at the times and in the aggregate amounts set forth in the related Payor Contracts to match the VA

Grant, to be used by PAVE as Outcome Payments for the related Project Teams, all in accordance with the PFS Agreement;

WHEREAS, operating costs for the Project will be funded by the proceeds of loans to and/or investments in Veterans CARE (the “Financing”), such Financing to be repaid from Outcome Payments;

WHEREAS, Veterans CARE will enter into an agreement (the “Intervention Agreement”) with the Tuscaloosa Research and Education Advancement Corporation (“TREAC”), a nonprofit corporation affiliated with the Tuscaloosa VAMC (“TVAMC”) and collectively with TREAC, the “Implementation Coordinating Center”), pursuant to which the Implementation Coordinating Center will facilitate implementation of a supported employment intervention known as Individual Placement and Support (“IPS”), to be delivered to Veterans with PTSD by dedicated employment specialists via the Project Teams, all as more fully described in the PFS Agreement, Schedule 1 (Operating Responsibilities);

WHEREAS, Veterans CARE will enter into an agreement (the “Evaluator Agreement”) with Westat, Inc. (the “Evaluator”), an independent third party, to measure four different Outcomes, including a Fidelity Score Outcome, Earnings Outcome, Days Worked Outcome and Job Satisfaction Outcome, all as more fully described in the PFS Agreement, Schedule 2 (Project Evaluation);

WHEREAS, Veterans CARE Managing Member will determine the Outcome Payments, if any, attributable to the City of Boston Project Site, and the amount of such Outcome Payments to be paid by the EDIC, in accordance with the PFS Agreement, Schedule 3 (Calculation of Outcome Payments), and provide an invoice for such amount to PAVE; and

NOW THEREFORE, in consideration of the promises, responsibilities and covenants herein, the Parties agree as follows:

ARTICLE I. DEFINITIONS/CONSTRUCTION

Section 1.1 Defined Terms.

In this Agreement, capitalized terms have the meaning assigned to them in this Agreement and in Appendix A – Index of Defined Terms, a copy of which is attached hereto and incorporated by this reference.

Section 1.2 Appendices and Schedules.

The following additional Appendices and Schedules are attached hereto: During the term of the Agreement, conflicts between the various documents shall be resolved in the following order of precedence, such documents constituting the entire Agreement between the parties:

Appendix B: VA Grant, included herein for reference purposes only;

Appendix C: PFS Agreement, including the following Schedules thereto, hereby incorporated into this Agreement in its entirety:

Schedule 1: Operating Responsibilities

Schedule 2: Project Evaluation

Schedule 3: Calculation of Outcome Payments

Schedule 4: Governance and Reporting

Schedule 5: Publicity;

ARTICLE II. TERM OF AGREEMENT; SERVICES

Section 2.1 Effective Date.

This Agreement will become effective as of the date first written above (the “Effective Date”), and will remain in effect until October 29, 2021 (the “Term”), unless earlier terminated pursuant to Section 7.1.

Section 2.2 Project Launch Date.

TREAC will oversee the implementation of IPS described more fully in the PFS Agreement, Schedule 1 (Operating Responsibilities), at the City of Boston Project Site, following the satisfaction of the Financing Condition on a date to be agreed to by the Management Committee (the “Service Commencement Date”) in accordance with the PFS Agreement.

ARTICLE III. REPRESENTATIONS AND WARRANTIES

Section 3.1 PAVE’s Representations and Warranties.

(a) Organization and Good Standing. PAVE is a limited liability company validly existing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as presently conducted and to enter into and perform under this Agreement, the other Payor Contracts and the PFS Agreement.

(b) Authority for Agreement. The execution, delivery and performance by PAVE of this Agreement and the performance by PAVE under this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by PAVE and, assuming the due authorization, execution and delivery by the EDIC, and subject to the effect of applicable Laws (e.g., bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to the rights of creditors generally), constitutes a legal, valid and binding obligation of PAVE, enforceable against PAVE in accordance with its terms. The execution and performance of this Agreement by PAVE will not violate any provision of Law and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under or

require a consent or waiver under, PAVE's organizational documents or any decree, judgment, or order applicable to PAVE.

(c) No Litigation. No litigation, arbitration or administrative proceeding is presently in progress or, to PAVE's knowledge, pending or threatened in writing against PAVE or any of its assets which might reasonably be expected to materially adversely affect the ability of PAVE to perform its obligations under this Agreement.

Section 3.2 EDIC's Representations and Warranties.

(a) Authority for Agreement. The execution, delivery and performance by EDIC of this Agreement, have been duly authorized by all necessary governmental action. This Agreement has been duly executed and delivered by EDIC and, assuming the due authorization, execution and delivery by PAVE, and subject to the effect of applicable Laws (e.g., bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to the rights of creditors generally), constitutes a legal, valid, and binding obligation of EDIC, enforceable against EDIC in accordance with its terms. The execution and performance of this Agreement by EDIC will not violate any provision of Law or any decree, judgment or order applicable to EDIC. There is no condition, subsequent or precedent, required to be fulfilled for the authorization provided EDIC to be in full force and effect.

(b) No Litigation. No claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the EDIC's knowledge, pending or threatened against such Party which will or might reasonably be expected to materially adversely affect the ability of the EDIC to perform under this Agreement.

(c) Governmental Consents. Upon a majority vote of the NJT Trustees, no further consent, approval, order, or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority is required in connection with the execution, delivery and performance of this Agreement by the EDIC or the payment of Outcome Payments hereunder.

ARTICLE IV. OBLIGATIONS AND RESPONSIBILITIES OF THE PARTIES

Section 4.1 PAVE's Obligations and Responsibilities.

Without limiting the generality or effect of any other provision of this Agreement, PAVE will:

- (a) use its reasonable efforts to perform its responsibilities and to take such actions in each case as are required to be taken by it in this Agreement;
- (b) in rendering its services hereunder, comply with all Laws applicable to it and its subsidiaries;
- (c) enter into the other Payor Contracts and the PFS Agreement, and without the prior written consent of the EDIC, which consent may not be unreasonably withheld, conditioned

or delayed, subsequently not (i) amend such PFS Agreement in any manner that will materially affect the EDIC's obligations hereunder, or (ii) terminate the PFS Agreement;

(d) obtain the prior written consent of the EDIC, which consent may not be unreasonably withheld, conditioned or delayed, before giving consent to Veterans LLC to (i) any amendments to the Intervention Agreement or the Evaluator Agreement, which would have a material effect on Outcomes, Outcome Payments or the EDIC's obligations hereunder; (ii) the termination of either the Intervention Agreement or the Evaluator Agreement; or (iii) the substitution of TREAC, TVAMC or the Evaluator under the applicable agreement;

(e) upon receiving notice from Veterans CARE of a Material Breach of the Intervention Agreement or the Evaluator Agreement, promptly provide such notice to the EDIC, and provide ongoing information about Veterans CARE's efforts to cause TREAC, TVAMC or the Evaluator, as applicable, to remedy such Material Breach, or, if necessary, to replace TREAC, TVAMC or the Evaluator, as applicable; and

(f) promptly notify the EDIC of any Material Breach of the VA Grant, the other Payor Contracts, or the PFS Agreement, and use reasonable efforts to (i) cause the applicable breaching party to remedy such Material Breach, or (ii) replace such breaching party in accordance with the applicable agreement.

Section 4.2 EDIC's Obligations and Responsibilities.

Without limiting the generality or effect of any other provision of this Agreement, EDIC will comply with the following:

(a) Request funds from the NJT, beginning in fiscal year 2020 and ending in fiscal year 2022, in the amounts set forth in Table 1 below, in an aggregate amount not to exceed \$750,000. EDIC shall make funds available from the NJT. EDIC shall apply such amounts to make Outcome Payments, as set forth in Section 5.3 hereof. Any amounts received by EDIC from NJT shall be held in trust by EDIC until applied to make Outcome Payments in accordance with this Agreement and/or transferred to PAVE to be held in trust to make Outcome Payments. Any amounts held by EDIC shall be available until the completion of the project and final payment of Outcome Payments.

(b) Keep PAVE reasonably informed of the status of any relevant budget, legislative or other EDIC actions related to the NJT related to the availability of funds for this Agreement or Pay for Success projects generally.

(c) By each Deposit Date listed in Table 1 below, hold in trust or transfer to PAVE the amounts necessary to meet the applicable FY Minimum Cumulative Deposit at such Deposit Date (each such deposit, a "Deposit") from amounts received in accordance with Section 4.2(a) above, which amounts may be altered by unanimous approval of the Payor Steering Committee should Project funding needs decrease:

Table 1

Fiscal Year	Deposit Date	Minimum Deposit	FY Minimum Cumulative Deposit
FY20	September 1, 2019	\$225,000	\$225,000
FY21	September 1, 2020	\$250,000	\$475,000
FY22	September 1, 2021	\$275,000	\$750,000

(d) The EDIC acknowledges that PAVE has no obligation to furnish to it any information regarding the identity of any Funding Partner or any term of the Financing without the applicable Funding Partner's prior written consent.

(e) PAVE acknowledges that any Outcome Payments and any payments made in accordance with Section 7.2 under this Agreement are subject to the availability of funds held in the NJT.

Section 4.3 Confidential Information.

(a) Confidential Information Generally. Subject at all times to the Massachusetts Public Records Law (M.G.L. Chapter 66) and the Massachusetts Fair Information Practices Law (M.G.L. Chapter 66A), each Party agrees to maintain all Confidential Information provided to it by another Party as confidential and to not disclose such information to any Persons other than to its representatives or as otherwise required by Law.

(b) PAVE acknowledges that EDIC must comply with the Freedom of Information Act, M.G.L. Chapter 66 ("Massachusetts Public Records Law") which requires the disclosure of documents in the possession of the EDIC upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by M.G.L. Chapter 4, Section 7. In no event will EDIC be liable for disclosing any information pursuant to a judicial or administrative order, or as the result of a good faith belief on the part of the EDIC that the information in question must be disclosed pursuant to the Massachusetts Public Records Law.

(c) Acknowledgment; Requests for Disclosure. If a Person files a request under the Massachusetts Public Records Law or any similar applicable Law for any documentation or information related to the Project (a "Request"), EDIC shall promptly, and in any event not more than five days following the receipt of the Request, notify PAVE of the Request and allow PAVE ten days within which to object to EDIC, and any relevant judicial or administrative body, to the

disclosure of any of the requested information. If, following receipt of PAVE's objection to the release of the requested information, EDIC reasonably determines that the information sought by the Request should be disclosed, EDIC shall promptly notify PAVE of such determination, and, subject to Law, shall refrain from making such disclosure for not less than five days following Notice to PAVE in order to afford PAVE an opportunity to seek an injunction or other appropriate remedy if PAVE believes that EDIC's determination is erroneous. The term "days" as used in this Section 4.4(c), shall be determined in the manner provided in the Massachusetts Public Records Law.

(d) Notice. PAVE shall endeavor to clearly mark each page of all documents which PAVE wishes to designate as Confidential Information "Confidential Information" and may also include a reference to this Agreement; provided, however, that PAVE's failure to mark any document shall not foreclose PAVE from asserting that a document should be designated as Confidential Information.

(e) Certain Required Disclosures. Nothing in this Agreement shall limit or restrict EDIC from disclosing, to the extent required by applicable Law, any information, communication, or record to the United States Congress or the Massachusetts State Auditor; provided that EDIC shall use all reasonable measures to prevent further dissemination of such information to the extent such information is Confidential Information.

Section 4.4 Payor Steering Committee.

The EDIC shall appoint a representative to the Payor Steering Committee as set forth in the PFS Agreement, Schedule 4 (Governance and Reporting). The rights and responsibilities of the Payor Steering Committee members are set forth in the PFS Agreement, Schedule 4 (Governance and Reporting).

Section 4.5 Publicity.

News releases or any other similar public announcements regarding the Project or this Agreement may not be released or made by any Party prior to following the procedures outlined in the PFS Agreement, Schedule 5 (Publicity); provided, however, that any Party may make any public announcement that its counsel advises is required by Law or legal process, in which case, to the extent practicable, it will consult with the other Party with respect to the timing and content thereof.

Section 4.6 Books and Records; Audit Rights.

PAVE will establish and maintain books, records and documents (including electronic storage media) in accordance with generally accepted accounting principles and practices which sufficiently and properly reflect all revenues and expenditures of funds in connection with the Project. PAVE will retain all records, financial records, supporting documents, statistical records and any other documents (including electronic storage media) pertinent to this Agreement for a period of three years after termination of the Agreement, or until any litigation based on the terms of this Agreement or the PFS Agreement has concluded, or, if an audit has been initiated and audit findings have not been resolved at the end of three years, the records will be retained until resolution of the audit findings. PAVE will assure that these records will be subject at all

reasonable times to inspection, review, or audit by federal, state, or other personnel duly authorized by the EDIC. EDIC and the Massachusetts State Auditor or any of its/their duly authorized representatives shall, until three years after final payment, have the right to examine any directly pertinent books, documents, papers and records of PAVE involving transactions related to the Agreement.

Section 4.7 Funding Shortfall.

Upon being notified of a Funding Shortfall by Veterans CARE in accordance with the PFS Agreement, PAVE will notify the EDIC of such shortfall and any actions being taken to remedy any such Funding Shortfall.

ARTICLE V. OUTCOMES AND OUTCOME PAYMENTS

Section 5.1 Calculation of Outcomes and Outcome Payments.

Outcome Payments are contingent upon the Evaluator's determinations as to whether the Outcomes have been met in accordance with the PFS Agreement, Schedule 2 (Project Evaluation). Upon such a determination that one or more of the Outcomes have been met, Veterans CARE Managing Member shall calculate the applicable Outcome Payments in accordance with the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

Section 5.2 Maximum Payments.

The maximum total amount payable by the EDIC to PAVE for cumulative Outcome Payments related to the City of Boston Project Site is \$750,000.00.

Section 5.3 Outcome Payments.

The EDIC will make the Outcome Payments to PAVE related to the City of Boston Project Site, which payments will be calculated and become due in accordance with the PFS Agreement, Schedule 3 (Calculation of Outcome Payments). If an Outcome Payment is payable by the EDIC in accordance with said Schedule 3, the EDIC will make such Outcome Payment in full within 30 days of receipt of an invoice from PAVE, without deduction or setoff, by electronic wire transfer of immediately available funds to a bank account designated by PAVE reasonably in advance of the payment due date. The EDIC will be obligated to make any such Outcome Payments regardless of whether the VA has met its obligations with respect to amounts due under the VA Grant with respect to the City of Boston Project Site, and regardless of whether any of the other Payors have met their respective payment obligations with respect to other Project Teams.

Section 5.4 No Third Party Rights.

The Parties agree that nothing in this Agreement, including this Article V shall be deemed to create or give to any third party any claim or right of action against any Party, provided that the EDIC acknowledges that PAVE will collaterally assign the right to payment set forth in this Payor Contract to Veterans CARE, which in turn will assign the right to payment to the Funding Partners (the "Assignees"), as collateral for the obligations of Veterans CARE to the Funding Partners, and the EDIC hereby consents to such collateral assignments. The EDIC agrees that no amendment to

the PFS Agreement that affects the amount or timing of Outcome Payments thereunder shall be valid without the prior written consent of each Assignee. Each Assignee shall be a third party beneficiary of the Outcome Payment provisions of this Payor Contract and shall be entitled to enforce the payment provisions hereof.

ARTICLE VI. MODIFICATION

Section 6.1 Generally.

This Agreement or any part of it may only be modified, revised, supplemented, abrogated, extended, waived, or amended in writing agreed to and signed by all Parties. In the event of any change in Federal or state Law or regulation which affects a Party's responsibilities, this Agreement shall be automatically amended to reflect such changes. Thereafter, the Parties mutually agree to enter into good faith negotiations to enter into a written amendment to reflect such changes.

ARTICLE VII. TERMINATION OF AGREEMENT

Section 7.1 Termination Rights.

This Agreement may be terminated as follows and may not be terminated for any other reason or under any other theory whatsoever:

(a) Funding or Deposit Failure: By PAVE, if EDIC fails to request from NJT the amounts necessary to comply with Section 4.2(a) or Section 4.2(c) hereof, or otherwise fails to comply with the provisions of Section 4.2(a) or Section 4.2(c) hereof, or if the EDIC fails to make the requisite amount of funds available from the NJT or any other source such that EDIC is unable to comply with the funding schedule set forth in Section 4.2(c) hereof.

(b) Payment Failure: By PAVE, if the EDIC fails to make an Outcome Payment when due in accordance with Section 5.3.

(c) EDIC Breach: By PAVE, if PAVE shall provide notice of Material Breach to the EDIC with respect to any of its other obligations hereunder, and EDIC shall then have 60 days to Cure such Material Breach, provided that PAVE shall extend such 60 day period if the EDIC is working in good faith to Cure such Material Breach. If the EDIC fails to Cure such Material Breach within such 60 day period, or such extended period, then PAVE may terminate this Agreement.

(d) Mutual Consent: Automatically upon the written mutual consent of the Parties, which consent may not be unreasonably withheld, conditioned, or delayed, in accordance with the terms of such written mutual consent to termination.

(e) PAVE Breach: By the EDIC, if the EDIC shall provide notice of Material Breach to PAVE with respect to its obligations hereunder, and PAVE shall then have 60 days to Cure such Material Breach, provided that the EDIC may extend such 60 day period if PAVE is working in good faith to Cure such Material Breach. If PAVE fails to Cure such Material Breach

within such 60 day period, or such extended period, then the EDIC shall request the Management Committee to replace PAVE. If the Management Committee fails to replace PAVE within 30 days, the EDIC may terminate this Agreement.

(f) Early termination of PFS Agreement: This Agreement shall terminate upon an early termination of the PFS Agreement in accordance with Section 8.1 thereof.

Section 7.2 Effect of Termination.

The remedies provided in this Section 7.2 are the exclusive and sole remedy of any Party in connection with a termination of this Agreement, provided that all such remedies are subject to the Wind-Up procedures set forth in Section 7.2(e) below, including the applicable provisions of Section 8.2 of the PFS Agreement as referenced below.

(a) Mutual Consent. Upon a termination of this Agreement pursuant to Section 7.1(d) (Mutual Consent), this Agreement will terminate at the time and under such conditions as are agreed to by the Parties, provided that the EDIC will remain obligated to make any Outcome Payments due, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(b) Funding or Deposit Failure; Payment Failure; EDIC Breach. Upon a termination by PAVE pursuant to Section 7.1(a) (Funding or Deposit Failure), Section 7.1(b) (Payment Failure) or Section 7.1(c) (EDIC Breach), (each an “EDIC Termination”), this Agreement will terminate, effective upon the date set forth in such notice of termination. Upon issuance of the notice of termination by PAVE, no additional Program Participants will be enrolled in IPS at the City of Boston Project Site, provided that any Enrolled Program Participants will continue to receive IPS services for a period of time to be determined by the Management Committee. The EDIC will remain obligated to make any Outcome Payments, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(c) PAVE Material Breach. Upon a termination by the EDIC pursuant to Section 7.1(e) (PAVE Breach), no additional Program Participants will be enrolled in IPS at the City of Boston Project Site, provided that any Enrolled Program Participants will continue to receive IPS services for a period of time to be determined by the Management Committee. The EDIC will remain obligated to make any Outcome Payments, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(d) Early Termination of PFS Agreement. Upon an early termination of the PFS Agreement in accordance with Article VIII thereof, this Agreement will terminate in accordance with the provisions set forth in Section 8.2 of the PFS Agreement, provided that the EDIC, the VA and other Payors shall consent to the early termination of the PFS Agreement as set forth therein, which consent may not be unreasonably withheld, conditioned, or delayed. The EDIC will remain obligated to make any Outcome Payments, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(e) Wind-Up.

(i) Following receipt of a notice of termination in accordance with this Article VII, the EDIC will pay to PAVE the amounts set forth below:

(A) An Outcome Payment, which will consist of the following:

1. Outcome Payments owed by the EDIC but not yet made; and
2. For Program Participants working with the City of Boston Project Site for whom Outcomes have not yet been calculated by the effective date of termination of this Agreement, the EDIC shall pay an Early Outcome Payment in accordance with a timeline agreed to by the Parties, calculated as set forth in the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

(B) Solely in the case of a City of Boston Termination, the EDIC will pay in addition to the amounts set forth in Section 7.2 (e)(i)(A) above, the full amounts applicable to the EDIC set forth in the Wind-Up Budget in accordance with Section 8.2(e) of the PFS Agreement.

(ii) The payments to be made under Section 7.2(e)(i) shall be made under a schedule to be reasonably agreed to by the Parties, taking into account the EDIC's budget process and the anticipated schedule of expenditures required to facilitate an orderly wind-up of this Agreement.

ARTICLE VIII. MISCELLANEOUS

Section 8.1 Notices.

All notices and other communications among the Parties will be in writing and will be deemed to have been duly given (a) when delivered in person, (b) five days after posting in the United States mail having been sent registered or certified mail return receipt requested, (c) when delivered by FedEx or other nationally recognized overnight delivery service, or (d) when delivered by fax or email, addressed as follows:

In the case of the EDIC to:

Midori Morikawa, Director of Workforce Policy & Planning
Mayor's Office of Workforce Development
43 Hawkins Street-Floor 3B

Boston, MA 02114-2907

In the case of PAVE to:

Payor Alliance for Veterans Employment, LLC
c/o Social Finance, Inc.
10 Milk Street, Suite 1010
Boston, MA 02108
Attention: Navjeet Bal
Email: nbal@socialfinance.org

with a copy (which will not constitute notice) to:

Jones Day
1755 Embarcadero Road
Palo Alto, CA 94303
Attention: Stephen E. Hall
Email: sehall@jonesday.com

or to such other address or addresses as the Parties, may from time to time designate in writing.

Section 8.2 Entire Agreement.

