

**SPECIFIC MEDICAL EXCESS REIMBURSEMENT STOPLOSS
AGREEMENT**

BETWEEN

EDUCATORS HEALTH PLANS LIFE, ACCIDENT, AND HEALTH, INC.

5101 South Commerce Drive
Murray, Utah 84107

AND

TEXAS HOT OILERS

P. O. Box 1007
Giddings, Texas 78942

Under the terms of this Agreement, Educators Health Plans Life, Accident, and Health, Inc. agrees to assume the liability described in this Agreement and, as consideration, Educators Health Plans Life, Accident, and Health, Inc. shall receive the premiums described herein.

This Agreement shall be effective at 12:01 a.m., Central Time on December 1, 2023.

THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY, AND IF THE EMPLOYER IS A NON-SUBSCRIBER, THE EMPLOYER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE OCCUR UNDER THE WORKERS' COMPENSATION LAWS. THE EMPLOYER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.

EDUCATORS HEALTH PLANS LIFE, ACCIDENT, AND HEALTH, INC.
5101 South Commerce Drive
Murray, Utah 84107

EXCESS REIMBURSEMENT POLICY

THIS IS A CLAIMS REIMBURSEMENT POLICY-PLEASE READ CAREFULLY

Named Insureds (Plan Sponsor): Texas Hot Oilers

Designated Third Party Administrator or Claims Administrator (TPA):

Educators Health Plans Life, Accident, and Health, Inc.
5101 South Commerce Drive
Murray, Utah 84107

This Excess Reimbursement Policy is issued in consideration of Plan Sponsor's Application and the payment of premiums. The attached Application forms are part of this Policy. (Attached to original Policy.)

The Effective Date and the Expiration Date of this Policy are as shown below at 12:01 a.m. Central Time. This Policy may automatically be renewed for one-year terms, unless the Plan Sponsor notifies Educators Health Plans Life, Accident, and Health, Inc. in writing by certified mail of its intent to terminate the contract at least sixty (60) days prior to the end of the current term.

Effective Date: December 1, 2023

Expiration Date: January 1, 2025

This Policy is issued by Educators Health Plans Life, Accident, and Health, Inc. as of the Effective Date, but is not valid unless countersigned by its duly authorized representative.

Plan and Plan Sponsor:

Texas Hot Oilers

EMI Health:

Educators Health Plans Life, Accident, and Health,
Inc.



President



Corporate Secretary

Dated: November 2, 2023

TABLE OF CONTENTS

<u>Article</u>	<u>Description</u>	<u>Page</u>
	TABLE OF CONTENTS.....	ii
Article I.	DEFINITIONS.....	1
Article II.	EXCESS REIMBURSEMENT PROVISIONS.....	2
2.1	Specific Excess Insurance.....	3
2.2	Aggregate Excess Insurance	3
2.3	Limitations of Coverage	3
2.4	Change in Limits.....	3
2.5	Exclusions	3
Article III.	EXCESS REIMBURSEMENT PREMIUMS	5
3.1	Excess Reimbursement Premiums.....	5
3.2	Premium Due Date.....	5
3.3	Payment of Premiums	5
3.4	Grace Period.....	5
3.5	Failure to Pay	5
3.6	Late Premium.....	5
3.7	Modification of Premiums	5
Article IV.	TERM & TERMINATION.....	6
4.1	Coverage Form.....	6
4.2	Period	6
4.3	Notice of Cancellation	6
4.4	Expiration of Policy	6
4.5	Failure to Provide Requested Information.....	6
4.6	Termination of Plan.	6
Article V.	OTHER EXCESS REIMBURSEMENT PROVISIONS	6
5.1	Entire Agreement	6
5.2	Concealment or Misrepresentation	6
5.3	Renewal.....	6
5.4	Nonparticipating Policy	7
5.5	Records	7
5.6	Clerical Error	7
5.7	Changes.....	7
5.8	Amendments to Plan	7
5.9	Disclaimer	7
5.10	Indemnification, Defense, and Hold Harmless	7
5.11	Offset.....	8

