

FIRST AMENDMENT TO AFFILIATION AGREEMENT

This **FIRST AMENDMENT TO AFFILIATION AGREEMENT** (this "**First Amendment**") is made and entered into as of 2nd day of January, 2011 by and between REHABCLINICS, INC. d/b/a NOVACARE REHABILITATION, for its self and on behalf of its subsidiaries and affiliates ("**Clinic**") and FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE ("**School**").

BACKGROUND

A. School and Clinic are parties to an Affiliation Agreement dated as of December 1, 2003 (the "**Affiliation Agreement**").

B. The Parties desire to further amend, confirm and clarify certain terms and conditions contained in the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and intending to be legally bound by this First Amendment, the Parties hereby agree as follows:

1. First Amendment of Affiliation Agreement; Defined Terms.

(a) This First Amendment amends the Affiliation Agreement, and the provisions hereof supersede all inconsistent provisions contained in the Affiliation Agreement. However, all of the terms and conditions of the Affiliation Agreement not amended or altered hereby shall remain in full force and effect.

(b) All capitalized terms used in this First Amendment shall have the meaning given to them in the Affiliation Agreement, unless expressly defined otherwise.

(c) This First Amendment shall be effective as of January 2, 2011 (the "Effective Date").

2. The recitals clause is hereby deleted and restated in its entirety to reflect that the Affiliation Agreement is a National Contract:

"This Affiliation Agreement (the "Agreement") is entered into this 2nd day of January 2011 between **RehabClinics, Inc., d/b/a NovaCare Rehabilitation**, for itself and on behalf of its subsidiaries and affiliates (hereinafter referred to as the "Clinic") and **Fayetteville Technical Community College** (hereinafter referred to as the "School").

"**WHEREAS**, the School has established an approved clinical program of Physical Therapy Assistant and Physical Therapy in the School's Physical Therapy

Assistant and Physical Therapy programs, which program are covered by this Agreement (hereinafter referred to as the “Program”); and

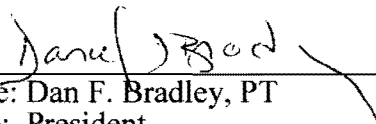
WHEREAS, the Program requires facilities where students from the School can obtain the clinical learning experience required in the Physical Therapy Assistant and Physical Therapy curriculum; and

WHEREAS, the Clinic has the clinical setting and equipment needed by Program trainees as part of their practical learning experience.”

IN WITNESS WHEREOF, the Parties have executed and delivered this Amendment as of the date first written above.

CLINIC:

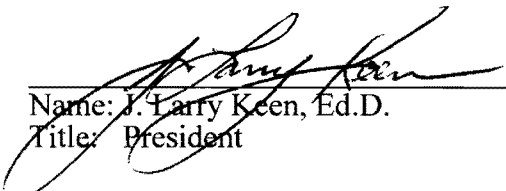
RehabClinics, Inc. d/b/a NovaCare
Rehabilitation



Name: Dan F. Bradley, PT
Title: President

SCHOOL:

Fayetteville Technical Community
College



Name: J. Larry Keen, Ed.D.
Title: President



AFFILIATION AGREEMENT

This Agreement, entered into this 1st day of December, 2003 between NovaCare Outpatient Rehabilitation (hereinafter referred to as the "Clinic"), and Fayetteville Technical Community College (hereinafter referred to as the "School").

WHEREAS, the School has established an approved clinical program of special training in the Physical Therapist Assistant Program covered by this Agreement (hereinafter referred to as the "Program"); and

WHEREAS, the Program requires facilities where students can obtain the clinical learning experience required in the Physical Therapist Assistant curriculum; and

WHEREAS, the Clinic has the clinical setting and equipment needed by Program trainees as part of their practical learning experience;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises set forth herein, the School and the Clinic agree as follows:

1 RESPONSIBILITIES OF THE CLINIC

1.1 The Clinic will provide clinical experience situations as described in the Program curriculum and in accordance with the objectives to be provided by the School.

1.2 The Clinic will designate appropriate personnel to coordinate the student's clinical learning experience in the Program.

1.3 The Clinic shall retain the right to remove from and deny access to its facility to (a) any student whose achievement, progress or adjustment does not warrant continuation of study at the Clinic, (b) any student or faculty member who fails to conform to the applicable rule, regulations or code of conduct of the Clinic, or (c) any student or faculty member whose professional or social conduct is, in the opinion of Clinic personnel, disruptive or otherwise destructive to the established practices or philosophy of the Clinic or its standing in the community. Such action shall be reported to the School's program coordinator.

1.4 The Clinic shall be responsible for and retain absolute control over the organization, administration, operation and financing of its services, including responsibility for all patient care.

1.5 All students and faculty members are subject to the Clinic's authority and are directly responsible to the Center Manager or his or her designee.

1.6 The Clinic assumes no financial responsibility for the medical care and treatment of students or faculty members.

2. RESPONSIBILITIES OF THE SCHOOL

2.1 The School shall provide the Clinic with the clinical learning experience and objectives for the Program and will plan the schedules and assignments in cooperation with the Clinic coordinator. This shall include the number of students assigned to a clinical area and the nature and extent of the clinical work experiences.