This Agreement (including the Schedules, Exhibits and Appendices hereto, which are incorporated by reference) constitutes the entire agreement between the Parties hereto and no statement, promise, condition, understanding, inducement, or representation, oral or written, expressed or implied, which is not contained herein will be binding or valid, and this Agreement may not be changed, modified, or altered in any manner except by an instrument in writing executed by both Parties hereto. Neither this Agreement nor any interest herein may be transferred by the Parties and such transfer will be null and void and will be cause to annul this Agreement. To the extent there are any conflicts or inconsistencies between this Agreement and any Schedule or Appendix, the provisions of this Agreement shall govern and control.

Section 8.3 Captions.

The captions contained in this Agreement are intended for convenience and reference purposes only and do not modify or restrict any provision herein.

Section 8.4 Remedies Cumulative.

Except as otherwise expressly provided by this Agreement, all remedies available to PAVE or the EDIC for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not exclude the exercise of any other remedy. Notwithstanding any other provision of this Agreement, no Party will be entitled to recover compensation or make a claim under this Agreement in respect of any loss that it has incurred to the extent that it has already been compensated in respect of that loss pursuant to this Agreement or otherwise by the other Party.

Section 8.5 Non-Waiver.

The failure of either Party to exercise any right or to require strict performance of any provision will not waive or diminish such Party's right thereafter to exercise such right or to require strict performance of any provision nor will a waiver of any breach or default of the Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself. No waiver of any of the provisions of this Agreement will be binding unless executed in writing by the Party making the waiver.

Section 8.6 Severability.

In the event that any one or more of the provisions of this Agreement shall for any reason be declared unenforceable under the Laws or regulations in force, such provision will not have any effect on the validity of the remainder of this Agreement, which will then be construed as if such unenforceable provision had never been written or was never contained in this Agreement.

Section 8.7 Survival of Covenants, Representations and Warranties.

Other than Section 4.3 (Confidential Information), Section 4.6 (Books and Records, Audit Rights), Article VI (Modification), Section 7.2 (Effect of Termination), no covenant, representation or warranty of the Parties herein will survive the termination or expiration of this Agreement.

Section 8.8 Governing Law.

This Agreement will be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to any choice of law or conflict of law provision or rule (whether of the Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the Commonwealth of Massachusetts.

Section 8.9 Costs.

Each Party will bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the performance by it hereunder.

Section 8.10 Counterparts.

This Agreement may be executed in counterparts, each of which when executed and delivered will constitute an original but all counterparts together will constitute one and the same instrument.

Section 8.11 Assignment.

Except as set forth in Section 5.4 hereof, no Party may assign its respective rights or obligations under this Agreement without the prior written consent of the other Parties, which shall not be unreasonably withheld. This Agreement is binding upon and inures to the benefit of the Parties and their successors and assigns.

Section 8.12 Independent Contractor.

Nothing contained in this Agreement, and no action by any Party, shall be deemed to: (i) create between them an employer-employee or principal-agent relationship or partnership, joint venture, association, or syndicate; or (ii) confer on any party any right, power or authority to enter into any agreement or commitment, whether express or implied, or to incur any obligation or liability on behalf of the other party. Neither Party shall hold itself out as the agent of the other Party, nor imply, nor fail to correct a misunderstanding, that there is an agency relationship between it and the other Party.

Section 8.13 Further Assurances.

The Parties shall provide such information, execute and deliver any instruments and documents and take such other actions as may be necessary or reasonably requested by the other Party that are not inconsistent with this Agreement or the PFS Agreement and that do not involve the vesting of rights or the assumption of obligations other than those provided for in this Agreement, in order to give full effect to the Agreement and carry out the intent thereof.

Section 8.14 Time of the Essence.

Time is of the essence with respect to all provisions of this Agreement that specify a time for performance; provided, that, this provision shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

Section 8.15 Construction.

Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms “hereof,” “herein,” “hereby,” “hereto” and derivative or similar words refer to this entire Agreement, (d) when a reference is made in this Agreement to an Article, Section, Schedule, Exhibit or Appendix, such reference is to an Article or Section of, or a Schedule, Exhibit or Appendix to, this Agreement, (e) the word “including,” “include” or “includes” means “including, without limitation,” (f) the words “Person” or “Persons” refers to a natural person and/or an entity of any type, and (g) the word “or” will be disjunctive but not exclusive. The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase will not mean simply “if.” References to agreements and other documents will be deemed to include all subsequent amendments and other modifications thereto. References to statutes will include all regulations promulgated thereunder, and references to statutes or regulations will be construed to include all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent and no rule of strict construction will be applied against any Party. Whenever this Agreement refers to a number of days, such number will refer to calendar days unless Business Days are specified. All accounting terms used herein and not expressly defined herein will have the meanings given to them under United States generally accepted accounting principles.

Section 8.16 Electronic Signatures and Electronic Records.

Each Party consents to the use of electronic signatures by each other Party. This Agreement and any other documents requiring a signature under this Agreement, may be signed electronically by the Parties. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in formation.

By execution of this Agreement, the Parties agree to the terms and conditions of this Agreement.

**PAYOR ALLIANCE FOR VETERANS
EMPLOYMENT, LLC:**

By: _____
Name: Navjeet K. Bal
Title: Treasurer

**ECONOMIC DEVELOPMENT
AND INDUSTRIAL CORPORATION OF BOSTON**

By: _____
Brian P. Golden, Director
as Fiscal Agent of the Neighborhood Jobs Trust

NEIGHBORHOOD JOBS TRUST

By: _____
Name: Trinh Nguyen
Title: Trustee

Appendix A – Index of Defined Terms

“Agreement” has the meaning given to such term in the preamble of the Agreement.

“Business Days” has the meaning set forth in Appendix A to the PFS Agreement.

“City of Boston Project Site” has the meaning given to such term in the recitals of the Agreement.

“City of Boston Termination” has the meaning set forth in Section 7.2(b) of the Agreement.

“Confidential Information” has the meaning given to such term in Section 4.3 of the Agreement.

“Cure” means, with respect to a particular set of facts and circumstances constituting a Material Breach, that Party has taken actions such that there is no longer a Material Breach or taken all steps reasonably necessary that there is no continuing Material Breach, including by implementing appropriate procedures or controls.

“Disclosing Party” has the meaning set forth in Section 4.3 of the Agreement.

“Early Outcome Payment(s)” has the meaning set forth in the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

“EDIC” means the Economic Development and Industrial Corporation of Boston, a public body politic and corporate established under Chapter 1097 of the Acts and Resolves of 1971, with its principal office at 43 Hawkins Street, Boston, Massachusetts 02114

“Effective Date” has the meaning set forth in Section 2.1 of the Agreement.

“Enrolled” or “Enrollment” has the meaning set forth in the PFS Agreement, Schedule 1 (Operating Responsibilities).

“Evaluator” has the meaning given to such term in the recitals of the Agreement.

“Evaluator Agreement” has the meaning given to such term in the recitals of the Agreement.

“Financing” has the meaning given to such term in the recitals of the Agreement.

“Financing Condition” has the meaning set forth in Appendix A of the PFS Agreement.

“Funding Partners” means the individuals and entities that have provided or are possible sources of funding to Veterans CARE for the Project, and which, if such funding is provided, will be entitled to receive their respective portions of the Outcome Payments pursuant to their agreements with and rights with respect to Veterans CARE.

“Funding Shortfall” has the meaning set forth in Section 4.7 of the PFS Agreement.

“Governmental Authority” means any (i) federal, state, local or municipal governmental authority, quasi-governmental authority of any nature or any political subdivision thereof (including any taxing authority, agency, branch, board, commission, bureau, official, or entity and any court, arbitral body or other tribunal); or (ii) body entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority.

“Implementation Coordinating Center” has the meaning set forth in the recitals to this Agreement.

“Intervention Agreement” means the agreement dated as of the date set forth therein between Veterans CARE, TREAC and TVAMC, as it may be amended from time to time.

“IPS” has the meaning given to such term in the recitals to the Agreement.

“Law(s)” means any written law, statute, constitutional provision, treaty, code, ordinance, rule or regulation or other similar requirement of any Governmental Authority and any directive, policy or binding guideline of the EDIC or a federal Governmental Authority.

“Management Committee” is described in the PFS Agreement, Schedule 4 (Governance and Reporting).

“Massachusetts Public Records Law” has the meaning given to such term in Section 4.3 of the Agreement.

“M.G.L.” means “Massachusetts General Laws”.

“Material Breach” means a material breach of this Agreement, the PFS Agreement, the VA Grant Agreement, the Intervention Agreement or the Evaluator Agreement by a party thereto that would reasonably be expected to materially adversely impact any of the Outcomes or the amount or timing of any of the Outcome Payments.

“NJT” has the meaning given to such term in the preamble of the Agreement.

“Outcomes” has the meaning set forth in the PFS Agreement, Schedule 2 (Project Evaluation).

“Outcome Payment(s)” has the meaning set forth in the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

“Program Participant(s)” has the meaning set forth in the PFS Agreement, Schedule 1 (Operating Responsibilities).

“Parties” or “Party” have the meaning given to such terms in the preamble of the Agreement.

“PAVE” has the meaning given to such term in the preamble of the Agreement.

“PAVE Breach” has the meaning set forth in Section 7.2(c) of the Agreement.

“Payor Contracts” has the meaning given to such term in the recitals to the Agreement.

“Payors” has the meaning given to such term in the recitals to the Agreement.

“Payor Steering Committee” is described in the PFS Agreement, Schedule 4 (Governance and Reporting).

“Person” or “Persons” have meaning given to such terms in the Section 8.15 of the Agreement.

“PFS Agreement” has the meaning given to such term in the recitals to the Agreement.

“Project” has the meaning given to such term in the recitals of the Agreement.

“Project Teams” means, collectively, the following four project teams, each of which will include two IPS Specialists and one IPS Coordinator (as more fully described in Schedule 1 (Operating Responsibilities)):

- (i) the Central/Western Massachusetts Project Team means the team delivering services via the Veterans Education & Research Association of Northern New England, Inc. (VERANNE).

- (ii) the Brockton Project Team means the team delivering services via the Boston VA Research Institute, Inc. (BVARI), in proximity of the Brockton VA Medical Center.

- (iii) the Boston Project Team means the team delivering services via the Boston VA Research Institute, Inc. (BVARI), in proximity of the Jamaica Plain VA Medical Center.

- (iv) the New York Project Team means the team delivering services via the Narrows Institute for Biomedical Research, Inc.

“PTSD” has the meaning given to such term in the recitals to the Agreement.

“Service Commencement Date” has the meaning set forth in Section 2.2 of the Agreement.

“Term” has the meaning given to such term in Section 2.2 of the Agreement.

“TREAC” has the meaning given to such term in the recitals to the Agreement.

“VA” has the meaning given to such term in the recitals to the Agreement.

“VA Grant” has the meaning given to such term in the recitals to the Agreement.

“Veterans CARE” has the meaning given to such term in the recitals of the Agreement.

“Veterans CARE Managing Member” has the meaning given to such term in the recitals of the Agreement.

EXECUTION COPY

PAYOR AGREEMENT

COMMONWEALTH OF MASSACHUSETTS

Dated as of May 3, 2018

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This Payor Agreement (this “Agreement”), dated as of May 3, 2018, is between the Commonwealth of Massachusetts (the “Commonwealth”) acting through the Executive Office for Administration and Finance (“EOAF”) and Payor Alliance for Veterans Employment, LLC, a wholly owned subsidiary of Social Finance, Inc. (“PAVE”). The Commonwealth and PAVE are referred to herein as the “Parties” and each as a “Party”. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in Appendix A.

WHEREAS, Social Finance, Inc., on behalf of PAVE, accepted a \$3,000,000 grant from the U.S. Department of Veterans Affairs (the “VA”) in September 2016 by executing the Veterans Grant Program Grant Agreement (the “VA Grant”), as included in Appendix B, for purposes of providing a portion of the Outcome Payments for the Project (as defined below);

WHEREAS, the VA Grant is in support of the Veterans Coordinated Approach to Recovery and Employment Project (the “Project”), in which the highest priority and goal is to provide supported employment services to Veterans with service-connected Post-Traumatic Stress Disorder (“PTSD”) via four Project Teams, as set forth in Schedule 1 (Operating Responsibilities) to the Pay for Success Agreement (the “PFS Agreement”) among PAVE, Veterans CARE Managing Member, LLC, a wholly owned subsidiary of Social Finance, Inc. (“Veterans CARE Managing Member”), and Veterans Coordinated Approach to Recovery and Employment, LLC, a wholly owned subsidiary of Veterans CARE Managing Member (“Veterans CARE”), and attached hereto as Appendix C;

WHEREAS, in order to meet the VA Grant’s requirement to secure one-for-one cash match for the VA Grant, PAVE is securing matching funds related to each of the Project Teams, in an aggregate amount of \$3,000,000;

WHEREAS, the Commonwealth and PAVE are entering into this Agreement in order to provide up to \$1,500,000 in matching funds to be used by PAVE for Outcome Payments related to certain Project Teams served by the Boston VA Research Institute, Inc. (BVARI) in proximity to the Brockton VAMC and Project Teams served by the Veterans Education & Research Association of Northern New England, Inc. (VERANNE) (collectively, the “Commonwealth Project Sites”);

WHEREAS, Chapter 143 of the Acts of 2012 of the Commonwealth established Section 35VV of Chapter 10 of the Massachusetts General Laws (the “Enabling Act”) which authorizes the Secretary of EOAF (the “Secretary”) to enter into pay for success contracts in accordance with the requirements of the Enabling Act, and which further authorizes the Secretary to provide that the Commonwealth's payments under such contracts may constitute a general obligation of the Commonwealth for which the full faith and credit of the Commonwealth are pledged;

WHEREAS, the Enabling Act also created a “Social Innovation Financing Trust Fund” (the “PFS Fund”) which is held on the books of the Commonwealth and administered by the Secretary to make Outcome Payments;

WHEREAS, PAVE will enter into similar agreements (together with this Agreement, the “Payor Contracts”) with other payors related to the other Project Teams (together with the Commonwealth, collectively, the “Payors”) pursuant to which each of the Payors will provide

matching funds at the times and in the aggregate amounts set forth in the related Payor Contracts to match the VA Grant, to be used by PAVE as Outcome Payments for the related Project Teams, all in accordance with the PFS Agreement;

WHEREAS, operating costs for the Project will be funded by the proceeds of loans to and/or investments in Veterans CARE (the “Financing”), such Financing to be repaid from Outcome Payments;

WHEREAS, Veterans CARE will enter into an agreement (the “Intervention Agreement”) with the Tuscaloosa Research and Education Advancement Corporation (“TREAC”), a nonprofit corporation affiliated with the Tuscaloosa VAMC (“TVAMC” and collectively with TREAC, the “Implementation Coordinating Center”), pursuant to which the Implementation Coordinating Center will facilitate implementation of a supported employment intervention known as Individual Placement and Support (“IPS”), to be delivered to Veterans with PTSD by dedicated employment specialists via the Project Teams, all as more fully described in Schedule 1 (Operating Responsibilities);

WHEREAS, Veterans CARE will enter into an agreement (the “Evaluator Agreement”) with Westat, Inc. (the “Evaluator”), an independent third party, to measure four different Outcomes, including a Fidelity Score Outcome, Earning Outcome, Days Worked Outcome and Job Satisfaction Outcome, all as more fully described in Schedule 2 (Project Evaluation);

WHEREAS, Veterans CARE Managing Member will determine the Outcome Payments, if any, attributable to the Commonwealth Project Sites, and the amount of such Outcome Payments to be paid by the Commonwealth, in accordance with the PFS Agreement, Schedule 3 (Calculation of Outcome Payments), and provide an invoice for such amount to PAVE; and

NOW THEREFORE, in consideration of the promises, responsibilities and covenants herein, the Parties agree as follows:

ARTICLE I. DEFINITIONS/CONSTRUCTION

Section 1.1 Defined Terms.

In this Agreement, capitalized terms have the meaning assigned to them in this Agreement and in Appendix A – Index of Defined Terms, a copy of which is attached hereto and incorporated by this reference.

Section 1.2 Appendices and Schedules.

The following additional Appendices and Schedules are attached hereto:

Appendix B: VA Grant, included herein for reference purposes only;

Appendix C: PFS Agreement, including the following Schedules thereto, hereby incorporated into this Agreement in its entirety:

Schedule 1: Operating Responsibilities

Schedule 2: Project Evaluation

Schedule 3: Calculation of Outcome Payments

Schedule 4: Governance and Reporting

Schedule 5: Publicity

ARTICLE II. TERM OF AGREEMENT; SERVICES

Section 2.1 Effective Date.

This Agreement will become effective as of the date first written above (the “Effective Date”), and will remain in effect until October 29, 2021 (the “Term”), unless earlier terminated pursuant to Section 7.1.

Section 2.2 Project Launch Date.

TREAC will oversee the implementation of IPS described more fully in the PFS Agreement, Schedule 1 (Operating Responsibilities), at the Commonwealth Project Sites, following the satisfaction of the Financing Condition on a date to be agreed to by the Management Committee (the “Service Commencement Date”) in accordance with the PFS Agreement.

ARTICLE III. REPRESENTATIONS AND WARRANTIES

Section 3.1 PAVE’s Representations and Warranties.

(a) Organization and Good Standing. PAVE is a limited liability corporation validly existing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as presently conducted and to enter into and perform under this Agreement, the other Payor Contracts and the PFS Agreement.

(b) Authority for Agreement. The execution, delivery and performance by PAVE of this Agreement and the performance by PAVE under this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by PAVE and, assuming the due authorization, execution and delivery by the Commonwealth, and subject to the effect of applicable Laws (e.g., bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to the rights of creditors generally), constitutes a legal, valid and binding obligation of PAVE, enforceable against PAVE in accordance with its terms. The execution and performance of this Agreement by PAVE will not violate any provision of Law and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under or require a consent or waiver under, PAVE’s organizational documents or any decree, judgment, or order applicable to PAVE.

(c) No Litigation. No litigation, arbitration or administrative proceeding is presently in progress or, to PAVE’s knowledge, pending or threatened in writing against PAVE or

any of its assets which might reasonably be expected to materially adversely affect the ability of PAVE to perform its obligations under this Agreement.

Section 3.2 Commonwealth Representations and Warranties and Covenants

(a) Powers as to Contract and Pledge. The Commonwealth represents, covenants, and warrants, solely on behalf of itself and not on behalf of any other party hereto, for the benefit of the other Party to this Agreement, that it has taken all necessary action and has complied with all provisions of the Enabling Act required to make this Agreement the valid obligation of the Commonwealth which it purports to be and to pledge its full faith and credit in the manner and to the extent provided herein; and, when executed and delivered by the parties hereto, this Agreement will constitute a valid and binding agreement of the Commonwealth enforceable in accordance with its terms, except as enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted to the extent that the same may be constitutionally applied.

(b) Covenants as to PFS Fund. The Commonwealth covenants and agrees that amounts deposited to the PFS Fund related to this Agreement pursuant to the Enabling Act shall not be diverted from the purposes identified in this Agreement, nor shall the trusts created hereby be broken, and the pledge and dedication in trust of such amounts shall continue unimpaired and unabrogated.

(c) No Litigation. No claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the Commonwealth's knowledge, pending or threatened against the Commonwealth which will or might reasonably be expected to materially adversely affect the ability of the Commonwealth to perform under this Agreement.

(d) Governmental Consents. No consent, approval, order, or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority is required in connection with the execution, delivery and performance of this Agreement by PAVE, the Commonwealth or the payment of Outcome Payments hereunder.

ARTICLE IV. OBLIGATIONS AND RESPONSIBILITIES OF THE PARTIES

Section 4.1 PAVE's Obligations and Responsibilities.

Without limiting the generality or effect of any other provision of this Agreement, PAVE will:

- (a) use its reasonable efforts to perform its responsibilities and to take such actions in each case as are required to be taken by it in this Agreement;
- (b) in rendering its services hereunder, comply with all Laws applicable to it and its subsidiaries;

(c) enter into the other Payor Contracts and the PFS Agreement, and will not without the prior written consent of the Commonwealth, which consent may not be unreasonably withheld, conditioned or delayed, (i) amend such PFS Agreement in any manner that will materially affect the Commonwealth's obligations hereunder, or (ii) terminate the PFS Agreement;

(d) obtain the prior written consent of the Commonwealth, which consent may not be unreasonably withheld, conditioned or delayed before giving consent to Veterans LLC to (i) any amendments to the Intervention Agreement or the Evaluator Agreement, which would have a material effect on Outcomes, Outcome Payments or the Commonwealth's obligations hereunder; (ii) the termination of either the Intervention Agreement or the Evaluator Agreement; or (iii) the substitution of TREAC, TVAMC or the Evaluator under the applicable agreement;

(e) upon receiving notice from Veterans CARE of a Material Breach of the Intervention Agreement or the Evaluator Agreement, promptly provide such notice to the Commonwealth, and provide ongoing information about Veterans CARE's efforts to cause TREAC, TVAMC or the Evaluator, as applicable, to remedy such Material Breach, or, if necessary, to replace TREAC, TVAMC or the Evaluator, as applicable; and

(f) promptly notify the Commonwealth of any Material Breach of the VA Grant, the other Payor Contracts, or the PFS Agreement, and use reasonable efforts to (i) cause the applicable breaching party to remedy such Material Breach, or (ii) replace such breaching party in accordance with the applicable agreement.

Section 4.2 Commonwealth Obligations and Responsibilities.

Without limiting the generality or effect of any other provision of this Agreement:

(a) As provided in Section 35VV(c) of the Enabling Act, the Secretary hereby determines that the Outcome Payments that the Commonwealth is obligated to pay under this Agreement are a general obligation of the Commonwealth for which its full faith and credit are pledged. The maximum amount of Outcome Payments from the PFS Fund that can be made pursuant to this Agreement with the benefit of such pledge is \$1,500,000, subject to the provisions of this Agreement.

(b) The Secretary hereby represents that this Agreement meets the criteria under the Enabling Act, specifically:

(i) A substantial portion of the Outcome Payments under this Agreement is contingent on the achievement of the specific outcomes based on defined performance targets as set forth in the PFS Agreement;

(ii) As set forth in the PFS Agreement, an independent evaluator will confirm that the Outcomes have been met via an objective review process;

(iii) The PFS Agreement provides for the timing and calculation of the amount of Outcome Payments that would be earned during each fiscal year of this Agreement if the Outcomes are met;

(iv) As set forth in Section 4.2(c) hereof, this Agreement provides for a sinking fund requirement under which the Secretary will request an appropriation in the manner and amount stated in said section; and

(v) The Secretary hereby determines that this Agreement and the PFS Agreement will result in significant performance improvements and budgetary savings for the Commonwealth across all impacted agencies if the Outcomes are achieved.