5.12	Assignment	8
5.13	Endorsements	8
5.14	Currency	8
Article VI.	INSOLVENCY	8
Article VII.	CLAIMS PROVISIONS	8
7.1	Notice of Claim	8
7.2	Proof of Loss	9
7.3	Reports	9
7.4	Arbitration	9
7.5	Recoveries	9
7.6	Subrogation	10
7.7	Contested Claims	10
7.8	Unusual Expense	10
Article VIII.	GENERAL PROVISIONS	10
8.1	Corporate Authorization	10
8.2	Default	11
8.3	Notice	11
8.4	Headings	11
8.5	Modification	11
8.6	Inurement	11
8.7	Attorney's Fees	11
8.8	Construction	12
8.9	No Wavier	12
8.10	Facsimile Signature	12
8.11	Counterparts	12
8.12	Governing Law	12

THIS SPECIFIC MEDICAL EXCESS REIMBURSEMENT AGREEMENT (the “**Agreement**” or “**Policy**”) is made and entered into this 1st day of December, 2023, by and between **Educators Health Plans Life, Accident, and Health, Inc.**, 5101 South Commerce Drive, Murray, Utah 84107 (hereinafter referred to as the “**EMI Health**”), **Texas Hot Oilers** (hereinafter referred to as the “**Plan Sponsor**”) and **Texas Hot Oilers Self-funded Employee Benefit Plan** (hereinafter referred to as the “**Plan**”).

WITNESSETH:

Whereas, the Plan Sponsor provides through the Plan certain medical and other benefits to the eligible employees of Employer Groups and their dependents; and

Whereas, the Plan Sponsor and the Plan desire to obtain certain Excess Reimbursement from EMI Health in order to transfer to EMI Health, on the terms and conditions set out below, certain claims liabilities of the Plan to the extent such claims liabilities are in excess of certain specific and aggregate attachment points; and

Whereas, EMI Health is willing to provide Excess Reimbursement to the Plan, but only on the terms and conditions set out in this Agreement.

Now Therefore, in consideration of the premises and the covenants and promises of the parties set forth below, the parties do hereby agree as follows:

EXCESS REIMBURSEMENT AGREEMENT:

Article I. DEFINITIONS. For purposes of this Agreement, the following definitions shall apply:

1.1 AGREEMENT or POLICY means this **SPECIFIC MEDICAL EXCESS REIMBURSEMENT AGREEMENT**.

1.2 ANNUAL AGGREGATE ATTACHMENT POINT means for a Policy Year the greater of (a) the cumulative total of the number of Covered Units within the Policy Year times the Aggregate Monthly Factor or (b) the Minimum Annual Aggregate Attachment Point.

1.3 COVERED PERSON means an individual covered under the Plan.

1.4 COVERED UNITS means an employee, an employee with dependents, or such other defined unit as agreed upon between Plan Sponsor and EMI Health in writing.

1.5 EMI HEALTH means **Educators Health Plans Life, Accident, and Health, Inc.**, 5101 South Commerce Drive, Murray, Utah.

1.6 MINIMUM ANNUAL AGGREGATE ATTACHMENT POINT means 12 times the Aggregate Monthly Factor times the number of Covered Units based on the first month’s actual enrollment.

1.7 PAID. An expense is deemed paid when the draft or check has been issued by the Plan during the time period specified for the payment of Plan Benefits, is received by the payee not later than 30 calendar days after the end of such time period, and is honored upon presentation.

1.8 PLAN means the Texas Hot Oilers Self-funded Employee Medical Benefit Plan and the medical benefits Plan Sponsor has agreed to provide hereunder for the eligible employees of Employer Group and their eligible dependents.

1.9 PLAN BENEFITS means the total amount of medical expense benefits to which Covered Persons become entitled under the Plan during the Policy Year which are (1) incurred after the Effective Date of this Policy, (2) incurred while this Policy is in force, and (3) Paid during the Policy Year or run-out period. Plan Benefits do not include deductibles, co-insurance amounts, expenses, or claims which are not covered under the terms of the Plan or which are reimbursable from any other source. A Plan expense is deemed to have been incurred at the time the service is tendered or the supply is provided.

1.10 PLAN DOCUMENT means the written document evidencing the Plan Sponsor's Plan including any amendments. Plan Sponsor will provide EMI Health with a copy of its Plan Document in effect as of the Effective Date. Amendments are subject to Article V., section 5.8.

1.11 PLAN SPONSOR means Texas Hot Oilers.

1.12 POLICY or AGREEMENT means this Agreement.

1.13 POLICY YEAR means the period beginning on the Effective Date and ending on the Expiration Date, or the actual period of time during which the Policy is in force, if the Policy terminates prior to the Expiration Date. This Policy may automatically be renewed for one-year terms, unless the Plan Sponsor notifies EMI in writing by certified mail of its intent to terminate the contract at least sixty (60) days prior to the end of the current term.