2.2 The School shall provide a sufficient number of qualified faculty members for teaching and supervision of students in the Program. In the event the faculty member is off-site, he or she shall be available by phone to the student and Clinic liaison.

2.3 The School will require all students and faculty members to abide by the rules, regulations, policies and procedures, standards of conduct and competency requirements of the Clinic and to conduct themselves in a professional manner. All students and faculty shall wear the appropriate uniform or attire and display proper identification at all times while on Clinic premises.

2.4 The School will require students and faculty to maintain the confidentiality of patient information obtained while at the Clinic. All information obtained from patients, their records or computerized data is to be held in confidence and no copies of patient records shall be made. Students and faculty shall abide by all Clinic policies concerning medical records and computer systems.

2.5 The School assures that all students and faculty are covered by health and malpractice insurance as set forth in paragraph 3.1 below.

2.6 The School will assign to the Clinic only those students who have satisfactorily completed all prerequisites in the Program curriculum.

2.7 The School will ensure that, prior to clinical placement, each student and faculty member has had instruction in occupational exposure to bloodborne pathogens, protective practices to avoid contamination, and procedures for decontamination in case of exposure, or potential exposure, to infectious materials or potentially infectious materials in accordance with the federal guidelines "Occupational Exposure to Bloodborne Pathogens". No student or faculty member will be allowed into a clinical area until the training program has been completed.

2.8 The School will ensure that, prior to clinical placement, each student and faculty member has had instruction in exposure to tuberculosis, protective practices to avoid contamination, and procedures in case of exposure or potential exposure in accordance with the federal guidelines "Guidelines for Preventing the Transmission of Mycobacterium Tuberculosis in Health Care Facilities". No student or faculty member will be allowed into a clinical area until the training program has been completed.

2.9 The School shall recommend that its students and faculty members receive immunization against Hepatitis B. Students and faculty members who elect not to receive the Hepatitis B vaccine must sign a Hepatitis B declination form which will remain on file at the School. The School shall warrant that each student has either elected to receive the vaccine or has signed a declination form.

2.10 The School acknowledges that all students and faculty shall be responsible for their own transportation to and from the Clinic and shall abide by all parking rules and regulations while on Clinic property.

3. INSURANCE AND INDEMNIFICATION

3.1 The School agrees, at its own expense, provide coverage for its activities in connection with this Agreement by maintaining in force during the term of this Agreement comprehensive general liability insurance with minimum coverage limits of an annual aggregate of Three Million Dollars (\$3,000,000) and professional liability insurance with minimum coverage limits of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate. The duty to maintain such coverage for the period the student or faculty member is participating in the program shall survive the termination of this Agreement.

3.2 The coverage shall be written as primary coverage and not contributing with or in excess of any coverage that the Clinic may have. Neither the issuance of any insurance policy required under this Agreement, nor the minimum limits specified herein with respect to insurance coverage shall be deemed to limit or restrict in anyway the School's liability arising out of or under this Agreement. The insurance policies shall be issued by insurance companies reasonably acceptable to the Clinic. The School warrants and represents that it will purchase appropriate "tail coverage" for claims, demands, actions or judgments reported in future years for acts of omissions during the term of this agreement.

3.3 The School, upon the execution of this Agreement, shall furnish Clinic with certificates evidencing compliance with these insurance requirements. Certificates shall further provide for thirty (30) days advance written notice to Clinic of any cancellation of the above coverage.

3.4 The Clinic agrees, at its own expense, to provide adequate insurance coverage for its activities in connection with this Agreement.

3.5 It is hereby stipulated and agreed between the Clinic and the School that with respect to any claim or action arising out of the activities described in this contract, each party shall only be liable for payment of that portion of any and all liability, costs, expenses, demands, settlements, or judgments resulting from the negligent, intentional or otherwise tortious actions or omissions of its own agents, officers, and employees.

4. PLACEMENT

The Clinic reserves the right to withhold placement of Program students depending upon the availability of facilities and personnel to adequately provide a satisfactory field experience.

5. NONDISCRIMINATION

The Clinic and the School agree that neither will discriminate in the performance of this Agreement against any individual on the basis of age, sex, race, color, religious belief, national origin, sexual preference or disability.

6. TERM

The term of this Agreement shall be one (1) year commencing on December 1, 2003 and terminating on November 30, 2004. This Agreement shall automatically renew for additional terms of one year unless terminated by either party in accordance with this Agreement.

7. TERMINATION

Either party may terminate this Agreement upon thirty (30) days written notice to the other party.

8. INDEPENDENT CONTRACTOR STATUS

The parties hereby acknowledge that they are independent contractors. In no event shall this agreement be construed as establishing a partnership, joint venture or similar relationship between the parties hereto, and nothing herein contained shall be construed to authorize either party to act as agent for the other. The Clinic and the School shall be liable for their own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes or benefits. No student shall look to Clinic for any salaries, insurance or other benefits.

9. CONFIDENTIALITY

By: Ray Collins, PT
Title: Clinical Operations Director

Fayetteville Technical Community College

By: Laura B. Mann
Title: PRESIDENT