(c) The Secretary shall request an appropriation for each fiscal year during the Term in an amount equal to the expected Outcome Payments that the Commonwealth will ultimately be obligated to pay in the future based upon the service provided during such fiscal year if the Outcomes are achieved. Such amounts upon appropriation shall be deposited to the PFS Fund maintained by the Secretary.

(d) The Secretary will keep Veterans CARE Managing Member reasonably informed of the status of any relevant budget, legislative or other Commonwealth action related to appropriations, or authorization of this Agreement and Pay for Success projects generally and maintain the PFS Fund until this Agreement has expired or been terminated in its entirety; and

(e) The Commonwealth acknowledges that PAVE has no obligation to furnish to it any information regarding the identity of any Funding Partner or any term of the Financing without the applicable Funding Partner's prior written consent. PAVE acknowledges the obligation to furnish to the Commonwealth information regarding the identity of any Funding Partners having consented to be disclosed in Publicity materials pursuant to Schedule 5 (Publicity) of the PFS Agreement.

Section 4.3 Confidential Information.

(a) Each Party acknowledges that, during the term of this Agreement, it may disclose (the "Disclosing Party") to the other (the "Receiving Party") certain confidential information and data (the "Confidential Information").

(b) The Parties will label any Confidential Information they may provide in the scope of their duties under this Agreement as such. The Parties agree to maintain the confidentiality of such Confidential Information, except as provided herein.

(c) For purposes of this Section 4.3, "Confidential Information" does not include, and there will be no obligation hereunder with respect to, information that (i) was available or became available to the public other than as a result of a disclosure by the Receiving Party; or (ii) was available, or became available, to the Receiving Party on a non-confidential basis prior to its disclosure to the Receiving Party by the Disclosing Party or its representative, but only if such information was not made available through a breach of an obligation of confidentiality owed to the Disclosing Party; (iii) is subject to disclosure in accordance with state or federal law, including Massachusetts public records law and the U.S. Freedom of Information Act, or (iv) is legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, civil or criminal investigative demand or similar legal process) or the disclosure of which is required by a regulatory body or court, provided, that Receiving Party

shall: (A) provide the Disclosing Party with prompt notice of any such request(s) so that it may seek an appropriate protective order or other appropriate remedy, and (B) provide reasonable assistance to the Disclosing Party in obtaining any such protective order. If such protective order or other remedy is not obtained or the Disclosing Party otherwise consents to disclosure, then the Receiving Party may furnish that portion (and only that portion) of the Confidential Information which, in the opinion of counsel to the Receiving Party, the Receiving Party is legally compelled to disclose.

Section 4.4 Payor Steering Committee.

The Commonwealth shall appoint two representatives to the Payor Steering Committee as set forth in the PFS Agreement, Schedule 4 (Governance and Reporting). The rights and responsibilities of the Payor Steering Committee members are set forth in the PFS Agreement, Schedule 4 (Governance and Reporting).

Section 4.5 Publicity.

News releases or any other similar public announcements regarding the Project or this Agreement may not be released or made by any Party prior to following the procedures outlined in the PFS Agreement, Schedule 5 (Publicity); provided, however, that any Party may make any public announcement that its counsel advises is required by Law or legal process, in which case, to the extent practicable, it will consult with the other Party with respect to the timing and content thereof.

Section 4.6 Books and Records; Audit Rights.

PAVE will establish and maintain books, records and documents (including electronic storage media) in accordance with generally accepted accounting principles and practices which sufficiently and properly reflect all revenues and expenditures of funds in connection with the Project. PAVE will retain all records, financial records, supporting documents, statistical records and any other documents (including electronic storage media) pertinent to this Agreement for a period of three years after termination of the Agreement, or until any litigation based on the terms of this Agreement or the PFS Agreement has concluded, or, if an audit has been initiated and audit findings have not been resolved at the end of three years, the records will be retained until resolution of the audit findings. PAVE will assure that these records will be subject at all reasonable times to inspection, review, or audit by federal, state, or other personnel duly authorized by the Commonwealth. The Commonwealth or any of its duly authorized representatives shall, until three years after final payment, have the right to examine any directly pertinent books, documents, papers and records of PAVE involving transactions related to the Agreement.

Section 4.7 Funding Shortfall.

Upon being notified of a Funding Shortfall by Veterans CARE in accordance with the PFS Agreement, PAVE will notify the Commonwealth of such shortfall and any actions being taken to remedy any such Funding Shortfall.

ARTICLE V. OUTCOMES AND OUTCOME PAYMENTS

Section 5.1 Calculation of Outcomes and Outcome Payments.

Outcome Payments are contingent upon the Evaluator's determinations as to whether the Outcomes have been met in accordance with the PFS Agreement, Schedule 2 (Project Evaluation). Upon such a determination that one or more of the Outcomes have been met, Veterans CARE Managing Member shall calculate the applicable Outcome Payments in accordance with the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

Section 5.2 Maximum Payments.

The maximum total amount payable by the Commonwealth to PAVE for cumulative Outcome Payments related to the Commonwealth Project Sites is \$1,500,000.

Section 5.3 Outcome Payments.

The Commonwealth will make the Outcome Payments to PAVE related to the Commonwealth Project Sites, which payments will be calculated and become due in accordance with the PFS Agreement, Schedule 3 (Calculation of Outcome Payments). If an Outcome Payment is payable by the Commonwealth in accordance with said Schedule 3, the Commonwealth will pay the Outcome Payment in full within 30 days of receipt of an invoice from PAVE, without deduction or setoff, by electronic wire transfer of immediately available funds to a bank account designated by PAVE reasonably in advance of the payment due date. The Commonwealth will be obligated to make any such Outcome Payments regardless of whether the VA has met its obligations with respect to amounts due under the VA Grant with respect to the Commonwealth Project Sites, and regardless of whether any of the other Payors have met their respective payment obligations with respect to other Project Teams.

Section 5.4 No Third Party Rights.

The Parties agree that nothing in this Agreement, including this Article V shall be deemed to create or give to any third party any claim or right of action against the Commonwealth or any Party, provided that the Commonwealth acknowledges that PAVE will collaterally assign the right to payment set forth in this Payor Contract to Veterans CARE, which in turn will assign the right to payment to the Funding Partners (the "Assignees"), as collateral for the obligations of Veterans CARE to the Funding Partners, and the Commonwealth hereby consents to such collateral assignments. The Commonwealth agrees that no amendment to the PFS Agreement that affects the amount or timing of Outcome Payments thereunder shall be valid without the prior written consent of each Assignee. Each Assignee shall be a third party beneficiary of the Outcome Payment provisions of this Payor Contract and shall be entitled to enforce the payment provisions hereof.

ARTICLE VI. MODIFICATION

Section 6.1 Generally.

This Agreement or any part of it may only be modified, revised, supplemented, abrogated, extended, waived, or amended in writing agreed to and signed by all Parties. In the event of any change in Federal or state Law or regulation which affects a Party's responsibilities, this Agreement shall be automatically amended to reflect such changes. Thereafter, the Parties mutually agree to enter into good faith negotiations to enter into a written amendment to reflect such changes.

ARTICLE VII. TERMINATION OF AGREEMENT

Section 7.1 Termination Rights.

This Agreement may be terminated as follows and may not be terminated for any other reason or under any other theory whatsoever:

- (a) Appropriation Failure: By PAVE, if the Secretary fails to request an appropriation as set forth in Section 4.2(c) hereof.
- (b) Payment Failure: By PAVE, if the Commonwealth fails to make an Outcome Payment when due in accordance with Section 5.3.
- (c) Commonwealth Breach: By PAVE, if PAVE shall provide notice of Material Breach to the Commonwealth with respect to any of its other obligations hereunder, and the Commonwealth shall then have 60 days to Cure such Material Breach, provided that PAVE shall extend such 60 day period if the Commonwealth is working in good faith to Cure such Material Breach. If the Commonwealth fails to Cure such Material Breach within such 60 day period, or such extended period, then PAVE may terminate this Agreement.
- (d) Mutual Consent: Automatically upon the written mutual consent of the Parties, which consent may not be unreasonably withheld, conditioned, or delayed, in accordance with the terms of such written mutual consent to termination.
- (e) PAVE Breach: By the Commonwealth, if the Commonwealth shall provide notice of Material Breach to PAVE with respect to its obligations hereunder, and PAVE shall then have 60 days to Cure such Material Breach, provided that the Commonwealth may extend such 60 day period if PAVE is working in good faith to Cure such Material Breach. If PAVE fails to Cure such Material Breach within such 60 day period, or such extended period, then the Commonwealth shall request the Management Committee to replace PAVE. If the Management Committee fails to replace PAVE within 30 days, the Commonwealth may terminate this Agreement.
- (f) Early termination of PFS Agreement: This Agreement shall terminate upon an early termination of the PFS Agreement in accordance with Section 8.1 thereof.

Section 7.2 Effect of Termination.

The remedies provided in this Section 7.2 are the exclusive and sole remedy of any Party in connection with a termination of this Agreement, provided that all such remedies are subject to the Wind-Up procedures set forth in Section 7.2(e) below, including the applicable provisions of Section 8.2 of the PFS Agreement as referenced below.

(a) Mutual Consent. Upon a termination of this Agreement pursuant to Section 7.1(d) (Mutual Consent), this Agreement will terminate at the time and under such conditions as are agreed to by the Parties, provided that the Commonwealth will remain obligated to make any Outcome Payments due, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(b) Appropriations Failure; Payment Failure; Commonwealth Breach. Upon a termination by PAVE pursuant to Section 7.1(a) (Appropriations Failure), Section 7.1(b) (Payment Failure) or Section 7.1(c) (Commonwealth Breach), (each a “Commonwealth Termination”), this Agreement will terminate, effective upon the date set forth in such notice of termination. Upon issuance of the notice of termination by PAVE, no additional Program Participants will be enrolled in IPS at the Commonwealth Project Sites, provided that any Enrolled Program Participants will continue to receive IPS services for a period of time to be determined by the Management Committee. The Commonwealth will remain obligated to make any Outcome Payments, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(c) PAVE Material Breach. Upon a termination by the Commonwealth pursuant to Section 7.1(e) (PAVE Breach), no additional Program Participants will be enrolled in IPS at the Commonwealth Project Sites, provided that any Enrolled Program Participants will continue to receive IPS services for a period of time to be determined by the Management Committee. The Commonwealth will remain obligated to make any Outcome Payments, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(d) Early Termination of PFS Agreement. Upon an early termination of the PFS Agreement in accordance with Article VIII thereof, this Agreement will terminate in accordance with the provisions set forth in Section 8.2 of the PFS Agreement, provided that the Commonwealth, the VA and other Payors shall consent to the early termination of the PFS Agreement as set forth therein, which consent may not be unreasonably withheld, conditioned, or delayed. The Commonwealth will remain obligated to make any Outcome Payments, including Early Outcome Payments, in accordance with Section 7.2(e) below.

(e) Wind-Up.

(i) Following receipt of a notice of termination in accordance with this Article VII, the Commonwealth will pay to PAVE the amounts set forth below:

(A) An Outcome Payment, which will consist of the following:

1. Outcome Payments owed by the Commonwealth but not yet made; and

2. For Program Participants working with the Commonwealth Project Sites for whom Outcomes have not yet been calculated by the effective date of termination of this Agreement, the Commonwealth shall pay an Early Outcome Payment in accordance with a timeline agreed to by the Parties, calculated as set forth in the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

(B) Solely in the case of a Commonwealth Termination, the Commonwealth will pay, in addition to the amounts set forth in Section 7.2 (e)(i)(A) above, the full amounts applicable to the Commonwealth set forth in the Wind-Up Budget in accordance with Section 8.2(e) of the PFS Agreement.

(ii) The payments to be made under Section 7.2(e)(i) shall be made under a schedule to be reasonably agreed to by the Parties, taking into account the Commonwealth's budget process and the anticipated schedule of expenditures required to facilitate an orderly wind-up of this Agreement.

ARTICLE VIII. MISCELLANEOUS

Section 8.1 Notices.

All notices and other communications among the Parties will be in writing and will be deemed to have been duly given (a) when delivered in person, (b) five days after posting in the United States mail having been sent registered or certified mail return receipt requested, (c) when delivered by FedEx or other nationally recognized overnight delivery service, or (d) when delivered by fax or email, addressed as follows:

In the case of the Commonwealth to:

Executive Office for Administration and Finance
State House, Room 373
Boston, MA 02133
Attention: Mark Attia
Email: mark.attia@state.ma.us

In the case of PAVE to:

Payor Alliance for Veterans Employment, LLC
c/o Social Finance, Inc.
10 Milk Street, Suite 1010
Boston, MA 02108
Attention: Navjeet Bal
Email: nbal@socialfinance.org

with a copy (which will not constitute notice) to:

Jones Day
1755 Embarcadero Road
Palo Alto, CA 94303
Attention: Stephen E. Hall
Email: sehall@jonesday.com

or to such other address or addresses as the Parties, including any replacement intermediary hereunder, may from time to time designate in writing.

Section 8.2 Entire Agreement.

This Agreement (including the Schedules, Exhibits and Appendices hereto, which are incorporated by reference) constitutes the entire agreement between the Parties hereto and no statement, promise, condition, understanding, inducement, or representation, oral or written, expressed or implied, which is not contained herein will be binding or valid, and this Agreement may not be changed, modified, or altered in any manner except by an instrument in writing executed by both Parties hereto. Neither this Agreement nor any interest herein may be transferred by the Parties and such transfer will be null and void and will be cause to annul this Agreement. To the extent there are any conflicts or inconsistencies between this Agreement and any Schedule or Appendix, the provisions of this Agreement shall govern and control.

Section 8.3 Captions.

The captions contained in this Agreement are intended for convenience and reference purposes only and do not modify or restrict any provision herein.

Section 8.4 Remedies Cumulative.

Except as otherwise expressly provided by this Agreement, all remedies available to PAVE or the Commonwealth for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not exclude the exercise of any other remedy. Notwithstanding any other provision of this Agreement, no Party will be entitled to recover compensation or make a claim under this Agreement in respect of any loss that it has incurred to the extent that it has already been compensated in respect of that loss pursuant to this Agreement or otherwise by the other Party.

Section 8.5 Non-Waiver.

The failure of either Party to exercise any right or to require strict performance of any provision will not waive or diminish such Party's right thereafter to exercise such right or to require strict performance of any provision nor will a waiver of any breach or default of the Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself. No waiver of any of the provisions of this Agreement will be binding unless executed in writing by the Party making the waiver.

Section 8.6 Severability.

In the event that any one or more of the provisions of this Agreement shall for any reason be declared unenforceable under the Laws or regulations in force, such provision will not have any effect on the validity of the remainder of this Agreement, which will then be construed as if such unenforceable provision had never been written or was never contained in this Agreement.

Section 8.7 Survival of Covenants, Representations and Warranties.

Other than Section 4.3 (Confidential Information), Section Section 4.6 (Books and Records, Audit Rights), Article VI (Modification), Section Section 7.2 (Effect of Termination), no covenant, representation or warranty of the Parties herein will survive the termination or expiration of this Agreement.

Section 8.8 Governing Law.

This Agreement will be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to any choice of law or conflict of law provision or rule (whether of the Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the Commonwealth of Massachusetts.

Section 8.9 Costs.

Each Party will bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the performance by it hereunder.

Section 8.10 Counterparts.

This Agreement may be executed in counterparts, each of which when executed and delivered will constitute an original but all counterparts together will constitute one and the same instrument.

Section 8.11 Assignment.

Except as set forth in Section 5.4 hereof, neither Party may assign its respective rights or obligations under this Agreement without the prior written consent of the other Party, which shall not be unreasonably withheld. This Agreement is binding upon and inures to the benefit of the Parties and their successors and assigns.

Section 8.12 Independent Contractor.

Nothing contained in this Agreement, and no action by any Party, shall be deemed to: (i) create between them an employer-employee or principal-agent relationship or partnership, joint venture, association, or syndicate; or (ii) confer on any party any right, power or authority to enter into any agreement or commitment, whether express or implied, or to incur any obligation or liability on behalf of the other party. Neither Party shall hold itself out as the agent of the other

Party, nor imply, nor fail to correct a misunderstanding, that there is an agency relationship between it and the other Party.

Section 8.13 Further Assurances.

The Parties shall provide such information, execute and deliver any instruments and documents and take such other actions as may be necessary or reasonably requested by the other Party that are not inconsistent with this Agreement or the PFS Agreement and that do not involve the vesting of rights or the assumption of obligations other than those provided for in this Agreement, in order to give full effect to the Agreement and carry out the intent thereof.

Section 8.14 Time of the Essence.

Time is of the essence with respect to all provisions of this Agreement that specify a time for performance; provided, that, this provision shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

Section 8.15 Construction.

Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms “hereof,” “herein,” “hereby,” “hereto” and derivative or similar words refer to this entire Agreement, (d) when a reference is made in this Agreement to an Article, Section, Schedule, Exhibit or Appendix, such reference is to an Article or Section of, or a Schedule, Exhibit or Appendix to, this Agreement, (e) the word “including,” “include” or “includes” means “including, without limitation,” (f) the words “Person” or “Persons” refers to a natural person and/or an entity of any type, and (g) the word “or” will be disjunctive but not exclusive. The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase will not mean simply “if.” References to agreements and other documents will be deemed to include all subsequent amendments and other modifications thereto. References to statutes will include all regulations promulgated thereunder, and references to statutes or regulations will be construed to include all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent and no rule of strict construction will be applied against any Party. Whenever this Agreement refers to a number of days, such number will refer to calendar days unless Business Days are specified. All accounting terms used herein and not expressly defined herein will have the meanings given to them under United States generally accepted accounting principles.

Section 8.16 Electronic Signatures and Electronic Records.

Each Party consents to the use of electronic signatures by each other Party. This Agreement and any other documents requiring a signature under this Agreement, may be signed electronically by the Parties. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in formation.

By execution of this Agreement, the Parties agree to the terms and conditions of this Agreement.

THE COMMONWEALTH OF MASSACHUSETTS

By: _____
Name: _____
Title: _____

**PAYOR ALLIANCE FOR VETERANS
EMPLOYMENT, LLC:**

By: _____
Name: Navjeet K. Bal
Title: Treasurer

Appendix A – Index of Defined Terms

“Agreement” has the meaning given to such term in the preamble of the Agreement.

“Business Days” has the meaning set forth in Appendix A to the PFS Agreement.

“Capital Shortfall” has the meaning set forth in Section 4.8 of the PFS Agreement.

“Confidential Information” has the meaning given to such term in Section 4.3 of the Agreement.

“Commonwealth” has the meaning given to such term in the preamble of the Agreement.

“Commonwealth Project Sites” has the meaning given to such term in the recitals of the Agreement.

“Commonwealth Termination” has the meaning set forth in Section 7.2(b) of the Agreement.

“Cure” means, with respect to a particular set of facts and circumstances constituting a Material Breach, that Party has taken actions such that there is no longer a Material Breach or taken all steps reasonably necessary that there is no continuing Material Breach, including by implementing appropriate procedures or controls.

“Disclosing Party” has the meaning set forth in Section 4.3 of the Agreement.

“Early Outcome Payment(s)” has the meaning set forth in the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

“Effective Date” has the meaning set forth in Section 2.1 of the Agreement.

“Enabling Act” has the meaning given to such term in the recitals of the Agreement.

“Enrolled” or “Enrollment” has the meaning set forth in the PFS Agreement, Schedule 1 (Operating Responsibilities).

“EOAF” has the meaning given to such term in the recitals of the Agreement.

“Evaluator” has the meaning given to such term in the recitals of the Agreement.

“Evaluator Agreement” has the meaning given to such term in the recitals of the Agreement.

“Executive Steering Committee” is described in the PFS Agreement, Schedule 4 (Governance and Reporting).

“Final Outcomes” has the meaning set forth in the PFS Agreement, Schedule 2 (Project Evaluation).

“Financing” has the meaning given to such term in the recitals of the Agreement.

“Financing Condition” has the meaning set forth in Appendix A of the PFS Agreement.

“Funding Partners” means the individuals and entities that have provided or are possible sources of funding to Veterans CARE for the Project, and which, if such funding is provided, will be entitled to receive their respective portions of the Outcome Payments pursuant to their agreements with and rights with respect to Veterans CARE.

“Governmental Authority” means any (i) federal, state, local or municipal governmental authority, quasi-governmental authority of any nature or any political subdivision thereof (including any taxing authority, agency, branch, board, commission, bureau, official, or entity and any court, arbitral body or other tribunal); or (ii) body entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority.

“Implementation Coordinating Center” has the meaning set forth in the recitals to this Agreement.

“Intervention Agreement” means the agreement dated as of the date set forth therein between Veterans CARE, TREAC and TVAMC, as it may be amended from time to time.

“IPS” has the meaning given to such term in the recitals to the Agreement.

“Law(s)” means any written law, statute, constitutional provision, treaty, code, ordinance, rule or regulation or other similar requirement of any Governmental Authority and any directive, policy or binding guideline of the Commonwealth or a federal Governmental Authority.

“Management Committee” is described in the PFS Agreement, Schedule 4 (Governance and Reporting).

“Material Breach” means a material breach of this Agreement, the PFS Agreement, the VA Grant Agreement, the Intervention Agreement or the Evaluator Agreement by a party thereto that would reasonably be expected to materially adversely impact any of the Outcomes or the amount or timing of any of the Outcome Payments.

“Outcomes” has the meaning set forth in the PFS Agreement, Schedule 2 (Project Evaluation).

“Outcome Payment(s)” has the meaning set forth in the PFS Agreement, Schedule 3 (Calculation of Outcome Payments).

“Program Participant(s)” has the meaning set forth in the PFS Agreement, Schedule 1 (Operating Responsibilities).