1.17 SPECIFIC ATTACHMENT POINT means the dollar amount above which this specific stop-loss protection begins to pay. The Specific Attachment Point will not be less than \$5,000.00.

1.18 TPA means the third-party administrator or claims administrator of the Plan, **Educators Health Plans Life, Accident, and Health, Inc.**

Article II. EXCESS REIMBURSEMENT PROVISIONS. The Plan Sponsor and EMI Health mutually agree that EMI Health shall, on the terms and conditions set out in this Agreement, reinsure and accept liability for certain claims liabilities of the Plan to the extent such claims liabilities are in excess of certain specific and aggregate attachment points. This Agreement is solely between the Plan Sponsor and EMI Health, and performance of the obligations of each party under this Agreement shall be rendered solely to the other party. Amounts payable under this Policy will be paid to the Plan. In no instance shall anyone other than the Plan, the Plan Sponsor, or EMI Health have any rights under this Agreement. No Participant in the Plan shall have any rights under this Agreement. Any change or modification to this Agreement shall be null and void unless made by amendment to this Agreement and signed by both the Plan Sponsor and EMI Health.

2.1 SPECIFIC EXCESS INSURANCE

(a) With respect to any one Covered Person in any Policy Year, and subject to the terms, conditions, and limitations of this Policy, EMI Health will reimburse Plan Sponsor for Plan Benefits Paid on account of such Covered Person in excess of the Specific Attachment Point.

(b) EMI Health will not reimburse Plan Sponsor for the Plan Benefits incurred after the date of termination of this Agreement.

(c) If the Policy terminates before the Expiration Date, Plan Benefits paid after the date of termination are not covered or subject to reimbursement under this Policy.

2.2 AGGREGATE EXCESS INSURANCE

(a) In any Policy Year or Renewal Year, subject to the terms, conditions, and limitations of this Policy, EMI Health will reimburse Plan Sponsor for Plan Benefits Paid, less (i) the Annual Aggregate Attachment Point, and (ii) Specific Excess reimbursements due or Paid to Plan Sponsor pursuant to Section 2.1.

(b) EMI Health will not reimburse Plan Sponsor for Plan Benefits incurred after the date of termination of this Agreement.

(c) If the Policy terminates before the Expiration Date, Plan Benefits Paid after the date of termination are not covered.

2.3 LIMITATIONS OF COVERAGE

This Policy is between Plan Sponsor and EMI Health. No other person has any rights under the Policy.

2.4 CHANGE IN LIMITS

Plan Sponsor or EMI Health may increase the excess reimbursement specific and aggregate attachment points by giving 30 days written notice to the other of its intention to do so. After notice of such increase has been received, excess reimbursement and excess reimbursement premiums will be determined by mutual agreement between the Plan Sponsor and EMI Health.

2.5 EXCLUSIONS

EMI Health will not reimburse Plan Sponsor for the following:

(a) Expenses incurred while the Plan is not in force with respect to a Covered Person.

(b) Expenses covered by amendments to the Plan incurred prior to EMI Health written approval of such amendments.

(c) Any benefits not specifically covered by the Plan.

(d) Costs of the administration of claims or expenses of litigation or other adjudicatory process including, but not limited to, costs of defense and liability for punitive or exemplary or extra contractual damages.

(e) Liability or obligations assumed by Plan Sponsor under any contract or service agreement other than the Plan.

(f) All coverage in respect of Extra Contractual obligations, howsoever arising, such Extra Contractual obligations being defined as any award made by a court of competent jurisdiction against the Plan or the Plan Sponsor, which award is not within the coverage granted by any insurance and/or excess reimbursement contract made between the parties in dispute, it being understood and agreed that such loss results from a contractual liability incurred by the Plan.

(g) Incurred but not reported loss reserves.

(h) Salaries and office expenses of the Plan and/or the Plan Sponsor.

(i) Expenses for injuries or illness for which the Covered Person receives payment under Workers' Compensation or a similar law.

(j) Expenses for injuries or illness for which the Covered Person receives payment under the Occupational Disease Law.

This Agreement shall not indemnify the Plan for any of the following liabilities, expenses, or losses:

(a) Professional Liability of any type.

(b) Liability assumed by the Plan in excess of Plan coverage and limits.

(c) Liability for which the Plan has released any person or entity.