“Parties” or “Party” have the meaning given to such terms in the preamble of the Agreement.

“PAVE” has the meaning given to such term in the preamble of the Agreement.

“PAVE Breach” has the meaning set forth in Section 7.2(c) of the Agreement.

“Payor Contracts” has the meaning given to such term in the recitals to the Agreement.

“Payors” has the meaning given to such term in the recitals to the Agreement.

“Person” or “Persons” have meaning given to such terms in the Section Section 8.15 of the Agreement.

“PFS Agreement” has the meaning given to such term in the recitals to the Agreement.

“PFS Fund” has the meaning given to such term in the recitals to the Agreement.

“Project” has the meaning given to such term in the recitals of the Agreement.

“Project Teams” means, collectively, the following four project teams, each of which will include two IPS Specialists and one IPS Coordinator (as more fully described in Schedule 1 (Operating Responsibilities)):

(i) the Central/Western Massachusetts Project Team means the team delivering services via the Veterans Education & Research Association of Northern New England, Inc. (VERANNE).

(ii) the Brockton Project Team means the team delivering services via the Boston VA Research Institute, Inc. (BVARI), in proximity of the Brockton VA Medical Center.

(iii) the Boston Project Team means the team delivering services via the Boston VA Research Institute, Inc. (BVARI), in proximity of the Jamaica Plain VA Medical Center.

(iv) the New York Project Team means the team delivering services via the Narrows Institute for Biomedical Research, Inc.

“PTSD” has the meaning given to such term in the recitals to the Agreement.

“Secretary” has the meaning given to such term in the recitals to the Agreement.

“Service Commencement Date” has the meaning set forth in Section 2.2 of the Agreement.

“Term” has the meaning given to such term in Section 2.2 of the Agreement.

“TREAC” has the meaning given to such term in the recitals to the Agreement.

“VA” has the meaning given to such term in the recitals to the Agreement.

“VA Grant” has the meaning given to such term in the recitals to the Agreement.

“Veterans CARE” has the meaning given to such term in the recitals of the Agreement.

“Veterans CARE Managing Member” has the meaning given to such term in the recitals of the Agreement.

SCHEDULE 1 OPERATING RESPONSIBILITIES

Set forth below is an overview of the Individual Placement and Support (“IPS”) program in its current form. Capitalized terms used but not defined in this Schedule 1 shall have the meaning set forth in Schedule 2 (Project Evaluation) or Appendix A to the Agreement. The following two sections entitled “Overview of Intervention Model” and “Components of the Intervention Model” are being provided for background and informational purposes only.

Overview of Intervention Model

Post-traumatic stress disorder (“PTSD”) is a potentially disabling mental health condition that is particularly pervasive among Veterans. As of 2015, more than 400,000 post-9/11 Veterans were seen for potential PTSD at Department of Veteran Affairs (“VA”) medical centers (“VAMCs”) following their return from overseas deployments.¹ Employment is a key indicator of successful reintegration for Veterans but the symptoms of PTSD can exacerbate the difficulties Veterans face when transitioning to civilian life and make obtaining secure, stable employment challenging. According to the VA, half of post-9/11 Veterans enter a period of unemployment upon transition home and the average duration of unemployment is increasing.²

The Tuscaloosa Research and Education Advancement Corporation (“TREAC”), a nonprofit corporation affiliated with the Tuscaloosa VAMC (“TVAMC” and collectively with TREAC, the “Implementation Coordinating Center”), will facilitate implementation of IPS, which is a supported employment intervention. IPS is an evidence-based approach to helping individuals with mental health diagnoses obtain competitive employment. IPS prioritizes rapid job search for employment opportunities that match a Veteran’s needs, talents and preferences along with integrated mental health care and ongoing support for as long as participants have a need.

IPS will be delivered by dedicated employment specialists (“IPS Specialists”) and dedicated IPS coordinators (“IPS Coordinators”) at VAMCs across the country.

Components of the Intervention Model

What follows is a general description of IPS, and how it is intended to be implemented pursuant to this Project. The actual implementation of IPS at any VAMC might vary in order to accommodate the particular structure of the VAMC.

¹ Department of Veterans Affairs. (2015). Report on VA Facility Specific Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn Veterans Coded with Potential or Provisional PTSD, from 1st Qtr FY 2002 through 2nd Qtr FY 2015. Retrieved from <http://www.publichealth.va.gov/docs/epidemiology/ptsd-report-fy2015-qtr2.pdf>.

² Department of Veteran Affairs. (2015). Veteran Economic Opportunity Report. Retrieved from <http://www.benefits.va.gov/benefits/docs/Veteraneconomicopportunityreport2015.pdf>.

IPS supported employment is a well-researched and well-defined approach to helping people with serious mental health diagnoses return to work. Recent studies also show efficacy of IPS in other populations, including Veterans with PTSD. This model is defined by the eight practice principles below and by the 25-item IPS Supported Employment Fidelity Scale described in Schedule 2 (Project Evaluation).

Practice Principles of IPS Supported Employment

- I. Focus on Competitive Employment: Agencies providing IPS services are committed to competitive employment as an attainable goal for people with serious mental illness seeking employment.
- II. Eligibility Based on Client Choice: People are not excluded on the basis of readiness, diagnoses, symptoms, substance use history, psychiatric hospitalizations, homelessness, level of disability, or legal system involvement.
- III. Integration of Rehabilitation and Mental Health Services: IPS programs are closely integrated with mental health treatment teams.
- IV. Attention to Client Preferences: Services are based on each person's preferences and choices, rather than providers' judgments.
- V. Personalized Benefits Counseling: Employment specialists help people obtain personalized, understandable, and accurate information about their Social Security, Medicaid, and other government entitlements.
- VI. Rapid Job Search: IPS programs use a rapid job search approach to help job seekers obtain jobs directly, rather than providing lengthy pre-employment assessment, training, and counseling.
- VII. Systematic Job Development: Employment specialists systematically visit employers, who are selected based on job seeker preferences, to learn about their business needs and hiring preferences.
- VIII. Time-Unlimited and Individualized Support: Job supports are individualized and continue for as long as each worker wants and needs the support.

Application of the IPS Model for the Veterans CARE Project

The Project anticipates delivering IPS to up to 480 Veterans at VAMCs in the greater Boston area, Central/Western Massachusetts and greater New York City area. Project Teams may be comprised of two IPS Specialists and an IPS Coordinator. Each IPS Specialist will serve two dynamic caseloads of up to thirty (30) Veterans over the course of the Project. IPS Specialists are not likely to have an active caseload of thirty (30) Program Participants (as defined below) at any

point during the Project, as there will inevitably be attrition for Program Participants that no longer require high intensity of IPS services, or otherwise disengage with IPS services after Enrollment (as defined below).

IPS Specialists will be responsible, in collaboration with clinical partners from the Referral Sources (as defined below), for the planning, development, organization, administration, and delivery of the IPS prevention. The focus is to promote optimal occupational functioning of Veterans with service-connected PTSD, with competitive, integrated employment, in the context of a well-integrated employment and clinical treatment plan. The IPS Specialists also collect and organize data on Veterans served, as required.

IPS Coordinators will manage recruitment and data collection and assist IPS Specialists by carrying out administrative duties such as screening referrals, collecting outcomes data and source documentation, maintaining any regulatory requirements of the Project, and assisting with tracking Program Participants in follow-up, particularly in the follow-up of individual Program Participants who have disengaged from IPS services.

TREAC will facilitate the delivery of IPS services and shall enter into MOUs with each of the nonprofit corporations (“NPCs”) affiliated with related Project Teams. Included in TREAC’s responsibilities is recruitment of project staff for the TVAMC, including an IPS Fidelity Monitor and a Data Manager (each as defined in Schedule 2 (Project Evaluation)) who will be responsible for coordination and guidance across the sites, fidelity monitoring and data management. Personnel hired by TREAC for this Project will have oversight from the Study Chair at TVAMC.

Veterans will be referred to IPS by: (1) VA PTSD treatment teams, (2) mental health clinics, (3) primary care clinics, (4) community sources (5) vocational rehabilitation programs, (6) VA residential/domiciliary programs, or (7) self-referrals (collectively, the “Referral Sources”), based on the eligibility criteria outlined in Sections 1 and 2 below (“PFS Eligible”). Approved advertisements and flyers are also used as part of the recruitment strategy.

A Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) waiver for purposes of recruitment and pre-screening will be requested from the local VAMC Institutional Review Board (“IRB”), so that IRB-approved letters or flyers can be posted or mailed directly to Veterans with record of service-connected PTSD. Under this HIPAA waiver, the Project Teams may obtain personal identifying information, such as a list of names, social security numbers, and addresses of Veterans who have had contact with the local VAMC within the past five years and have a record of service-connected PTSD. IPS Coordinators will use this list to mail an IRB-approved letter or flyer to Veterans who live within a reasonable distance from the local VAMC that makes participation feasible, and to look in the VA medical record to pre-screen Veterans for the Project (i.e. review the VA electronic medical record to determine if there are any obvious exclusionary criteria) prior to the Veteran signing informed consent.

1. **Eligibility Criteria**

Veterans that meet the following criteria (“Eligibility Criteria”) will be identified as PFS Eligible.

Inclusionary criteria (at time of referral):

- (a) U.S. military Veteran
- (b) Has service-connected disability for PTSD
- (c) Age < 62 years
- (d) Not currently employed in Competitive Employment or is under-employed (defined as: working less than 20 hours per week in a job that is low wage and is not in keeping with the Veteran’s ability, aptitude, or skills)
- (e) Express desire to pursue Competitive Employment: employment that is not sheltered or set aside only for those with disabilities, and is paid a wage, salary or commission (the following do not count as competitive employment: babysitting, military drill, and transient day labor)
- (f) Independent decision-making capacity to provide informed consent (i.e. surrogate consent is not allowed)

Exclusionary criteria (at time of referral):

- (a) Disability classification of Total Disability based on Individual Unemployability (TDIU), as classified by the VA
- (b) Pending active legal charges with expected incarceration
- (c) Severe psychotic disorders including bipolar I disorder, schizoaffective and schizophrenia, as well as diagnosis of dementia or severe cognitive disorder
- (d) Current suicidal or homicidal intent
- (e) Substance use requiring immediate inpatient treatment interventions for the health and safety of the Veteran
- (f) Current participation in another interventional research study that focuses on vocational rehabilitation, supported employment, or improving occupational functioning
- (g) Other criteria that makes it unlikely that participant can complete the program, including but not limited to expected deployment, expected incarceration, expected long-term hospitalization, and/or expected relocation from the vicinity of the participating VA during the Service Delivery Period (as defined below).

Changes to these Eligibility Criteria may be made at the request of the Study Chair and local site investigator as an amendment to the IRB protocol and requires approval from the local IRB and the Management Committee prior to implementing a change in Eligibility Criteria. The IRB-approved Eligibility Criteria will serve as the official record and can be implemented without change to this Schedule.

2. Identification of PFS Eligible Program Participants and Introduction to IPS Services

- (a) The Project Teams will be responsible for identifying whether a Veteran is PFS Eligible during the Enrollment Period:
 - (i) Project Teams will obtain an address list of Veterans with diagnostic code who have service-connected PTSD from the VA corporate data warehouse.
 - (ii) Project Teams will conduct outreach by drafting an IRB-approved letter or flyer announcing the program for delivery to possible participants who reside within a reasonable distance of the relevant VAMC.
 - (iii) Project Teams will aggregate list of potential PFS Eligible Veterans from new Referral Sources.
- (b) For PFS Eligible Veterans, the Project Team will introduce the IPS services by doing the following:
 - (i) Confirm eligibility by checking the Computerized Patient Record System (“CPRS”) medical record and verifying service-connected PTSD status.
 - (ii) Collect informed consent.
 - (A) Prior to any study procedures being performed, IRB approved informed consent will be obtained by a member of the Project Team with IRB approved designation to obtain informed consent and training in informed consent procedures. Prior to entering the Project, the PFS Eligible Veteran will be provided with detailed information regarding the Project’s sponsor, purpose, procedures, potential risks and benefits, alternative treatment, compensation and other required elements. This will be done and documented on a signed and dated informed consent form. A Veteran’s willingness to take part in the Project will be documented in his or her VA medical records. PFS Eligible Veterans will be given ample time to consider the informed consent and may choose to involve family members and others in their decision. PFS Eligible Veterans are informed that refusal to participate in the Project will not penalize them or change their eligibility for VA services, treatment, or disability payments. If a Veteran agrees to participate, his/her consent will be recorded on the VA Form 10-1086. Informed consent requires that the participant understand the details of the Project, including its risks and benefits, and agrees to the IPS intervention and follow-up, without coercion to participation. The signed and dated consent form will be distributed to: Project file (original) and the PFS

Eligible Veteran. Persons with impaired decision-making capacity are excluded, so that surrogate consent will not be required. It is not anticipated that a PFS Eligible Veteran will be unable to speak, read, or understand English, so translation will not be required.

- (iii) Process or confirm the local electronic vocational rehabilitation consult in the participant's electronic medical record (provides legal protections for persons with disability to return to competitive work without jeopardizing service-connected disability status while participating in IPS).
- (c) Veterans who are determined not to be PFS Eligible will be excluded from the Project and will be referred to other services.

3. **Enrollment of Program Participants**

- (a) PFS Eligible Veterans who sign informed consents and attend the first two meetings with the IPS Specialist will be considered enrolled ("Enrolled" or "Enrollment") in the Project, and will be considered a "Program Participant".
- (b) Upon Enrollment, Program Participants will:
 - (i) Complete the IPS eligibility form
 - (ii) Complete Baseline Demographic and Clinical Characteristics Data
 - (iii) Complete Baseline PTSD Checklist (PCL-5)
 - (iv) Agree to provide Employment Data, including, but not limited to verification of Days Worked and Earnings for 18 months of Service Delivery Period and Follow-Up Period.
 - (y) PFS Eligible Veterans who signed informed consent but do not appear for their first two meetings with the IPS Specialists will not be considered Enrolled in the Project.
 - (z) Enrollment will be rolling between May 31, 2018 and June 30, 2020 of the Project (the "Enrollment Period"). The Enrollment Period may be extended with approval by the Payor Steering Committee.

4. **Service Delivery Period; Ramp-Up Period; Measurement Period; Follow-Up Period**

The service delivery period referenced below ("Service Delivery Period") will include a ramp-up period ("Ramp-Up Period") for hiring and training of personnel, a rolling 12-month measurement period ("Measurement Period") for all Program Participants, and an additional follow-up period ("Follow-Up Period") of no more than six months for all

Program Participants. The Service Delivery Period will also include a ramp down period (“Ramp-Down Period”) for Project close-out.

- (a) The Service Delivery Period will begin on May 31, 2018 and end on July 31, 2021 for all Program Participants, provided, that, the Service Delivery Period for Program Participants receiving services from the NYC Harbor Project Team may end prior to July 31, 2021.
- (b) The Ramp-Up Period will begin on May 31, 2018 and end on June 30, 2018.
- (c) The Measurement Period for a Program Participant Enrolled up to and including June 30, 2020 will begin on the date that a Program Participant is Enrolled in the Project and end 12 months from such date. The Payor Steering Committee may propose an alternative Measurement Period for any Program Participant Enrolled after June 30, 2020, subject to approval by Veterans CARE Managing Member.
- (d) [Reserved]
- (e) The Follow-Up Period for each Program Participant Enrolled up to and including January 2, 2020 will begin after the last day of the applicable 12-month Measurement Period and end 6 months thereafter. The Follow-Up Period for each Program Participant Enrolled on January 3, 2020 through and including June 30, 2020 will begin after the last day of the applicable 12-month Measurement Period and end on June 30, 2021, provided, that, the Follow-Up Period for each Program Participant receiving services from the NYC Harbor Project Team may end prior to July 31, 2021. The Payor Steering Committee may propose an alternative Follow-Up Period for any Program Participant Enrolled after June 30, 2020, subject to approval by Veterans CARE Managing Member,
- (f) [Reserved]
- (g) The Ramp-Down Period will begin on July 1, 2021 and end on July 31, 2021.

5. Cohorts

Program Participants will be divided into two cohorts (“Cohorts”) for the purposes of measuring Earnings and Days Worked, and the Earnings Outcome and Days Worked Outcome.

- (a) Cohort 1 is defined as all Program Participants Enrolled from May 31, 2018 to and including December 31, 2018.
- (b) Cohort 2 is defined as all Program Participants Enrolled from January 1, 2019 to and including June 30, 2020.

6. Caseloads

- (a) Each IPS Specialist is expected to serve a dynamic caseload of up to 30 Program Participants, and to serve at least two caseloads over the Service Delivery Period.
- (b) [Reserved].
- (c) Each caseload may include some Program Participants that are receiving intense case management and others that are receiving lower intensity case management (“step-down” status), as described below.

7. Discharge

It is possible that there will be Program Participants who, after Enrollment, decide to disengage from IPS. This can happen for a number of reasons, including, most commonly, a preference to pursue their own job development without the assistance and the intensity of IPS or other personal circumstances and/or interfering factors. These Program Participants will be discharged from the Project only after several attempts by the IPS Specialist to explore the reasons for disengagement, address possible remedies to allay the concerns and a 45 day “re-consideration period” for the Program Participant and team to re-assess the challenges and possible interfering factors. This process will also allow for re-admission should the discharged Program Participant decide to re-engage in the future. Program Participants who are discharged from the Project prior to completing Enrollment, and who do not re-engage in the Project will not be included in the calculation of Outcomes. Program Participants who are discharged from the Project after Enrollment will be included in the Outcome calculations as outlined in Schedule 3 (Calculation of Outcome Payments).

Every quarter the IPS Specialist will conduct a caseload analysis with guidance from the IPS Fidelity Monitor to determine the need for either continued IPS intensive supports or an alternative “step down” support through the clinical team or alternative community vocational support networks. It is during this ongoing analysis of the caseload and individual needs, preferences and circumstances associated with each of the Program Participants, that discharge determinations are made by the IPS Fidelity Monitor and IPS Specialists.

Program Participants will be discharged after extended periods of follow along support after employment is secured, if the caseload analysis described above (including the consensus of the Veteran and clinical team) determines the Program Participant can sustain her/his job/career through natural supports or a “step down” support plan using family, co-worker supports or other naturally occurring community supports to sustain employment.

Because IPS is such a highly individualized approach to employment and recovery, discharge planning is also individualized, and takes into consideration the many variables and unique circumstances that might interfere with active engagement and employment success given the challenges presented by the symptoms of PTSD.

8. Monitoring of Adverse Events and Serious Adverse Events

Project Teams are responsible for monitoring Adverse Events and Serious Adverse Events, as defined by the Veterans Health Administration Handbook, 1200.05. The Study Chair at the Implementation Coordinating Center will be responsible for elevating any reports of Adverse Events or Serious Adverse Events that can be attributed to: 1) the IPS intervention; 2) PTSD; or 3) occupation (work-related) to the attention of the Management Committee, as described in Schedule 4 (Governance and Reporting). Upon review of this data and consultation with clinical teams at VAMCs, the Management Committee may propose to pause or suspend services for safety reasons.

9. Ongoing data collection

The Implementation Coordinating Center is responsible for furnishing the following:

Report Name	Frequency	Distribution
Baseline Demographic and Clinical Characteristics Data	Quarterly, on or before the fifth Business Day after quarter end.	Management Committee
Site Fidelity Reports	Semi-annually, within 15 business days of each fidelity review	Management Committee
Enrollment and Retention Data	Monthly, beginning July 8, 2018	Management Committee
Master Data File	July 7, 2020, October 7, 2020, January 7, 2021, April 7, 2021, and July 7, 2021	Evaluator
Adverse Events or Serious Adverse Events	Ad-hoc or upon request by the Management Committee	Management Committee

10. Project Budget

Exhibit A describes the expected Project Budget (“Project Budget”) for each Project Team from July 1, 2020 through June 30, 2021. Any particular line item in the Project Budget may be increased by Veterans CARE Managing Member by up to 5.0% in the aggregate so long as there is a corresponding decrease in one or more of the other line items. Any changes above 5.0%, including new line items, must be approved by the relevant Payors on the Payor Steering Committee.

Within 30 days of execution of this Agreement, Managing Member will submit to the Payor Steering Committee a final Project Budget for each Project Team that incorporates any July 31 Offset Amounts (as defined in Schedule 3). Approval of the final Project Budget for a Project Team will be required by the relevant Payors on the Payor Steering Committee by October 26, 2020. Such approved final Project Budgets will replace the expected Project Budget in Exhibit A and will be the basis for calculating Outcome Payments as described in Schedule 3 (Calculation of Outcome Payments).

Exhibit A
Project Budget July 2020 – June 2021

CWMA Project Budget		
Site Budget		\$217,273
<i>Salaries and Fringe</i>	\$185,521	
<i>Other Costs</i>	\$12,000	
<i>Indirect Costs</i>	\$19,752	
Add. Project Costs		\$197,960
<i>TREAC Costs</i>	\$67,200	
<i>Transaction + PM Costs</i>	\$130,761	
Total CWMA Project Budget		\$415,233

Brockton Project Budget		
Site Budget		\$206,337
<i>Salaries and Fringe</i>	\$183,824	
<i>Other Costs</i>	\$3,755	
<i>Indirect Costs</i>	\$18,758	
Add. Project Costs		\$197,960
<i>TREAC Costs</i>	\$67,200	
<i>Transaction + PM Costs</i>	\$130,761	
Total Brockton Project Budget		\$404,297

JP Project Budget		
Site Budget		\$140,855
<i>Salaries and Fringe</i>	\$125,700	
<i>Other Costs</i>	\$2,350	
<i>Indirect Costs</i>	\$12,805	
Add. Project Costs		\$197,960
<i>TREAC Costs</i>	\$67,200	
<i>Transaction + PM Costs</i>	\$130,761	
Total JP Project Budget		\$338,815

SCHEDULE 2

PROJECT EVALUATION

This Schedule 2 sets forth the methodology that the Evaluator will utilize to determine the Outcomes that result from delivery of IPS services. The measurement and determination of these Outcomes will serve as the basis for the Outcome Payment calculation.

As set forth below and in Schedule 3 (Calculation of Outcome Payments), the Outcome Payments will be based on the: (a) Fidelity Score Outcome, (b) Earnings Outcome, (c) Days Worked Outcome, and (d) Job Satisfaction Outcome.

I. DEFINED TERMS

Capitalized terms used but not defined in this Schedule 2 or Appendix A to the Agreement will have the meanings set forth below:

“Average Earnings” means the mean earnings from Competitive Employment for all Program Participants.

“Average Days Worked” means the mean number of Days Worked in Competitive Employment for all Program Participants.

“Baseline Demographic and Clinical Characteristics Data” means demographic, socioeconomic, health, and other data collected by Project Teams after obtaining informed consent from the Program Participant.

“Competitive Employment” means employment that is not sheltered or set aside only for those with disabilities, and is paid a wage, salary or commission; the following do not count as competitive employment: babysitting, military drill or day labor.

“Data Manager” means the member of Implementation Coordinating Center personnel who will oversee, monitor, and facilitate all data collection with the Project Teams, including data checks/queries, direct access to electronic medical records, and outreach to Veterans who are not maintaining regular follow-up.

“Days Worked” means every calendar day that a Veteran worked a minimum of two hours in a Competitive Employment job.

“Days Worked Outcome” means has the meaning set forth in Section V.3 (a)(iii) of this Schedule 2.

“Earnings” means every dollar earned from Competitive Employment during the 18-month period following Enrollment in the Project.

“Earnings Outcome” has the meaning set forth in Section V.2 (a)(iii) of this Schedule 2.

“Employment Data” has the meaning set forth in Section III.1(b) of this Schedule 2.

“Employment Source Documentation” has the meaning set forth in Section II.1(e) of this Schedule 2.

“Evaluator Report” has the meaning set forth in Section VI.1 of this Schedule 2.

“Fidelity Score” has the meaning set forth in Section II.1(b) of this Schedule 2.

“Fidelity Score Outcome” has the meaning set forth in Section V.1 (ii) of this Schedule 2.

“Good Job Satisfaction” has the meaning set forth in Section V.4(a)(iii) of this Schedule 2.

“Indiana Job Satisfaction Scale” means a 32-item self-report survey for measuring job satisfaction, with each item scored on a scale of 1-4 (4 = Strongly Agree, 3 = Somewhat Agree, 2 = Somewhat disagree, 1 = Strongly Disagree).

“IPS Fidelity Monitor” means the member of Implementation Coordinating Center personnel who will provide training and fidelity monitoring on implementation of IPS to each of the Project Teams.

“IPS Fidelity Review Manual” means the IPS Fidelity Review Manual, Second Edition: May 2011.

“IPS Supported Employment Fidelity Scale” means the measurement tool defining the critical ingredients of IPS in order to differentiate between programs that have fully implemented the IPS model and those that have not.

“Job Satisfaction Score” has the meaning set forth in Section V.4(a)(ii) of this Schedule 2.

“Job Satisfaction Outcome” has the meaning set forth in Section V.4(a)(iii) of this Schedule 2.

“Master Data File” has the meaning set forth in Section III.1 of this Schedule 2.

“PTSD Checklist” or “PCL-5” has the meaning set forth in Section II.1(e) of this Schedule 2.

“Study Chair” means the member of Implementation Coordinating Center personnel who will oversee, monitor, and facilitate implementation of the Project and manage other Implementation Coordinating Center personnel.

II. DATA SOURCES AND ACCESS

1. *Data Sources*

(a) **Baseline Demographic and Clinical Characteristics Data**

Baseline Demographic and Clinical Characteristics Data will be collected by Project Teams for each Program Participant. These data will be aggregated by the Data Manager and shared with Veterans CARE Managing Member quarterly.

(b) **IPS Fidelity Score Data**

The IPS Fidelity Monitor administers fidelity reviews and assigns each Project Team a score (“Fidelity Score”) according to the IPS Supported Employment Fidelity Scale, attached hereto as Exhibit A. The data will be used by the Management Committee as a measure of Project performance and will inform any changes to implementation.

(c) **Indiana Job Satisfaction Scale**

Project Teams will measure Program Participants’ level of job satisfaction using the Indiana Job Satisfaction Scale, attached hereto as Exhibit B. Total scores range from 1 to 4, with 4 being highest possible score. IPS Coordinators and IPS Specialists will distribute the Indiana Job Satisfaction Scale to Program Participants two weeks after the start of a new job and every 3 months thereafter. Individual-level Indiana Job Satisfaction Scale data for each Project Team will be shared with the Evaluator.

(d) **PTSD Checklist for DSM-5 (“PCL-5”)**

Each Program Participant will complete a PCL-5 self-report questionnaire. The PCL-5 will be administered upon Enrollment, at months 1, 2, and 3, and thereafter every three months throughout the Service Delivery Period and the Follow-Up Period.

(e) **Employment Source Documentation**

Project Teams will collect source documentation such as pay stubs or tax forms (“Employment Source Documentation”) to verify Earnings data. The Implementation Coordinating Center will maintain scanned or photographed copies of source documentation in the Master Data File.

(f) **Self-Reported Employment Data**

Project Teams will ask Program Participants to report on their employment status, Earnings, and number of Days Worked (the “Employment Data”) on a monthly basis following their Enrollment in IPS. IPS Specialists will meet with Program Participants face-to-face, if possible, or remotely, each month for the first three months following their Enrollment and every three months thereafter up to 18

months. Program Participants Enrolled on or after January 1, 2019 through and including December 31, 2019 will continue face-to-face or remote follow up meetings with IPS Specialists through June 30, 2021, provided that Program Participants receiving services from the NYC Harbor Project Team may continue face-to-face or remote follow up meetings with IPS Specialists through a date earlier than June 30, 2021. In between face-to-face or remote meetings, as applicable, IPS Coordinators will follow-up with Program Participants via telephone. Employment Data will be entered by the IPS Coordinator into the Master Data File.

2. *Data Access*

- (a) Prior to the Service Commencement Date, the Evaluator and the Implementation Coordinating Center will establish the appropriate data access measures, in accordance with a Memorandum of Understanding which will articulate the scope of these measures to ensure compliance with federal and state confidentiality requirements, and to allow the Evaluator to perform the activities in accordance with this Schedule 2. After appropriate screening by the Implementation Coordinating Center, the Evaluator and related research personnel will be provided direct access to the Master Data File.

III. DATA COLLECTION

1. *Master Data File:* Data collection for the Project will be conducted by Project Teams. The Data Manager at the Implementation Coordinating Center will compile and maintain a master data file (the “Master Data File”), which will include the following information for all Program Participants:
 - (a) Baseline Demographic and Clinical Characteristics Data: Data collected at onset of intervention including, but not limited to, individual-level demographic, socioeconomic, and health data collected on Program Participants as set forth in Section II. 1(a) of this Schedule 2.
 - (b) Employment Data: Self-reported data on Program Participants’ Earnings and Days Worked by Program Participants during the Project, supplemented by Employment Source Documentation (e.g., pay stubs) as available as set forth in Section II. 1 (e) and (f) of this Schedule 2.
 - (c) Fidelity Scores: Fidelity Scores for each Project Team, as set forth in Section II.1 (b) of this Schedule 2.
 - (d) Job Satisfaction: Indiana Job Satisfaction Scale scores for Program Participants as set forth in Section II.1 (c) of this Schedule 2.

- (e) PTSD Checklist: Individual PCL-5 scores for all Program Participants, as set forth in Section II.1 (d) of this Schedule 2.

2. *Treatment of Missing Data*: Data may be missing for Program Participants who are lost to follow-up due to variety of reasons, including incarceration, long-term hospitalization, death, or relocation. If a Program Participant is lost to follow-up after their Enrollment, the total Earnings and total Days Worked up until the point they are lost to follow-up will be their final individual outcomes. Should the total percentage of Program Participants lost to follow-up exceed 10% by the first Cohort measurement of Earnings and Days Worked, the Management Committee may revisit the treatment of missing data with the Evaluator.

Program Participants who are discharged from the Project prior to Enrollment and who do not re-engage in the Project will not be included in the calculation of Outcomes.

IV. DATA SECURITY

1. *Data Transfer*: Pursuant to the execution of a Data Use Agreement between TVAMC and the Evaluator (the “Data Use Agreement”) prior to the Service Commencement Date, TVAMC and the Evaluator will agree to share electronic data using secure encrypted file transfer protocols (SFTP) only and, when sending such data, to use password-protected, encrypted files that are visible only to the intended recipient. If needed and under the terms of the Data Use Agreement, data may be transferred by encrypted DVD via chain-of-custody U.S. mail from TVAMC to the Evaluator. TVAMC and the Evaluator will further agree to transport paper files, if any, in locked carriers and that those handling such paper files will be trained in preserving the confidentiality of such files.
2. *Personally Identifying Information*: All Program Participants will be assigned a unique, non-personally identifying identification number that will be used in the Master Data File. TVAMC and the Evaluator will ensure that any data containing Personally Identifying Information will at all times be kept separately from the Master Data File and will be available only to Evaluator and the Implementation Coordinating Center staff that have been trained in federal and state law concerning the appropriate storage and transfer of confidential personally identifiable and personal health information of individuals.
3. *File Storage and Backup*: TVAMC and Evaluator will agree to store electronic files on password-protected computers on secure LAN servers in secure locations at all times. TVAMC and Evaluator will further agree to keep all confidential paper files in locked locations. No Personally Identifiable Information or personally-identifiable health information will be shared outside of the Evaluator and the Implementation Coordinating

Center, except as otherwise agreed to by the Evaluator and TVAMC in the Data Use Agreement.

4. *Data Use Agreement:* TVAMC and Evaluator shall enter into the Data Use Agreement outlining these data security provisions prior to the transfer of data.

V. MEASURING OUTCOMES

1. Fidelity Score

(a) Overview:

- (i) The implementation of IPS via each Project Team will be scored by the IPS Fidelity Monitor on the IPS Supported Employment Fidelity Scale. Each item on the IPS Supported Employment Fidelity Scale receives a Fidelity Score of 1 through 5 depending on the fidelity of the Project Team to the model, as defined by the IPS Fidelity Review Manual. Scores of 115 – 125 are rated as “Exemplary Fidelity;” scores of 100 – 114 are rated as “Good Fidelity;” scores of 74 – 99 are rated as “Fair Fidelity;” scores below 73 are rated as “Not Supported Employment.”
- (ii) During the Service Delivery Period, the IPS Fidelity Monitor will evaluate each Project Team on a quarterly basis and assign a Fidelity Score to each Project Team. In August 2019, the Evaluator will conduct a joint visit, with the IPS Fidelity Monitor, to each Project Team to measure Fidelity Scores. The Evaluator and IPS Fidelity Monitor will conduct a second joint-evaluation on the IPS Supported Employment Fidelity Scale in February 2019 for any Project Teams that scored 99 or lower (Fair Fidelity or Not Supported Employment fidelity) during the initial fidelity evaluation. These Fidelity Scores, agreed upon by the Evaluator and the IPS Fidelity Monitor, will be the “Fidelity Score Outcome” for each Project Team, and will be reported to the Veterans CARE Managing Member as set forth below in Section VI. The Fidelity Score Outcomes will be used by the Veterans CARE Managing Member to calculate the associated Fidelity Score Outcome Payments in accordance with Schedule 3 (Calculation of Outcome Payments).
- (iii) By December 31, 2020, unless another date is approved by the Management Committee, the Evaluator will conduct a joint visit, with the IPS Fidelity Monitor to the campus of each of the following Project Teams to measure Fidelity Scores: Jamaica Plain (“JP”) and Brockton (“Brockton”) VA Medical Center campuses of the Boston VA Healthcare System. These Fidelity Scores, agreed upon by the Evaluator and the IPS Fidelity Monitor, will be the “Fidelity Score Outcome” for the related Project Team, and will be reported to the Veterans CARE Managing

Member as set forth below in Section VI. No Fidelity Score Outcome will be assigned or reported for either the Central/Western Massachusetts (“CWMA”) Project Team or the NYC Harbor Project Team. The Fidelity Score Outcomes for the JP Project Team and the Brockton Project Team will be used by the Veterans CARE Managing Member to calculate the associated Fidelity Score Outcome Payments in accordance with Schedule 3 (Calculation of Outcome Payments).

- (iv) If travel restrictions or other impediments caused by the COVID-19 pandemic prevent the Evaluator and the IPS Fidelity Monitor from conducting an on-site evaluation of the IPS Supported Employment Fidelity Score prior to June 30, 2021, the Management Committee shall propose and approve an alternate evaluation methodology with respect to the Fidelity Score.

2. Earnings

(a) Overview:

- (i) Project Teams will collect Employment Data related to Earnings from each Program Participant throughout the Service Delivery Period and the Follow-Up Period. Project Teams will also collect Employment Source Documentation related to Earnings (e.g., employment diary, tax forms, pay stubs, direct deposit documentation) from Program Participants.
- (ii) The Evaluator will be responsible for assessing the level of agreement between Employment Data and the Employment Source Documentation. The Implementation Coordinating Center will provide the Evaluator with the Employment Data related to Earnings for the Program Participants, as recorded in both the Master Data File and Employment Source Documentation. The Implementation Coordinating Center will also provide the Evaluator with the information needed to determine agreement, e.g., electronic copies of the Program Participant Earnings data such that agreement can be measured over the same time interval. The Implementation Coordination Center will ensure that the Employment Source Documentation is in a suitable form for direct comparison with the Employment Data, to be confirmed by the Evaluator.
 - a. For the Evaluator Earnings Outcome report for July 31, 2020, the Evaluator will conduct this assessment on the lesser of: (i) a random selection of 40 Program Participant records from the Master Data File for Cohort 1 and Cohort 2, respectively (80 records total) or (ii) the total number of Program Participant records with Employment Source Documentation. For each of the Evaluator Earnings Outcome reports for January 2021 and July 2021, the Evaluator will conduct this assessment on the lesser of: (i) a random selection of 30 Program

Participant records from the Master Data File for Cohort 2, including Late Enrollments (60 records total) or (ii) the total number of Program Participant records with Employment Source Documentation. Program Participants who have not worked competitively during the observation period will also be included in the Master Data File. Evaluator Earnings Outcome reports for October 31, 2020 and April 30, 2021 will not be subject to a level of agreement assessment.

- b. For each Program Participant record selected for a level of agreement assessment, the Evaluator will determine if the two data sources “mostly agree” (the reported earnings are identical or close to identical for the two sources), “somewhat agree” (the reported earnings differ substantially, e.g., more than 10%, but are not radically different, e.g., more than 25%), or the two sources “do not agree” (the reported earnings differ more than 25%). Where no Employment Source Documentation is provided, the Evaluator will report these as “Not Applicable.” The Evaluator will report the number of Program Participant records in each agreement designation and the percentage of total Program Participant records in each agreement designation (i.e., number mostly agree/total records reviewed) for each Project Team and overall. If data sources differ substantially or do not agree, the Management Committee may revisit the treatment of the agreement between Employment Data and the Employment Source Documentation with the Evaluator.
- (iii) The Evaluator will calculate the Average Earnings of all Program Participants monitored by each Project Team (the “Earnings Outcome”) as described in Table 1 below, and will deliver the Earnings Outcomes report to the Veterans CARE Managing Member as set forth in Section VI below.

Table 1 – Average Earnings Time Periods

Earnings Outcome Report Due Date	Cohort	Time Period Used For Calculation
July 31, 2020	Cohort 1	May 31, 2018 – June 30, 2020
October 31, 2020	Cohort 2	July 1, 2020 – September 30, 2020

January 31, 2021	Cohort 2	July 1, 2020 – December 31, 2020
April 30, 2021	Cohort 2	July 1, 2020 – March 31, 2021
July 31, 2021	Cohort 2	July 1, 2020 – June 30, 2021

3. Days Worked

(a) Overview:

- (i) Project Teams will collect Employment Data on the number of hours worked each day from each Program Participant throughout the Service Delivery Period and Follow-Up Period. Days Worked will be measured as the number of calendar days a Program Participant worked for at least two hours in a Competitive Employment job. Project Teams will also collect Employment Source Documentation from Program Participants.
- (ii) The Evaluator will be responsible for assessing the level of agreement between Employment Data and the Employment Source Documentation. The Implementation Coordinating Center will provide the Evaluator with the Employment Data related to Earnings for the Program Participants, as recorded in both the Master Data File and Employment Source Documentation. The Implementation Coordinating Center will also provide the Evaluator with the information needed to determine agreement, e.g., electronic copies of the Program Participant Earnings data or remote access to the data files containing the requisite information such that agreement can be measured over the same time interval. The Implementation Coordination Center will ensure that the Employment Source Documentation is in a suitable form for direct comparison with the Employment Data, to be confirmed by the Evaluator.
 - a. For the Evaluator Days Worked Outcome report for July 31, 2020, the Evaluator will conduct this assessment on the lesser of: (i) a random selection of 40 Program Participant records from the Master Data File for Cohort 1 and Cohort 2, respectively (80 records total) or (ii) the total number of Program Participant records with Employment Source Documentation. For each of the Evaluator Days Worked Outcome reports for January 2021 and July 2021, the Evaluator will conduct this assessment on the lesser of: (i) a random selection of 30 Program Participant records from the Master Data File for Cohort 2, including Late Enrollments(60 records total) or (ii) the total number of Program Participant records with Employment Source Documentation. Program Participants who have not worked competitively during the observation period will also be included in the Master Data File.

Evaluator Days Worked Outcome reports for October 31, 2020 and April 30, 2021 will not be subject to a level of agreement assessment.

- b. For each Program Participant record selected for a level of agreement assessment, the Evaluator will determine if the two data sources “mostly agree” (the reported hours worked are identical or close to identical for the two sources), “somewhat agree” (the reported hours worked differ substantially, e.g., more than 10%, but are not radically different, e.g., more than 25%), or the two sources “do not agree” (the reported hours differ more than 25%). Where no Employment Source Documentation is provided, the Evaluator will report these as “Not Applicable.” The Evaluator will report the number of Program Participant records in each agreement designation and the percentage of total Program Participant records in each agreement designation (i.e., number mostly agree/total records reviewed) for each Project Team and overall. If data sources differ substantially or do not agree, the Management Committee may revisit the treatment of the agreement between Employment Data and the Employment Source Documentation with the Evaluator.
- (iii) The Evaluator will calculate the Average Days Worked of all Program Participants monitored by each Project Team (the “Days Worked Outcome”) as described in Table 2 and will deliver the Days Worked Outcomes report to the Veterans CARE Managing Member as set forth in Section VI below.

Table 2

Days Worked Outcome Report Due Date	Cohort	Time Period Used For Calculation
July 31, 2020	Cohort 1	May 31, 2018 – June 30, 2020
October 31, 2020	Cohort 2	July 1, 2020 – September 30, 2020
January 31, 2021	Cohort 2	July 1, 2020 – December 31, 2020
April 30, 2021	Cohort 2	July 1, 2020 – March 31, 2021
July 31, 2021	Cohort 2	July 1, 2020 – June 30, 2021

4. Job Satisfaction

(a) Overview:

- (i) Project Teams will administer the Indiana Job Satisfaction Scale for each Program Participant two weeks after starting a new job and every three months thereafter. Individual-level Indiana Job Satisfaction Scale data will be included in the Master Data File that is shared with Evaluator.
- (ii) The Evaluator will calculate a “Job Satisfaction Score” for each Program Participant over the Service Delivery Period and Follow-Up Period. The Job Satisfaction Score per Program Participant will be calculated as a weighted average of all individual Indiana Job Satisfaction Scale total scores completed for each job held by a Program Participant during the Service Delivery Period and Follow-Up Period based on length of time in each job. A Program Participant must have completed the Indiana Job Satisfaction Scale at least twice for a job to be counted in this calculation.
- (iii) The Evaluator will then calculate the percentage of Job Satisfaction Scores per Project Team that meet the benchmark for “Good Job Satisfaction”, defined as a Job Satisfaction Score of at least 3.1. The Evaluator will deliver a report of the percentage of Good Job Satisfaction scores per Project Team (the “Job Satisfaction Outcome”) to the Veterans CARE Managing Member as set forth in Section VI below.

VI. REPORTING OUTCOMES

1. Timeline

The Evaluator will measure and report Outcomes by producing an “Evaluator Report” which will be comprised of the following information delivered according to the following timeline for each Project Team:

- (a) By July 31, 2020, the Evaluator will provide the Veterans CARE Managing Member with the Earnings Outcome and the Days Worked Outcome for Cohort 1 Program Participants under each Project Team, as further described in Table 1 and Table 2;
- (b) By October 31, 2020, the Evaluator will provide the Veterans CARE Managing Member with the Earnings Outcome and the Days Worked Outcome for Cohort 2 Program Participants as further described in Table 1 and Table 2
- (c) By January 31, 2021, unless another date is approved by the Management Committee, the Evaluator will provide the Veterans CARE Managing Member with the Fidelity Score Outcome for JP and Brockton Project Teams;

- (d) By January 31, 2021, the Evaluator will provide the Veterans CARE Managing Member with the Earnings Outcomes and the Days Worked Outcome for Cohort 2 Program Participants as further described in Table 1 and Table 2;
- (e) By April 30, 2021, the Evaluator will provide the Veterans CARE Managing Member with the Earnings Outcomes and the Days Worked Outcome for Cohort 2 Program Participants as further described in Table 1 and Table 2; and
- (f) By July 31, 2021, the Evaluator will provide the Veterans CARE Managing Member with (i) the Earnings Outcomes and the Days Worked Outcome for Cohort Program Participants as further described in Table 1 and Table 2, and (ii) the Job Satisfaction Outcome for Program Participants under each Project Team.

Veterans CARE reserves the right to access de-identified data from the Evaluator and the Implementation Coordinating Center on an ongoing basis as needed, in addition to the intervals described above.

Exhibit A
IPS Supported Employment Fidelity Scale
[Attached]

SUPPORTED EMPLOYMENT FIDELITY SCALE***1/7/08****Rater:****Site:****Date:****Total Score:****Directions:** Circle one anchor number for each criterion.CriterionData
Source**Anchor**Staffing**

1. Caseload size: Employment specialists have individual employment caseloads. The maximum caseload for any full-time employment specialist is 20 or fewer clients.