(d) Liability which is non-pecuniary (no money value).

(e) Liability which is based upon non-compliance with any statute or regulation.

(f) Additional expenses or losses which are billed in excess of the reasonable and customary charges for the locality where the original Policy has issued or negotiated participating provider discounts.

(g) Expenses or fees connected with any experimental medical treatment, medicine, or surgery.

This Agreement does not cover any loss directly or indirectly caused by or contributed to or arising from the following:

(a) ionizing radiations, pollution, or contamination by radioactivity from any nuclear waste from the combustion of nuclear fuel;

(b) the radioactive, toxic, explosive, or other hazardous properties or any explosive nuclear assembly or nuclear component thereof; or

(c) declared or undeclared war, or international armed conflict.

Article III. EXCESS REIMBURSEMENT PREMIUMS.

3.1 EXCESS REIMBURSEMENT PREMIUMS. Each month the Plan Sponsor shall pay to EMI Health excess reimbursement premiums in accordance with the agreed-upon rates and will not be subject to any commissions or expense allowance.

3.2 PREMIUM DUE DATE. Premiums are due on the first day of the month of coverage.

3.3 PAYMENT OF PREMIUMS. Each premium is payable to EMI Health or such other place as EMI Health designates in writing.

3.4 GRACE PERIOD. A grace period of 30 days is allowed for the payment of each premium after the first premium. If the premium is not paid during the grace period, the Policy will terminate without further notice as of the premium due date as provided in Section 3.5.

3.5 FAILURE OF PLAN SPONSOR TO PAY. The payment by the Plan Sponsor to EMI Health of excess reimbursement premiums will be a condition precedent to the liability of EMI Health under this Agreement. In the event of non-payment of excess reimbursement premiums for more than 30 days, EMI Health will have the right to terminate this Agreement and the excess reimbursement to be provided hereunder. If EMI Health elects to exercise its right of termination, it will give the Plan Sponsor 30 days' notice of its intention to terminate this Agreement and the excess reimbursement provided hereunder. If excess reimbursement premiums so in arrears, including any which may become in arrears during the 30-day period plus any interest penalty charged by EMI Health, are not paid before the expiration of the period, EMI Health will be relieved of all liability under this Agreement.

The terminated Policy may be reinstated at any time within 30 days of the date of termination upon payment of all excess reimbursement premiums in arrears, plus any interest penalty charged by EMI Health. EMI Health's right to terminate excess reimbursement will be without prejudice to its right to collect premiums for the period excess reimbursement was in force prior to the expiration of the 30-day notice period.

3.6 LATE PREMIUM. In the event that any premium payment is delinquent by more than 30 days, EMI Health shall have the right to charge the Plan an interest penalty equal to the greater of (a) 18 percent per annum or (b) the quarterly U.S. Treasury Bill rate in effect on the date the premium payment becomes 30 days delinquent.

3.7 MODIFICATION OF PREMIUMS. EMI Health has the right to adjust premiums the occurrence of any of the following events: (a) the effective date of any amendment of the plan as provided in Section 5.8, (b) the effective date of a 10 percent or more change in the number of Covered Persons, (c) a change in the law that affects EMI Health performance under this Policy, or (d) the first day of any Renewal Policy Period upon 30 days' notice to Plan Sponsor.

Article IV. TERM & TERMINATION. This Agreement will terminate upon the earliest to occur of the following events:

4.1 COVERAGE FORM. To be covered, claims must be incurred during the period that this Agreement is in force and paid within 12 months.

4.2 PERIOD. Except as provided in Section 3.4, at the end of any period for which the premium is paid.

4.3 NOTICE OF CANCELLATION. The premium due date after Plan Sponsor gives EMI Health written notice of cancellation. If Plan Sponsor cancels within 30 days after the Effective Date, Plan Sponsor may ask for a full refund of the premium, and if Plan Sponsor does so, the Policy will be cancelled as of the Effective Date. If Plan Sponsor cancels the Policy after more than 30 days, EMI Health is entitled to retain the premium paid to the date of termination.

4.4 EXPIRATION OF POLICY. The Expiration Date of the Policy.

4.5 FAILURE TO PROVIDE REQUESTED INFORMATION. If Plan Sponsor fails to provide EMI Health with any information or materials requested by EMI Health within 30 days after the Policy is issued or renewed EMI Health's liability will be limited to return of the premium paid by Plan Sponsor after deducting the amount of any reimbursements made by EMI Health to Plan Sponsor prior to the time the Policy is terminated. If the amount of expenses reimbursed to Plan Sponsor exceeds the premium paid to EMI Health, Plan Sponsor will pay EMI Health the difference.