MIS,
DOC, INT

- 1= Ratio of 41 or more clients per employment specialist.
- 2= Ratio of 31-40 clients per employment specialist.
- 3= Ratio of 26-30 clients per employment specialist.
- 4= Ratio of 21-25 clients per employment specialist.
- 5= Ratio of 20 or fewer clients per employment specialist.

2. Employment services staff: Employment specialists provide only employment services.

MIS, DOC
INT

- 1= Employment specialists provide employment services less than 60% of the time.
- 2= Employment specialists provide employment services 60 - 74% of the time.
- 3= Employment specialists provide employment services 75 - 89% of the time.
- 4= Employment specialists provide employment services 90 - 95% of the time.
- 5= Employment specialists provide employment services 96% or more of the time.

*Formerly called IPS Model Fidelity Scale

**See end of document for key

3. Vocational generalists: Each employment specialist carries out all phases of employment service, including intake, engagement, assessment, job placement, job coaching, and follow-along supports before step down to less intensive employment support from another MH practitioner. (Note: It is not expected that each employment specialist will provide benefits counseling to their clients. Referrals to a highly trained benefits counselor are in keeping with high fidelity, see Item # 1 in “Services”.)

MIS, DOC,
INT, OBS

- 1= Employment specialist only provides vocational referral service to vendors and other programs.
- 2= Employment specialist maintains caseload but refers clients to other programs for vocational services.
- 3= Employment specialist provides one to four phases of the employment service (e.g. intake, engagement, assessment, job development, job placement, job coaching, and follow along supports).
- 4= Employment specialist provides five phases of employment service but not the entire service.
- 5= Employment specialist carries out all six phases of employment service (e.g. program intake, engagement, assessment, job development/job placement, job coaching, and follow-along supports).

ORGANIZATION

1. Integration of rehabilitation with mental health treatment thru team assignment: Employment specialists are part of up to 2 mental health treatment teams from which at least 90% of the employment specialist’s caseload is comprised.

MIS, DOC,
INT, OBS

- 1= Employment specialists are part of a vocational program that functions separately from the mental health treatment.
- 2= Employment specialists are attached to three or more mental health treatment teams. OR Clients are served by individual mental health practitioners who are not organized into teams. OR Employment specialists are attached to one or two teams from which less than 50% of the employment specialist’s caseload is comprised.
- 3= Employment specialists are attached to one or two mental health treatment teams, from which at least 50 - 74% of the employment specialist’s caseload is comprised.
- 4= Employment specialists are attached to one or two mental health treatment teams, from which at least 75 - 89% of the employment specialist’s caseload is comprised.
- 5= Employment specialists are attached to one or two mental health treatment teams, from which 90 - 100% of the employment specialist’s caseload is comprised.

*Formerly called IPS Model Fidelity Scale

**See end of document for key

2. Integration of rehabilitation with mental health treatment thru frequent team member contact:

Employment specialists actively participate in weekly mental health treatment team meetings (not replaced by administrative meetings) that discuss individual clients and their employment goals with shared decision-making. Employment specialist's office is in close proximity to (or shared with) their mental health treatment team members. Documentation of mental health treatment and employment services is integrated in a single client chart. Employment specialists help the team think about employment for people who haven't yet been referred to supported employment services.

MIS, DOC
INT, OBS

1= One or none is present.

2= Two are present

3= Three are present.

4= Four are present.

5= Five are present.

All five key components are present.

- Employment specialist attends weekly mental health treatment team meetings.
- Employment specialist participates actively in treatment team meetings with shared decision-making.
- Employment services documentation (i.e., vocational assessment/profile, employment plan, progress notes) is integrated into client's mental health treatment record.
- Employment specialist's office is in close proximity to (or shared with) their mental health treatment team members.
- Employment specialist helps the team think about employment for people who haven't yet been referred to supported employment services.

3. Collaboration between employment specialists and Vocational Rehabilitation counselors: The employment specialists and VR counselors have frequent contact for the purpose of discussing shared clients and identifying potential referrals.

DOC, INT
OBS, ISP

1= Employment specialists and VR counselors have client-related contacts (phone, e-mail, in person) less than quarterly to discuss shared clients and referrals. OR Employment specialists and VR counselors do not communicate.

2= Employment specialists and VR counselors have client-related contacts (phone, e-mail, in person) at least quarterly to discuss shared clients and referrals.

3= Employment specialists and VR counselors have client-related contacts (phone, e-mail, in-person) monthly to discuss shared clients and referrals.

4= Employment specialists and VR counselors have scheduled, face-to-face

*Formerly called IPS Model Fidelity Scale

**See end of document for key

4. Vocational unit: At least 2 full-time employment specialists and a team leader comprise the employment unit. They have weekly client-based group supervision following the supported employment model in which strategies are identified and job leads are shared. They provide coverage for each other's caseload when needed.

MIS, INT,
OBS

meetings at least quarterly, OR have client-related contacts (phone, e-mail, in person) weekly to discuss shared clients and referrals.

- 5= Employment specialists and VR counselors have scheduled, face-to-face meetings at least monthly and have client-related contacts (phone, e-mail, in person) weekly to discuss shared clients and referrals.
- 1= Employment specialists are not part of a vocational unit.
- 2= Employment specialists have the same supervisor but do not meet as a group. They do not provide back-up services for each other's caseload.
- 3= Employment specialists have the same supervisor and discuss clients between each other on a weekly basis. They provide back-up services for each other's caseloads as needed. OR, If a program is in a rural area where employment specialists are geographically separate with one employment specialist at each site, the employment specialists meet 2-3 times monthly with their supervisor by teleconference.
- 4= At least 2 employment specialists and a team leader form an employment unit with 2-3 regularly scheduled meetings per month for client-based group supervision in which strategies are identified and job leads are shared and discuss clients between each other. They provide coverage for each other's caseloads when needed. OR, If a program is in a rural area where employment specialists are geographically separate with one employment specialist at each site, the employment specialists meet 2-3 times per month with their supervisor in person or by teleconference and mental health practitioners are available to help the employment specialist with activities such as taking someone to work or picking up job applications.
- 5= At least 2 full-time employment specialists and a team leader form an employment unit with weekly client-based group supervision based on the supported employment model in which strategies are identified and job leads are shared. They provide coverage for each other's caseloads when needed.

5. Role of employment supervisor: Supported employment unit is led by a supported employment team leader. Employment specialists' skills are developed and improved through outcome-based supervision. All five key roles of the employment supervisor are present.

MIS, INT,
DOC, OBS

1= One or none is present.

2= Two are present.

3= Three are present.

4= Four are present.

5= Five are present.

Five key roles of the employment supervisor:

- One full-time equivalent (FTE) supervisor is responsible for no more than 10 employment specialists. The supervisor does not have other supervisory responsibilities. (Program leaders supervising fewer than ten employment specialists may spend a percentage of time on other supervisory activities on a prorated basis. For example, an employment supervisor responsible for 4 employment specialists may be devoted to SE supervision half time.)
- Supervisor conducts weekly supported employment supervision designed to review client situations and identify new strategies and ideas to help clients in their work lives.
- Supervisor communicates with mental health treatment team leaders to ensure that services are integrated, to problem solve programmatic issues (such as referral process, or transfer of follow-along to mental health workers) and to be a champion for the value of work. Attends a meeting for each mental health treatment team on a quarterly basis.
- Supervisor accompanies employment specialists, who are new or having difficulty with job development, in the field monthly to improve skills by observing, modeling, and giving feedback on skills, e.g., meeting employers for job development.
- Supervisor reviews current client outcomes with employment specialists and sets goals to improve program performance at least quarterly.

6. Zero exclusion criteria: All clients interested in working have access to supported employment services regardless of job readiness factors, substance abuse, symptoms, history of violent behavior, cognition impairments, treatment non-adherence, and personal presentation. These apply during supported employment services too. Employment specialists offer to help with another job when one has ended, regardless of the reason that the job ended or number of jobs held. If VR has screening criteria, the mental health agency does not use them to exclude anybody. Clients are not screened out formally or informally.

DOC, INT
OBS

- 1= There is a formal policy to exclude clients due to lack of job readiness (e.g., substance abuse, history of violence, low level of functioning, etc.) by employment staff, case managers, or other practitioners.
- 2= Most clients are unable to access supported employment services due to perceived lack of job readiness (e.g., substance abuse, history of violence, low level of functioning, etc.).
- 3= Some clients are unable to access supported employment services due to perceived lack of job readiness (e.g., substance abuse, history of violence, low level of functioning, etc.).
- 4= No evidence of exclusion, formal or informal. Referrals are not solicited by a wide variety of sources. Employment specialists offer to help with another job when one has ended, regardless of the reason that the job ended or number of jobs held.
- 5= All clients interested in working have access to supported employment services. Mental health practitioners encourage clients to consider employment, and referrals for supported employment are solicited by many sources. Employment specialists offer to help with another job when one has ended, regardless of the reason that the job ended or number of jobs held.

7. Agency focus on competitive employment: Agency promotes competitive work through multiple strategies. Agency intake includes questions about interest in employment. Agency displays written postings (e.g., brochures, bulletin boards, posters) about employment and supported employment services. The focus should be with the agency programs that provide services to adults with severe mental illness. Agency supports ways for clients to share work stories with other clients and staff. Agency measures rate of competitive employment and shares this information with agency leadership and staff.

DOC, INT,
OBS

- 1= One or none is present.
- 2= Two are present.
- 3= Three are present.
- 4= Four are present.
- 5= Five are present.

Agency promotes competitive work through multiple strategies:

- Agency intake includes questions about interest in employment.
- Agency includes questions about interest in employment on all annual (or semi-annual) assessment or treatment plan reviews.

- Agency displays written postings (e.g., brochures, bulletin boards, posters) about working and supported employment services, in lobby and other waiting areas.
- Agency supports ways for clients to share work stories with other clients and staff (e.g., agency-wide employment recognition events, in-service training, peer support groups, agency newsletter articles, invited speakers at client treatment groups, etc.) at least twice a year.
- Agency measures rate of competitive employment on at least a quarterly basis and shares outcomes with agency leadership and staff.

8. Executive team support for SE: Agency executive team members (e.g., CEO/Executive Director, Chief Operating Officer, QA Director, Chief Financial Officer, Clinical Director, Medical Director, Human Resource Director) assist with supported employment implementation and sustainability. All five key components of executive team support are present.

1= One is present.

2= Two are present.

3= Three are present.

4= Four are present.

5= Five are present.

- Executive Director and Clinical Director demonstrate knowledge regarding the principles of evidence-based supported employment.
- Agency QA process includes an explicit review of the SE program, or components of the program, at least every 6 months through the use of the Supported Employment Fidelity Scale or until achieving high fidelity, and at least yearly thereafter. Agency QA process uses the results of the fidelity assessment to improve SE implementation and sustainability.
- At least one member of the executive team actively participates at SE leadership team meetings (steering committee meetings) that occur at least every six months for high fidelity programs and at least quarterly for programs that have not yet achieved high fidelity. Steering committee is defined as a diverse group of stakeholders charged with reviewing fidelity, program implementation, and the service delivery system. Committee develops written action plans aimed at developing or sustaining high fidelity services.

*Formerly called IPS Model Fidelity Scale

**See end of document for key

- The agency CEO/Executive Director communicates how SE services support the mission of the agency and articulates clear and specific goals for SE and/or competitive employment to all agency staff during the first six months and at least annually (i.e., SE kickoff, all-agency meetings, agency newsletters, etc.). This item is not delegated to another administrator.
- SE program leader shares information about EBP barriers and facilitators with the executive team (including the CEO) at least twice each year. The executive team helps the program leader identify and implement solutions to barriers.

SERVICES

1. Work incentives planning: All clients are offered assistance DOC, INT in obtaining comprehensive, individualized work OBS, ISP incentives planning before starting a new job and assistance accessing work incentives planning thereafter when making decisions about changes in work hours and pay. Work incentives planning includes SSA benefits, medical benefits, medication subsidies, housing subsidies, food stamps, spouse and dependent children benefits, past job retirement benefits and any other source of income. Clients are provided information and assistance about reporting earnings to SSA, housing programs, VA programs, etc., depending on the person's benefits.

- 1= Work incentives planning is not readily available or easily accessible to most clients served by the agency.
- 2= Employment specialist gives client contact information about where to access information about work incentives planning.
- 3= Employment specialist discusses with each client changes in benefits based on work status.
- 4= Employment specialist or other MH practitioner offer clients assistance in obtaining comprehensive, individualized work incentives planning by a person trained in work incentives planning prior to client starting a job.
- 5= Employment specialist or other MH practitioner offer clients assistance in obtaining comprehensive, individualized work incentives planning by a specially trained work incentives planner prior to starting a job. They also facilitate access to work incentives planning when clients need to make decisions about changes in work hours and pay. Clients are provided information and assistance about reporting earnings to SSA, housing programs, etc., depending on the person's benefits.

2. Disclosure: Employment specialists provide clients with accurate information and assist with evaluating their choices to make an informed decision regarding what is revealed to the employer about having a disability.

DOC, INT
OBS

1= None is present.

2= One is present.

3= Two are present.

4= Three are present.

5= Four are present.

- Employment specialists do not require all clients to disclose their psychiatric disability at the work site in order to receive services.
- Employment specialists offer to discuss with clients the possible costs and benefits (pros and cons) of disclosure at the work site in advance of clients disclosing at the work site. Employment specialists describe how disclosure relates to requesting accommodations and the employment specialist's role communicating with the employer.
- Employment specialists discuss specific information to be disclosed (e.g., disclose receiving mental health treatment, or presence of a psychiatric disability, or difficulty with anxiety, or unemployed for a period of time, etc.) and offers examples of what could be said to employers.
- Employment specialists discuss disclosure on more than one occasion (e.g., if clients have not found employment after two months or if clients report difficulties on the job.)

3. Ongoing, work-based vocational assessment: Initial vocational assessment occurs over 2-3 sessions and is updated with information from work experiences in competitive jobs. A vocational profile form that includes information about preferences, experiences, skills, current adjustment, strengths, personal contacts, etc, is updated with each new job experience. Aims at problem solving using environmental assessments and consideration of reasonable accommodations. Sources of information include the client, treatment team, clinical records, and with

DOC, INT,
OBS, ISP

1= Vocational evaluation is conducted prior to job placement with emphasis on office-based assessments, standardized tests, intelligence tests, work samples.

2= Vocational assessment may occur through a stepwise approach that includes: prevocational work experiences (e.g., work units in a day program), volunteer jobs, or set aside jobs (e.g., NISH jobs agency-run businesses, sheltered workshop jobs, affirmative businesses, enclaves).

3= Employment specialists assist clients in finding competitive jobs directly without systematically reviewing interests, experiences, strengths,

the client's permission, from family members and previous employers.

etc. and do not routinely analyze job loss (or job problems) for lessons learned.

- 4= Initial vocational assessment occurs over 2-3 sessions in which interests and strengths are explored. Employment specialists help clients learn from each job experience and also work with the treatment team to analyze job loss, job problems and job successes. They do not document these lessons learned in the vocational profile, OR The vocational profile is not updated on a regular basis.
- 5= Initial vocational assessment occurs over 2-3 sessions and information is documented on a vocational profile form that includes preferences, experiences, skills, current adjustment, strengths, personal contacts, etc. The vocational profile form is used to identify job types and work environments. It is updated with each new job experience. Aims at problem solving using environmental assessments and consideration of reasonable accommodations. Sources of information include the client, treatment team, clinical records, and with the client's permission, from family members and previous employers. Employment specialists help clients learn from each job experience and also work with the treatment team to analyze job loss, job problems and job successes.

4. Rapid job search for competitive job: Initial employment assessment and first face-to-face employer contact by the client or the employment specialist about a competitive job occurs within 30 days (one month) after program entry.

DOC, INT,
OBS, ISP

- 1= First face-to-face contact with an employer by the client or the employment specialist about a competitive job is on average 271 days or more (> 9 mos.) after program entry.
- 2= First face-to-face contact with an employer by the client or the employment specialist about a competitive job is on average between 151 and 270 days (5-9 mos.) after program entry.
- 3= First face-to-face contact with an employer by the client or the employment specialist about a competitive job is on average between 61 and 150 days (2-5 mos.) after program entry.
- 4= First face-to-face contact with an employer by the client or the employment specialist about a competitive job is on average between 31 and 60 days (1-2 mos.) after program entry.
- 5= The program tracks employer contacts and the first face-to-face contact with an employer by the client or the employment specialist about a competitive job is on average within 30 days (one month) after program entry.

*Formerly called IPS Model Fidelity Scale

**See end of document for key

5. Individualized job search: Employment specialists make employer contacts aimed at making a good job match based on clients' preferences (relating to what each person enjoys and their personal goals) and needs (including experience, ability, symptomatology, health, etc.) rather than the job market (i.e., those jobs that are readily available). An individualized job search plan is developed and updated with information from the vocational assessment/profile form and new job/educational experiences.

DOC, INT
OBS, ISP

- 1= Less than 25% of employer contacts by the employment specialist are based on job choices which reflect client's preferences, strengths, symptoms, etc. rather than the job market.
- 2= 25-49% of employer contacts by the employment specialist are based on job choices which reflect client's preferences, strengths, symptoms, etc., rather than the job market.
- 3= 50-74% of employer contacts by the employment specialist are based on job choices which reflect client's preferences, strengths, symptoms, etc., rather than the job market.
- 4= 75-89% of employer contacts by the employment specialist are based on job choices which reflect client's preferences, strengths, symptoms, etc., rather than the job market and are consistent with the current employment plan.
- 5= Employment specialist makes employer contacts based on job choices which reflect client's preferences, strengths, symptoms, lessons learned from previous jobs etc., 90-100% of the time rather than the job market and are consistent with the current employment/job search plan. When clients have limited work experience, employment specialists provide information about a range of job options in the community.

6. Job development - Frequent employer contact: Each employment specialist makes at least 6 face to-face employer contacts per week on behalf of clients looking for work. (Rate for each then calculate average and use the closest scale point.) An employer contact is counted even when an employment specialist meets the same employer more than one time in a week, and when the client is present or not present. Client-specific and generic contacts are included. Employment specialists use a weekly tracking form to document employer contacts.

DOC, INT

- 1= Employment specialist makes less than 2 face-to-face employer contacts that are client-specific per week.
- 2= Employment specialist makes 2 face-to-face employer contacts per week that are client-specific, OR Does not have a process for tracking.
- 3= Employment specialist makes 4 face-to-face employer contacts per week that are client-specific, and uses a tracking form that is reviewed by the SE supervisor on a monthly basis.
- 4= Employment specialist makes 5 face-to-face employer contacts per week that are client-specific, and uses a tracking form that is reviewed by the SE supervisor on a weekly basis.

*Formerly called IPS Model Fidelity Scale

**See end of document for key

<p>7. <u>Job development - Quality of employer contact</u>: Employment specialists build relationships with employers through multiple visits in person that are planned to learn the needs of the employer, convey what the SE program offers to the employer, describe client strengths that are a good match for the employer. (Rate for each employment specialist, then calculate average and use the closest scale point.)</p>	<p>DOC, INT, OBS</p>	<p>5= Employment specialist makes 6 or more face-to-face employer contacts per week that are client specific, or 2 employer contacts times the number of people looking for work when there are less than 3 people looking for work on their caseload (e.g., new program). In addition, employment specialist uses a tracking form that is reviewed by the SE supervisor on a weekly basis.</p> <p>1= Employment specialist meets employer when helping client to turn in job applications, <u>OR</u> Employment specialist rarely makes employer contacts.</p> <p>2= Employment specialist contacts employers to ask about job openings and then shares these “leads” with clients.</p> <p>3= Employment specialist follows up on advertised job openings by introducing self, describing program, and asking employer to interview client.</p> <p>4= Employment specialist meets with employers in person whether or not there is a job opening, advocates for clients by describing strengths and asks employers to interview clients.</p> <p>5= Employment specialist builds relationships with employers through multiple visits in person that are planned to learn the needs of the employer, convey what the SE program offers to the employer, describe client strengths that are a good match for the employer.</p>
<p>8. <u>Diversity of job types</u>: Employment specialists assist clients in obtaining different types of jobs.</p>	<p>DOC, INT, OBS, ISP</p>	<p>1= Employment specialists assist clients obtain different types of jobs less than 50% of the time.</p> <p>2= Employment specialists assist clients obtain different types of jobs 50-59% of the time.</p> <p>3= Employment specialists assist clients obtain different types of jobs 60-69% of the time.</p> <p>4= Employment specialists assist clients obtain different types of jobs 70-84% of the time.</p>

<p>9. <u>Diversity of employers</u>: Employment specialists assist clients in obtaining jobs with different employers.</p>	<p>DOC, INT, OBS, ISP</p>	<p>5= Employment specialists assist clients obtain different types of jobs 85-100% of the time.</p> <p>1= Employment specialists assist clients obtain jobs with the different employers less than 50% of the time.</p> <p>2= Employment specialists assist clients obtain jobs with the same employers 50-59% of the time.</p> <p>3= Employment specialists assist clients obtain jobs with different employers 60-69% of the time.</p> <p>4= Employment specialists assist clients obtain jobs with different employers 70-84% of the time.</p> <p>5= Employment specialists assist clients obtain jobs with different employers 85-100% of the time.</p>
<p>10. <u>Competitive jobs</u>: Employment specialists provide competitive job options that have permanent status rather than temporary or time-limited status, e.g., TE (transitional employment positions). Competitive jobs pay at least minimum wage, are jobs that anyone can apply for and are not set aside for people with disabilities. (Seasonal jobs and jobs from temporary agencies that other community members use are counted as competitive jobs.)</p>	<p>DOC, INT, OBS, ISP</p>	<p>1= Employment specialists provide options for permanent, competitive jobs less than 64% of the time, <u>OR</u> There are fewer than 10 current jobs.</p> <p>2= Employment specialists provide options for permanent, competitive jobs about 65- 74% of the time.</p> <p>3= Employment specialists provide options for permanent competitive jobs about 75-84%% of the time.</p> <p>4= Employment specialists provide options for permanent competitive jobs about 85-94% of the time.</p> <p>5= 95% or more competitive jobs held by clients are permanent.</p>

11. Individualized follow-along supports:

Clients receive different types of support for working a job that are based on the job, client preferences, work history, needs, etc. Supports are provided by a variety of people, including treatment team members (e.g., medication changes, social skills training, encouragement), family, friends, co-workers (i.e., natural supports), and employment specialist. Employment specialist also provides employer support (e.g., educational information, job accommodations) at client's request. Employment specialist offers help with career development, i.e., assistance with education, a more desirable job, or more preferred job duties.

DOC, INT,
OBS, ISP

- 1= Most clients do not receive supports after starting a job.
- 2= About half of the working clients receive a narrow range of supports provided primarily by the employment specialist.
- 3= Most working clients receive a narrow range of supports that are provided primarily by the employment specialist.
- 4= Clients receive different types of support for working a job that are based on the job, client preferences, work history, needs, etc. Employment specialists provide employer supports at the client's request.
- 5= Clients receive different types of support for working a job that are based on the job, client preferences, work history, needs, etc. Employment specialist also provides employer support (e.g., educational information, job accommodations) at client's request. The employment specialist helps people move onto more preferable jobs and also helps people with school or certified training programs. The site provides examples of different types of support including enhanced supports by treatment team members.

12. Time-unlimited follow-along supports:

Employment specialists have face-to-face contact within 1 week before starting a job, within 3 days after starting a job, weekly for the first month, and at least monthly for a year or more, on average, after working steadily, and desired by clients. Clients are transitioned to step down job supports from a mental health worker following steady employment. Employment specialists contact clients within 3 days of learning about the job loss.

DOC, INT,
OBS, ISP

- 1= Employment specialist does not meet face-to-face with the client after the first month of starting a job.
- 2= Employment specialist has face-to-face contact with less than half of the working clients for at least 4 months after starting a job.
- 3= Employment specialist has face-to-face contact with at least half of the working clients for at least 4 months after starting a job.
- 4= Employment specialist has face-to-face contact with working clients weekly for the first month after starting a job, and at least monthly for a year or more, on average, after working steadily, and desired by clients.
- 5= Employment specialist has face-to-face contact within 1 week before starting a job, within 3 days after starting a job, weekly for the first month, and at least monthly for a year or more, on average, after working steadily and desired by clients. Clients are transitioned to step down job supports, from a mental health worker following steady employment clients. Clients are transitioned to step down job supports from a mental health worker following steady employment.

*Formerly called IPS Model Fidelity Scale

**See end of document for key

Employment specialist contacts clients within 3 days of hearing about the job loss.

13. Community-based services: Employment services such as engagement, job finding and follow-along supports are provided in natural community settings by all employment specialists. (Rate each employment specialist based upon their total weekly scheduled work hours, then calculate the average and use the closest scale point.)

DOC, INT
OBS

- 1= Employment specialist spends 30% time or less in the scheduled work hours in the community.
- 2= Employment specialist spends 30 - 39% time of total scheduled work hours in the community.
- 3= Employment specialist spends 40 -49% of total scheduled work hours in the then community.
- 4= Employment specialist spends 50 - 64% of total scheduled work hours in the community.
- 5= Employment specialist spends 65% or more of total scheduled work hours in the community.

14. Assertive engagement and outreach by integrated treatment team: Service termination is not based on missed appointments or fixed time limits. Systematic documentation of outreach attempts. Engagement and outreach attempts made by integrated team members. Multiple home/community visits. Coordinated visits by employment specialist with integrated team member. Connect with family, when applicable. Once it is clear that the client no longer wants to work or continue SE services, the team stops outreach.

MIS, DOC,
INT, OBS

- 1= Evidence that 2 or less strategies for engagement and outreach are used.
- 2= Evidence that 3 strategies for engagement and outreach are used.
- 3= Evidence that 4 strategies for engagement and outreach are used.
- 4= Evidence that 5 strategies for engagement and outreach are used.
- 5= Evidence that all 6 strategies for engagement and outreach are used: i) Service termination is not based on missed appointments or fixed time limits. ii) Systematic documentation of outreach attempts. iii) Engagement and outreach attempts made by integrated team members. iv) Multiple home/community visits. v) Coordinated visits by employment specialist with integrated team member. vi) Connect with family, when applicable.

*Data sources:

MIS	Management Information System
DOC	Document review: clinical records, agency policy and procedures
INT	Interviews with clients, employment specialists, mental health staff, VR counselors, families, employers
OBS	Observation (e.g., team meeting, shadowing employment specialists)
ISP	Individualized Service Plan

2/14/96
6/20/01, Updated
1/7/08, Revised

Supported Employment Fidelity Scale Score Sheet

Staffing		
1.	Caseload size	Score:
2.	Employment services staff	Score:
3.	Vocational generalists	Score:
Organization		
1.	Integration of rehabilitation with mental health thru team assignment	Score:
2.	Integration of rehabilitation with mental health thru frequent team member contact	Score:
3.	Collaboration between employment specialists and Vocational Rehabilitation counselors	Score:
4.	Vocational unit	Score:
5.	Role of employment supervisor	Score:
6.	Zero exclusion criteria	Score:
7.	Agency focus on competitive employment	Score:
8.	Executive team support for SE	Score:
Services		
1.	Work incentives planning	Score:
2.	Disclosure	Score:
3.	Ongoing, work-based vocational assessment	Score:
4.	Rapid search for competitive job	Score:
5.	Individualized job search	Score:
6.	Job development—Frequent employer contact	Score:
7.	Job development—Quality of employer contact	Score:
8.	Diversity of job types	Score:
9.	Diversity of employers	Score:
10.	Competitive jobs	Score:
11.	Individualized follow-along supports	Score:
12.	Time-unlimited follow-along supports	Score:
13.	Community-based services	Score:
14.	Assertive engagement and outreach by integrated treatment team	Score:
Total:		

115 – 125 = Exemplary Fidelity

100 - 114 = Good Fidelity

74 – 99 = Fair Fidelity

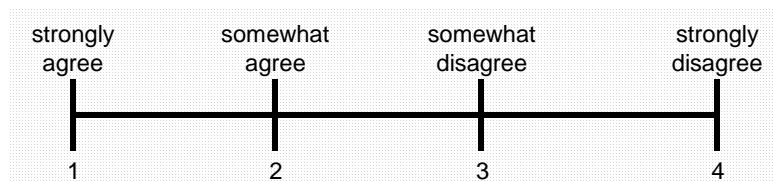
73 and below = Not Supported Employment

*Formerly called IPS Model Fidelity Scale

**See end of document for key

Exhibit B
Indiana Job Satisfaction Scale

[Attached]

Section S: Job Satisfaction**Job Satisfaction Scale****General Satisfaction**

S.1 I feel good about this job.

S.1	1	2	3	4	-9
feel good					

S.2 This job is worthwhile.

S.2	1	2	3	4	-9
worthwhile					

S.3 The working conditions are good.

S.3	1	2	3	4	-9
working conditions					

S.4 I want to quit this job.

S.4	1	2	3	4	-9
want to quit					

S.5 This job is boring.

S.5	1	2	3	4	-9
boring					

Pay

S.6 I am happy with the amount this job pays.

S.6	1	2	3	4	-9
happy with amount					

S.7 The vacation time and other benefits on this job are okay.

S.7	1	2	3	4	-9
benefits okay					

S.8 I need more money than this job pays.

S.8	1	2	3	4	-9
need more money					

S.9 This job does not provide the medical coverage I need.

S.9	1	2	3	4	-9
medical coverage					

Thresholds DPA - IPS Study
Form Date 4/24/00

Job Satisfaction

Client Research ID# _____

Advancement and Security

S.10 I have a fairly good chance for promotion in this job.

S.10	1	2	3	4	-9
promotion					

S.11 This is a dead-end job.

S.11	1	2	3	4	-9
dead-end					

S.12 I feel that there is a good chance of my losing this job in the future.

S.12	1	2	3	4	-9
losing job in future					

Supervision

S.13 My supervisor is fair.

S.13	1	2	3	4	-9
fair					

S.14 My supervisor is hard to please.

S.14	1	2	3	4	-9
hard to please					

S.15 My supervisor praises me when I do my job well.

S.15	1	2	3	4	-9
praises me					

S.16 My supervisor is difficult to get along with.

S.16	1	2	3	4	-9
difficult to get along					

S.17 My supervisor recognizes my efforts.

S.17	1	2	3	4	-9
recognizes efforts					

Co-Workers

S.18 My co-workers are easy to get along with.

S.18	1	2	3	4	-9
easy to get along with					

S.19 My co-workers are lazy.

S.19	1	2	3	4	-9
lazy					

S.20 My co-workers are unpleasant.

S.20	1	2	3	4	-9
unpleasant					

S.21 My co-workers don't like me.

S.21	1	2	3	4	-9
don't like me					

S.22 My co-workers help me to like this job more.

S.22	1	2	3	4	-9
like job					

Thresholds DPA - IPS Study
Form Date 4/24/00

Job Satisfaction

Client Research ID# _____

S.23 I have a co-worker I can rely on.

S.23	1	2	3	4	-9
reliable					

S.24 I have a co-worker I consider a friend.

S.24	1	2	3	4	-9
friend					

How I Feel On This Job

S.25 I look forward to coming to work.

S.25	1	2	3	4	-9
look forward					

S.26 I often feel tense on the job.

S.26	1	2	3	4	-9
tense					

S.27 I don't know what's expected of me on this job.

S.27	1	2	3	4	-9
what's expected					

S.28 I feel physically worn out at the end of the day.

S.28	1	2	3	4	-9
worn out					

S.29 Working makes me feel like I'm needed.

S.29	1	2	3	4	-9
needed					

S.30 My job keeps me busy.

S.30	1	2	3	4	-9
busy					

S.31 I get to do a lot of different things on my job.

S.31	1	2	3	4	-9
different things					

S.32 I am satisfied with my schedule.

S.32	1	2	3	4	-9
satisfied with schedule					

SCHEDULE 3 CALCULATION OF OUTCOME PAYMENTS

Veterans CARE Managing Member will calculate Outcome Payments based on the results of the Outcomes, as described in Schedule 2 (Project Evaluation). See Schedule 2 (Project Evaluation) for additional information regarding reporting and calculation of the Outcomes by the Evaluator.

As described in this Schedule 3, Outcome Payments will be made based on four Outcomes: 1) the Fidelity Score Outcome; 2) the Earnings Outcome; 3) the Days Worked Outcome; and 4) the Job Satisfaction Outcome.

I. Calculation of Outcome Payments

a. Timing of Outcome Payments

As described in Table 1, the Evaluator will submit the Evaluator Report to Veterans CARE Managing Member with respect to each of the Outcomes it determines in accordance with Schedule 2 (Project Evaluation). Within 15 days of receipt of the Evaluator Report, Veterans CARE Managing Member will calculate Outcome Payments and submit an invoice (“Outcome Payment Invoice”), together the applicable Evaluator Report, to PAVE and the Payor Steering Committee for review and verification. The aggregate Earnings Outcome Payment and Days Worked Outcome Payment in any Outcome Payment Invoice shall not exceed the final Project Budget of the relevant Project Team for the Project Budget cost period described in Table 2 and Table 3. PAVE will review and verify the Outcomes Payment Invoice, and submit the Outcome Payments Invoice to Social Finance, Inc., with respect to the VA Grant, in accordance with the SFI MOU, and the remaining applicable Payors within 15 days of receipt of such Outcome Payment Invoice. Upon payment in full of all outstanding Outcome Payment Invoices by Social Finance, Inc., from funds received in accordance with the VA Grant, and all other applicable Payors, PAVE will transfer Outcome Payments to Veterans CARE within 10 business days, in accordance with Article 5 of the Agreement. Any Outcome Payments made to PAVE based upon the July 31, 2020 Evaluator Report shall be used *first*, to repay project lenders pursuant to a certain Lender Wind Down Agreement, dated August 4, 2020, and *second*, to offset the Project Budget costs on a Project Team basis (the “July 31 Offset Amounts”).

Table 1.

Evaluator Report	Expected Delivery of Evaluator Report	Expected Timing of Outcome Payment to PAVE	Type of Outcome Payment Calculated
IPS Fidelity Score Report	By January 31, 2021, or as agreed to by	By March 31, 2021, or as agreed to by the	Fidelity Score Outcome Payment

	Management Committee	Management Committee	
Cohort 1 Earnings Outcome Report	July 31, 2020 or next business day	September 30, 2020 or next business day	Earnings Outcome Payment for Cohort 1
Cohort 1 Days Worked Outcome Report	July 31, 2020 or next business day	September 30, 2020 or next business day	Days Worked Outcome Payment for Cohort 1
Cohort 2 Earnings Outcome Report	July 31, 2020 or next business day	September 30, 2020 or next business day	Earnings Outcome Payment for Cohort 2
	October 31, 2020 or next business day	December 31, 2020 or next business day	
	January 31, 2021 or next business day	March 31, 2021 or next business day	
	April 30, 2021 or next business day	June 30, 2021 or next business day	
	July 31, 2021 or next business day	September 29, 2021 or next business day	
Cohort 2 Days Worked Outcome Report	July 31, 2020 or next business day	September 30, 2020 or next business day	Days Worked Outcome Payment for Cohort 2
	October 31, 2020 or next business day	December 31, 2020 or next business day	
	January 31, 2021 or next business day	March 31, 2021 or next business day	
	April 30, 2021 or next business day	June 30, 2021 or next business day	
	July 31, 2021 or next business day	September 29, 2021 or next business day	
Job Satisfaction Outcome Report (Cohorts 1 and 2)	July 31, 2021 or next business day	September 29, 2021 or next business day	Job Satisfaction Outcome

b. Price per Outcome

The price per Outcome of each of the four Outcomes (further described in Section V of Schedule 2 (Project Evaluation)) is as follows:

Cohort 1 Outcomes	Value
Earnings Outcome	\$0.35 per dollar earned
Days Worked Outcome	\$40.00 per day worked
Cohort 2 Outcomes	
Earnings Outcome	See Table 2
Days Worked Outcome	See Table 3
Fidelity Score Outcome	
“Fair” Fidelity Score	\$150,000
“Good” or “Exemplary” Fidelity Score	\$225,000
Job Satisfaction Outcome	Up to \$50,000 for each Project Team

c. Distribution of Outcome Payments

The aggregate amount of Outcome Payments payable by the VA and the Payors will not exceed \$6,000,000. Of that amount, the aggregate amount of Outcome Payments payable by the VA will not exceed \$3,000,000. The remaining aggregate amount of up to \$3,000,000 in Outcome Payments are payable by the Payors, with individual not-to-exceed amounts set forth in the applicable Payor Contracts. Funds from the VA are only obligated on a 1:1 matching basis with other Payor funds.

Outcome Payments are capped by Project Team, with up to \$1,500,000 available to pay for Outcomes for Program Participants served by each Project Team. Within each Project Team, up to \$225,000 may be used for Outcome Payments related to the Fidelity Score Outcome. The aggregate Fidelity Score Outcome Payments for all Project Teams will not exceed \$900,000. Any unused portion of the capped amount for the Fidelity Score Outcome may be applied to either the Earnings or Days Worked Outcomes for such Project Team. Within each Project Team, up to \$50,000 may be used for Outcomes Payments related to the Job Satisfaction Outcome. The aggregate Job Satisfaction Score Outcome Payments for all Project Teams will not exceed \$200,000. Unused portions of the capped amount for the Job Satisfaction Outcome may not be used to make Outcome Payments on other Outcomes. Within each Project Team, up to \$1,000,000 plus any unused portion of the Fidelity Score Outcome Payment for that Project Team (up to \$225,000) may be used for Outcomes Payments related to the Earnings Outcomes and Days Worked Outcomes.

Any unearned Outcome Payments for Cohort 1 may be used to make Outcome Payments for Cohort 2 Earnings Outcomes and Days Worked Outcomes.

All Outcome Payments will be calculated to the nearest cent.

Program Participants who are discharged from the Project prior to Enrollment and who do not re-engage in the Project will not be included in the calculation of Outcomes.

d. Calculation of Outcome Payments

i. Fidelity Score Outcome Payment

The Fidelity Score Outcome will be calculated using the 125-point IPS Fidelity Scale (included in Exhibit A to Schedule 2 (Project Evaluation) and a necessary component of IPS implementation) which measures VAMC-level fidelity of IPS implementation across 25 items. The IPS Fidelity Scale will be administered jointly by the IPS Fidelity Monitor and the Evaluator for JP and Brockton VA Medical Center campuses by December 31, 2020 or by a date agreed to by the Management Committee. Such a date must be consistent with (i) official health guidelines; (ii) applicable travel bans; and (iii) guidance from Evaluator on site-level minimum days operating as “business-as-usual.” No Fidelity Score Outcome will be assigned or reported for the CWMA Project Team or the NYC Harbor Project Team.

Should a Project Team oversee more than one VAMC, the IPS services across all VAMCs will be synthesized into a single Fidelity Score Outcome for such Project Team. Veterans CARE Managing Member will use the Fidelity Score Outcome related to the JP and Brockton Project Teams as calculated in accordance with Section V.1 of Schedule 2 (Project Evaluation) for purposes of calculating the Fidelity Score Outcome Payment as follows:

- (i) If the Fidelity Score rating is “Good” or “Exemplary”, \$225,000 of the Fidelity Score Outcomes associated with that Project Team will be paid;
- (ii) If the Fidelity Score rating is Fair Fidelity, \$150,000 of the Fidelity Score Outcomes associated with that Project Team will be paid; and
- (iii) If the Fidelity Score rating is Not Supported Employment, no amount (\$0) of the Fidelity Score Outcomes associated with that Project Team will be paid.

ii. Cohort 1 Earnings Outcome Payment

The Earnings Outcome Payment for Cohort 1 will be calculated using the Average Earnings over 18 months for all Program Participants in each Project Team, as calculated by the Evaluator in accordance with Schedule 2 (Project Evaluation), multiplied by the number of Program Participants and the price for every dollar earned.

For Cohort 1, the Earnings Outcome Payment per Project Team will be based on the Average Earnings over 18 months for Program Participants Enrolled up to December 31, 2018. The Average Earnings for Cohort 1, as described in Section 5 of Schedule 1 (Operating Responsibilities), will be calculated as follows:

$$\text{Average Earnings for Cohort 1} = \frac{\text{Sum of Cohort 1 Earnings over 18 months}}{\text{Total \# of Program Participants in Cohort 1}}$$

The Earnings Outcome Payment for Cohort 1 per Project Team will be calculated as follows:

$$\begin{aligned} \text{Earnings Outcome Payment for Cohort 1} \\ = \text{Average Earnings for Cohort 1} * \text{Total \# of Program Participants in Cohort 1} \\ * \$0.35 \end{aligned}$$

iii. Cohort 1 Days Worked Outcome Payment

The Days Worked Outcome Payment for Cohort 1 will be calculated using the Average Days Worked over 18 months for all Program Participants in each Project Team, as calculated by the Evaluator in accordance with Schedule 2 (Project Evaluation), multiplied by the number of Program Participants and the price for every day worked.

The Cohort 1 Average Days Worked for Program Participants Enrolled up to December 31, 2018 in each Project Team will be calculated as follows:

$$\text{Average Days Worked} = \frac{\text{Sum of Cohort 1 Days Worked over 18 months}}{\text{Total \# of Program Participants in Cohort 1}}$$

The Days Worked Outcome Payment per Project Team for Cohort 1 will be calculated as follows:

$$\begin{aligned} \text{Days Worked Outcome Payment} \\ = \text{Average Days Worked for Cohort 1} * \text{Total \# of Program Participants in Cohort 1} \\ * \$40.00 \end{aligned}$$

iv. Cohort 2 Earnings Outcome Payment

For Cohort 2, the Earnings Outcome Payment per Project Team will be based on the table below, provided, that, any such Earnings Outcome Payments commencing October 31, 2020 and thereafter shall not include any Program Participants receiving services from the NYC Harbor Project Team.

Date of Cohort 2 Earnings Outcome Report	Basis of Earning Outcome Payment Calculation	Time Period for Average Earnings calculation
July 31, 2020	Average Earnings for Cohort 1	May 31, 2018 to June 30, 2020
October 31, 2020	Average Earnings for Cohort 2 Program Participants	July 1, 2020 to September 30, 2020
January 31, 2021	Average Earnings for Cohort 2 Program Participants	July 1, 2020 to December 31, 2020

April 30, 2021	Average Earnings for Cohort 2 Program Participants	July 1, 2020 to March 31, 2021
July 31, 2021	Average Earnings for Cohort 2 Program Participants	July 1, 2020 to June 30, 2021

Cohort 2 Program Participants Enrolled between January 1, 2020 and June 30, 2020 (“Late Enrollment”) are disregarded for the calculation of Average Earnings for any Outcome Payments calculated using the July 31, 2020 Earnings Outcome Report. Late Enrollment Program Participant are included for the calculation of Average Earnings for any Outcome Payments calculated using the October 31, 2021, January 31, 2021, April 30, 2021, and July 31, 2021 Earnings Outcome Report.

The Cohort 2 Earnings Outcome Payment per Project Team associated with the July 31, 2020 Earnings Outcome Report will be calculated as follows:

Earnings Outcome Payment

$$= \text{Average Earnings for Cohort 1} * (\# \text{ of Program Participants in Cohort 2 (1/1/19} \\ - 12/31/19 \text{ participants)} + \# \text{ of Program Participants in Late Enrollment}) * \$0.35$$

The Cohort 2 Earnings Outcome Payments for all Project Teams associated with the October 31 2020, January 31, 2021, April 30, 2021, and July 31, 2021 Earnings Outcome Reports will be based on Average Earnings calculated as follows:

Average Earnings for Cohort 2 =

$$\frac{\text{Sum of Cohort 2 Earnings from July 1,2020 to (September 30,2020,December 31,2020,March 31,2021 or June 30,2021)}}{\text{Total \# of Program Participants in Cohort 2}}$$

The Cohort 2 Earnings Outcome Payments for all Project Teams associated with the October 31, 2020, January 31, 2021, April 30, 2021, and July 31, 2021 Earnings Outcome Reports will be calculated as described in Table 2. Table 2 may be adjusted with approval by Veterans CARE Managing Member and the Payor Steering Committee.

Table 2.

Report Date	Average Earnings	Earnings Outcome Payment	Project Budget Cost Period
October 31, 2020	\$1.00 to \$1,499.99	45% of Project Budget costs	July 1, 2020 to September 30, 2020
	\$1,500.00 and above	50% of Project Budget costs	July 1, 2020 to September 30, 2020

January 31, 2021	\$1.00 to \$2,999.99	45% of Project Budget costs	October 1, 2020 to December 31, 2020
	\$3,000.00 and above	50% of Project Budget costs	October 1, 2020 to December 31, 2020
April 30, 2021	\$1.00 to \$4,499.99	45% of Project Budget costs	January 1, 2021 to March 31, 2021
	\$4,500.00 and above	50% of Project Budget costs	January 1, 2021 to March 31, 2021
July 31, 2021	\$1.00 to \$5,999.99	45% of Project Budget costs	April 1, 2021 to June 30, 2021
	\$6,000 and above	50% of Project Budget costs	April 1, 2021 to June 30, 2021

v. Cohort 2 Days Worked Outcome Payment

The Cohort 2 Days Worked Outcome Payment will be based on the table below, provided, that, any such Days Worked Outcome Payments commencing October 31, 2020 and thereafter shall not include any Program Participants receiving services from the NYC Harbor Project Team.

Date of Cohort 2 Days Worked Outcome Report	Basis of Days Worked Outcome Payment Calculation	Time Period for Days Worked calculation
July 31, 2020	Average Days Worked for Cohort 1	May 31, 2018 to June 30, 2021
October 31, 2020	Average Days Worked for Cohort 2 Program Participants	July 1, 2020 to September 30, 2020
January 31, 2021	Average Days Worked for Cohort 2 Program Participants	July 1, 2020 to December 31, 2020
April 30, 2021	Average Days Worked for Cohort 2 Program Participants	July 1, 2020 to March 31, 2021
July 31, 2021	Average Days Worked for Cohort 2 Program Participants	July 1, 2020 to June 30, 2021

Cohort 2 Program Participants Enrolled during the Late Enrollment period are disregarded for the calculation of Average Days Worked for any Outcome Payments calculated using the July

31, 2020 Days Worked Outcome Report. Program Participants Enrolled during the Late Enrollment period shall be included for the calculation of Average Days Worked for any Outcome Payments calculated using the October 31, 2020, January 31, 2021, April 30, 2021, or July 31, 2021 Days Worked Outcome Reports.

The Cohort 2 Days Worked Outcome Payment per Project Team associated with the July 31, 2020 Days Worked Outcome Report, will be calculated as follows:

Days Worked Outcome Payment

= *Average Days Worked for Cohort 1*

* (*# of Program Participants in Cohort 2 (1/1/19 – 12/31/19 participants)*

+ *# of Program Participants in Late Enrollment*) * \$40.00

The Cohort 2 Days Worked Outcome Payments for all Project Teams associated with the October 31, 2021, January 31, 2021, April 30, 2021, or July 31, 2021 Days Worked Outcome Report will be based on Average Earnings calculated as follows:

Average Days Worked for Cohort 2 =

Sum of Cohort 2 Days Worked from July 1,2020 to (September 30,2021,December 31,2020,March 31,2021,or June 30,2021)

Total # of Program Participants in Cohort 2

The Cohort 2 Days Worked Outcome Payments for all Project Teams associated with the October 31, 2020, January 31, 2021, April 30, 2021, and July 31, 2021 Earnings Outcome Reports will be calculated as described in Table 3. Table 3 may be adjusted with approval by Veterans CARE Managing Member and the Payor Steering Committee.

Table 3.

Report Date	Average Days Worked	Days Worked Outcome Payment	Project Budget Cost Period
October 31, 2021	1 to 14	45% of Project Budget costs	July 1, 2020 to September 30, 2020
	15 and above	50% of Project Budget costs	July 1, 2020 to September 30, 2020
January 31, 2021	1 to 29	45% of Project Budget costs	October 1, 2020 to December 31, 2020
	30 and above	50% of Project Budget costs	October 1, 2020 to December 31, 2020
April 30, 2021	1 to 44	45% of Project Budget costs	January 1, 2021 to March 31, 2021

	45 and above	50% of Project Budget costs	January 1, 2021 to March 31, 2021
July 31, 2021	1 to 59	45% of Project Budget costs	April 1, 2021 to June 30, 2021
	60 and above	50% of Project Budget costs	April 1, 2021 to June 30, 2021

vi. Job Satisfaction Outcome Payment

The Job Satisfaction Outcome per Project Team will be calculated by the Evaluator in accordance with Schedule 2 (Project Evaluation).

The Job Satisfaction Outcome Payment will be based on the percentage of Job Satisfaction Scores per Project Team that meet the benchmark for Good Job Satisfaction, defined as a Job Satisfaction Score of at least 3.1.

- (i) If 75% or more Job Satisfaction Scores meet the benchmark for Good Job Satisfaction, 100% of the Job Satisfaction Outcome Payment associated with that Project Team will be paid (i.e., \$50,000 for each Project Team);
- (ii) If 50% or more Job Satisfaction Scores meet the benchmark for Good Job Satisfaction, 50% of the Job Satisfaction Outcome Payment associated with that Project Team will be paid (i.e., \$25,000 for each Project Team);
- (iii) If less than 50% of Job Satisfaction Scores meet the benchmark for Good Job Satisfaction, 0% of the Job Satisfaction Outcome Payment associated with that Project Team will be paid (i.e., \$0);

At no time shall the cumulative amount of all Outcome Payments exceed the maximum aggregate Outcome Payments of \$6,000,000.

II. Calculation of Early Outcome Payments

In the event of an early termination of the Agreement in accordance with Article VIII, the Evaluator and Veterans CARE Managing Member will calculate an early outcome payment (“Early Outcome Payment”) for payment by the VA and each of the Payors, as applicable. The Early Outcome Payment will consist of the i) Early Fidelity Score Outcome, ii) Early Earnings Outcome, iii) Early Days Worked Outcome and iv) Early Job Satisfaction Outcome, each calculated as follows:

a. Early Fidelity Score Outcome. If the Fidelity Score Outcome has not yet been measured or calculated, (i) the IPS Fidelity Monitor and the Evaluator will propose an alternative

method to determine the Fidelity Score Outcome and (ii) Veterans CARE Managing Member will propose an alternative payment schedule for the Fidelity Score Outcome Payment for Management Committee review and approval. Veterans CARE Managing Member will then calculate the Fidelity Score Outcome Payment based on such early evaluation of the Fidelity Score Outcome as set forth above. If the IPS Fidelity Monitor and the Evaluator are unable to propose an alternative method, Veterans CARE Managing Member will propose an updated payment schedule, pursuant to Section I(c) above, any unused portion of the capped amount for the Fidelity Score Outcome may be applied to either the Earnings or Days Worked Outcomes, subject to Management Committee review and approval.

b. Early Earnings Outcome and Early Days Worked Outcome. The Management Committee will determine the end date of measurement (“End Date”) and direct the Implementation Coordinating Center to deliver the Master Data File to the Evaluator covering the time from July 1, 2020 up to and including the End Date. Veterans CARE Managing Member will propose an updated payment schedule based on this new measurement period to the Payor Steering Committee for review and approval. The Evaluator will provide a report on both such determinations, measured from July 1, 2020 up to and including this End Date of measurement, to Veterans CARE Managing Member within 30 days of receipt of the Master Data File. Veterans CARE Managing Member will then calculate an early Earnings Outcome Payment and an early Days Worked Outcome Payment for Project Participants Enrolled in Cohort 2 as set in the updated payment schedule.

c. Early Job Satisfaction Outcome. Upon an early termination of the Agreement, the Evaluator will calculate the Job Satisfaction Outcome based on the Indiana Job Satisfaction Scale data received to date for Project Participants, and provide a report on such early determination to Veterans CARE Managing Member. Veterans CARE Managing Member will then calculate an early Job Satisfaction Outcome Payment as set forth above.

SCHEDULE 4

GOVERNANCE AND REPORTING

Overview	<p>Governance is comprised of governance committees; Change Management Procedures; and reporting.</p> <p>Governance will be organized into two types of committees: (a) Payor Steering Committees and (b) the Management Committee. The Management Committee may choose to convene operating committees as needed throughout the Project. Veterans CARE Managing Member shall be responsible for scheduling all governance meetings, proposing an agenda in advance and circulating notes and follow-ups after. The roles and responsibilities of each committee are detailed below.</p> <p>The Change Management Procedures lay out the process and protocols for implementing changes to the Project. The Change Management Procedures do not apply to program activity not governed by the Agreement, including but not limited to the IPS intervention model.</p> <p>Reports will be comprised of key operational and evaluation interim metrics and will be reviewed by the respective Payor Steering Committee and the Management Committee to track the Project's progress.</p>
COMMITTEE STRUCTURE	
Payor Steering Committees	<p>Purpose: The Payor Steering Committee provides strategic direction, vision and goals to the Project, and to PAVE. The Payor Steering Committee will monitor compliance with the related Payor Contracts and the members of the Payor Steering Committee will champion the Project within his/her given organization.</p> <p>Key Responsibilities. The Payor Steering Committees will meet at least semi-annually and will have the following responsibilities:</p> <ul style="list-style-type: none"> • Provide strategic direction, vision, and goals for PAVE and the Project • Provide leadership to ensure that the goals of the Project are on track or implement corrective actions to bring the Project back on track, at the direction of the Management Committee • Review and approve amendments to the Payor Contracts and other Project agreements, as applicable • Review and approve Project Change Requests, as applicable to relevant Project Teams • Review and approve amendments to the Agreement, as appropriate • Review and approve Outcome Payment proposals at the end of the Term, as applicable <p>Participants. The Payor Steering Committee shall be comprised of representatives from each of the Payors with demonstrable interest in achieving the Outcomes. There will be the following permanent seats on the Payor Steering Committee:</p> <ul style="list-style-type: none"> • Designee, Department of Veterans Affairs • Designee, Neighborhood Jobs Trust of the City of Boston • Designee, Executive Office for Administration and Finance of the Commonwealth of Massachusetts

	<ul style="list-style-type: none"> • Designee, Executive Office of Health and Human Service of the Commonwealth of Massachusetts • Designee, Veterans CARE Managing Member • Study Chair, Implementation Coordinating Center (observer only) • IPS Fidelity Monitor, Implementation Coordinating Center (observer only) <p>The Payor Steering Committee representative from Veterans CARE Managing Member shall have responsibility for scheduling meetings, circulating an agenda in advance, and maintaining a record of meetings.</p> <p>Additional Observation Rights. Additional observer seats may be added upon approval by the Payor Steering Committee.</p> <p>Meeting Frequency. Semi-annually, and as requested by the Management Committee. Meetings may take place in person or by telephone.</p> <p>Any of the Parties may call for a special Payor Steering Committee meeting with reasonable notice to discuss an urgent matter. The notice for the special Payor Steering Committee meeting shall include the agenda and reason for the special meeting.</p> <p>Reporting. Semi-annually, the Payor Steering Committee will receive a program report, which shall include but is not limited to: Baseline Demographic and Clinical Characteristics Data, site Fidelity reports, and Enrollment data per Project Team.</p> <p>Voting. A majority of the Payor Steering Committee Members shall constitute a quorum. The approval of any business requires unanimous approval of a quorum.</p>
Management Committee	<p>Purpose. The Management Committee provides direction to ensure members will work within their organizations to implement the Project at highest quality.</p> <p>Key Responsibilities. The Management Committee will have the following responsibilities:</p> <ul style="list-style-type: none"> • Identify and resolve business decisions raised under the Agreement. Amendments to the Agreement which require Payor approval must be forwarded to the Payor Steering Committee and all issues and changes pertaining to <u>Schedule 2</u> (Project Evaluation) must be reviewed and approved by the Evaluator, unless otherwise noted in <u>Schedule 2</u> (Project Evaluation). • Monitor and review reports, defined below • Ensure data flows between the Parties and Evaluator are working as intended per <u>Schedule 2</u> (Project Evaluation) • Establish ad hoc operating committees as necessary • Review and verify Outcome Payment Invoices (<u>Schedule 3</u>); Wind-Up Budgets (<u>Section 8.2(e)</u>); and Project Announcement (<u>Schedule 5</u>). <p>The Management Committee will identify the policy and contractual issues and/or decisions (such as those related to public disclosure of results of the Agreement, or proposed amendments impacting Project budget or Project size) to raise with the Payor Steering Committee, provided that changes altering the terms of the Agreement are subject to Article VII of the Agreement.</p>

	<p>Members. The Management Committee shall be comprised of managers from the Project and Veterans CARE Managing Member as follows:</p> <ul style="list-style-type: none"> • Study Chair, Implementation Coordinating Center (observer only) • IPS Fidelity Monitor, Implementation Coordinating Center (observer only) • Designee, Veterans CARE Managing Member • Designee, TREAC (observer only) • Designee, Massachusetts Payor Steering Committee (observer only) • Designee, Department of Veterans Affairs (observer only) <p>Veterans CARE Managing Member shall have responsibility for scheduling meetings, circulating an agenda in advance, maintaining a record of meetings and ensuring change management procedures are followed. Veterans CARE Managing Member shall also be responsible for engaging in an informal manner with Management Committee, and shall be the liaison to the Payor Steering Committee and Veterans CARE.</p> <p>Any member of the Management Committee may request the attendance of the Evaluator at a Management Committee meeting. With reasonable notice of request and consistent with the terms of the Evaluation Agreement, the Evaluator shall attend such Management Committee Meeting.</p> <p>Meeting Frequency. No less than quarterly. Meetings may take place in person or by telephone.</p> <p>Any of the members of the Management Committee may call for a special meeting of the Management Committee to discuss an urgent matter. The notice for the special meeting of the Management Committee shall include the agenda and reason for the special meeting.</p> <p>Management Committee may convene a project operating committee to share best practices.</p> <p>Voting. A majority of the Management Committee Members shall constitute a quorum. The approval of any business requires unanimous approval of a quorum.</p>
Operating Committee	<p>Purpose. The purpose of the Operating Committee is to further support the Project by helping identify and coordinate best practices with respect to enrolment referrals, vocational guidance, clinical coordination, and to advance a learning agenda through complementary research initiatives for the benefit of the Project stakeholders, as appropriate.</p> <p>Key Responsibilities. The Operating Committee may have the following responsibilities:</p> <ul style="list-style-type: none"> • Convene periodically and at the request of the Management Committee • Advise the Payor Steering Committee and the Management Committee on opportunities to implement best practices with respect to Enrollment, referrals, vocational guidance and clinical coordination
CHANGE MANAGEMENT PROCEDURES	
Overview	<p>There will be a process to coordinate and control any changes to the responsibilities outlined in the project in order to ensure timely response to all proposed changes with input by the appropriate governing bodies.</p>

	<p>Project Change Requests must be submitted in writing to the Management Committee (see <u>Appendix A</u> for a form), together with relevant supporting documentation. The Management Committee will review, classify and respond to Project Change Requests in a timely fashion, including convening interim meetings if required.</p> <p>Project Change Requests may only propose changes to the implementation of services, evaluation, or calculation of Outcome Payments as reflected in <u>Schedule 1</u> (Operating Responsibilities), <u>Schedule 2</u> (Project Evaluation), <u>Schedule 3</u> (Outcome Payments), <u>Schedule 4</u> (Governance and Reporting), and <u>Schedule 5</u> (Publicity). Project Change Requests shall not be considered amendments to the Agreement.</p> <p>The Management Committee may approve of non-material changes to the Project and its implementation as specified in the Agreement and Schedules, including non-material changes to the applicable Cure periods, <u>Schedule 1</u> (Operating Responsibilities), <u>Schedule 2</u> (Project Evaluation), <u>Schedule 4</u> (Governance and Reporting) as related to reporting provisions, and <u>Schedule 5</u> (Publicity).</p> <p>The relevant members of the Payor Steering Committee, including the VA and Managing member, must approve of any changes likely to materially affect the timing or amount of any Outcome Payments related to their respective site Outcomes such as modifications to the definition of Enrollment; material changes to data or measurement; or significant modifications as to the timing of the Project.</p> <p>In the event of three consecutive quarters of an economic recession, as determined by the National Bureau of Economic Research, the Management Committee may revisit the evaluation methodology with the Evaluator. Any changes to the evaluation methodology will require approval by the relevant Payor Steering Committees and Management Committee.</p> <p>The Implementation Coordinating Center may modify service delivery and services to achieve Outcomes without requiring approval of the Management Committee, the Operating Committee or the Payor Steering Committee provided that (a) the core principles and target population remains consistent with original design, including efforts to serve the most vulnerable populations, and (b) any increase in Enrollment beyond targets specified in <u>Schedule 1</u> (Operating Responsibilities) will be subject to Management Committee approval.</p> <p>Amendments to the Agreement which have to be approved by the Payors shall be forwarded to the Payor Steering Committee and cannot be made without prior written consent of the Parties to the Agreement, and otherwise as set forth in Article VII of the Agreement. Any material modification to the obligations of a party to the Agreement under the Agreement shall require the consent of that party. Any change to the Agreement that affects the timing or cost of services to be performed by the Implementation Coordinating Center is subject to the consent of the Implementation Coordinating Center.</p>
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Process	<p>The Management Committee will convene as needed to review and make a decision on any Project Change Requests. Such decisions or recommendations will be made within the process and timeframe recommended by the Management Committee. Project Change Requests requiring Payor Steering Committee input will be provided to the Payor Steering Committee with a recommendation from the Management Committee in a timely fashion. The Payor Steering Committee will review and make a decision within the timeframe requested in the Project Change Request.</p> <p>The Management Committee will attempt to resolve all issues by unanimous consent. Any issue that the Management Committee cannot resolve by unanimous consent may be shared with the Payor Steering Committee.</p> <p>All decisions will be documented by Veterans CARE Managing Member in a change summary report which will include the Project Change Request, supporting documentation including notes from the discussion, and the decision with respect to the Project Change Request.</p>
REPORTING	
	Reporting for purposes of project governance will be as follows.

Report Name	Frequency	Distribution	Source
Announcement Strategy	Once, unless modified	Payor Steering Committee and Veterans CARE	Veterans CARE Managing Member
Project Overview Materials	Once, unless modified	Payor Steering Committee and Veterans CARE	Management Committee
Program Report	Semi-annually, in advance of semi-annual Payor Steering Committee meetings	Payor Steering Committee and Veterans CARE	Management Committee
Evaluator Report	Within 15 days of receipt of each Evaluator Report	Payor Steering Committee, PAVE and Veterans CARE	Veterans CARE Managing Member
Outcome Payment Invoice	Within 15 days of receipt of each Evaluator Report	Payor Steering Committee, PAVE and Veterans CARE	Veterans CARE Managing Member

Appendix A – Project Change Request Form

VETERANS EMPLOYMENT PAY FOR SUCCESS PROJECT CHANGE REQUEST FORM					
A. Change Requested					
Title:					
Date Submitted:			Requested Implementation Date:		
Prepared By:			Department / Unit:		Date:
B. Brief Description of Change					
C. Reason/Justification for Change					
D. Impact of Change					
<i>Area(s) Impacted</i>	<i>Provide a Brief Description of Impact (i.e. How, What)</i>				<i>Level of Review Required</i>
<input type="checkbox"/> Evaluation					
<input type="checkbox"/> Finance / Contract					
<input type="checkbox"/> Operations					
<input type="checkbox"/> Other					
Expected Benefits of Change:					
Impact of Not Approving this Change:					
User Notification:					
Were Stakeholders Notified: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable					
E. Decision					
<u>Approve</u>	<u>Disapprove</u>	<u>Pending</u>	<u>Approval Level</u>	<u>Name(s) / Signature(s)</u>	<u>Date</u>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Comments / Concerns:					

SCHEDULE 5

PUBLICITY

This Schedule 5 outlines the process by which the Parties, the VA, TREAC, TVAMC, and the Payors (collectively, the “PFS Project Stakeholders”) will participate in publicity efforts regarding the Project.

Section 1. Project Overview Materials

As developed by the Veterans CARE Managing Member and approved by the PFS Project Stakeholders, the Project Overview Materials (the “Project Overview Materials”) include a press release, a Project fact sheet, and a “FAQ” (answers to frequently asked questions). The Project Overview Materials may be modified with the unanimous consent of the PFS Project Stakeholders, which consent will not be unreasonably withheld.

Section 2. Ongoing Communications

- a. Each of the PFS Project Stakeholders may engage in publicity efforts, such as media requests, press conferences, press statements, interviews, presentations, and blog posts, provided that each of the PFS Project Stakeholders may only share information contained in the approved Project Overview Materials or information related to the ordinary course of activities (except that PFS Project Stakeholders may re-purpose or modify the format of such information without requiring consent).
- b. Each of the PFS Project Stakeholders will use its best efforts to notify all of the other PFS Project Stakeholders prior to responding to any media inquiries to give PFS Project Stakeholders equal opportunity to participate in ongoing publicity around the Project.
- c. None of the PFS Project Stakeholders may share Confidential Information or Personally Identifiable Information as those terms are set forth in the Agreement.

Section 3. Consent of the PFS Project Stakeholders

The prior written consent of each of the PFS Project Stakeholders will be required for:

- a. Public statements regarding Outcomes or material changes to the Project as defined by the Agreement;
- b. Written use of another PFS Project Stakeholder’s name or logo, except as used in the Project Overview Materials.

Section 4. Exceptions

Veterans CARE Managing Member, TVAMC and TREAC may disclose (a) information the Party believes in good faith is required by Law or legal process or requested by

legislative or governing bodies, in which case it shall provide prior notice of such disclosure to the other PFS Project Stakeholders, to the extent permitted, with respect to the timing and content of such disclosure; and (b) information regarding the Project to the PFS Project Stakeholder's directors, officers, employees, managers, members, stockholders, financing sources, advisors, agents and other representatives.