4.6 TERMINATION OF PLAN. The date the underlying Plan terminates.

Article V. OTHER EXCESS REIMBURSEMENT PROVISIONS.

5.1 ENTIRE AGREEMENT. This Policy and the attached Application are the entire agreement between Plan Sponsor and EMI Health. EMI Health has relied upon the underwriting information (including the Plan Document) provided by Plan Sponsor in issuing this Policy and Plan Sponsor represents such information is complete and accurate. Should EMI Health later learn such information was incomplete or incorrect, EMI Health has the right to modify the Policy as of the Effective Date to reflect the complete or correct information or to terminate the Policy on written notice as of the next premium due date.

5.2 CONCEALMENT OR MISREPRESENTATION. This Policy will be void if, before or after a claim or loss, Plan Sponsor has concealed or misrepresented any material fact or circumstance concerning this coverage. EMI Health's liability under this Policy will be limited to return of the premium paid by Plan Sponsor after deducting the amount of the reimbursements made by EMI Health to Plan Sponsor prior to the date of termination. If the amount of expenses reimbursed to Plan Sponsor exceeds the premium paid to EMI Health, Plan Sponsor will pay EMI Health the difference.

5.3 RENEWAL. This Policy may be renewed for one year. The renewal terms will be set forth in the Renewal Certificate issued by EMI Health provided Plan Sponsor furnishes EMI Health on a timely basis with the information EMI Health needs to offer a renewal.

5.4 NONPARTICIPATING POLICY. This Policy is nonparticipating and does not entitle Plan Sponsor to share in EMI Health's earnings.

5.5 RECORDS. Plan Sponsor will maintain such records as may be required by EMI Health for this Policy and will make them available on EMI Health's request. EMI Health may audit Plan Sponsor's records relating to this Policy and claims filed under the Plan. Plan Sponsor's records include records held by Plan Sponsor or by the TPA. As a result of any audit, EMI Health may readjust premiums, attachment points, or expenses EMI Health has reimbursed to Plan Sponsor as may be necessary to reflect the original intent of the parties to this policy.

5.6 CLERICAL ERROR. Clerical error whether by Plan Sponsor or EMI Health in creating or maintaining records or calculating premiums or claims pertaining to this Policy will not invalidate coverage provided under this Policy or continue any coverage hereunder that has validly ended. No such error, however, will expand EMI Health's obligations under this Policy. A clerical error is a mistake in performing a clerical function such as typing but does not include intentional acts or the failure to comply with the provisions of the Plan or Policy. Errors and omissions of an accidental or unintentional nature shall be corrected and both parties shall be restored to the positions they would have occupied had no such errors or omissions occurred.

5.7 CHANGES. Only an officer of EMI Health has the authority to alter this Policy, or to waive any of EMI Health's rights or requirements, and then only by written endorsement.

5.8 AMENDMENTS TO PLAN. Plan Sponsor must give EMI Health at least 30 days written notice of any proposed amendments to the Plan. No changes in Plan Benefits are binding on EMI Health until the effective date of EMI Health's written approval of the amendment.

5.9 DISCLAIMER. EMI Health acts only as an insurer to Plan Sponsor. EMI Health is not a fiduciary or party in interest to the Plan or any Plan participant. EMI Health does not assume any duty to perform any of the functions or provide any of the reports required by the Employee Retirement Income Security Act of 1974, as amended.

5.10 INDEMNIFICATION, DEFENSE, AND HOLD HARMLESS. Plan Sponsor agrees to indemnify, defend, and hold EMI Health and its Underwriting Manager harmless from any liability, including interest, penalties, attorney's fees, and extra contractual or punitive damages ("expenses") arising from or related to the following:

(a) Any negligence, error, omission, defalcation, or intentional acts by Plan Sponsor, or its employees or agents; or

(b) Any dispute involving a Covered Person, former Covered Person, or any person claiming entitlement to benefits under the Plan, if such expenses were not incurred as a result of EMI Health's sole negligence or intentional wrongful acts.

EMI Health will promptly notify Plan Sponsor upon discovery of matters to which its obligations under this Section 5.10 apply. EMI Health has the right to participate in the defense at its expense. Without limiting the foregoing, if Plan Sponsor fails to defend timely, EMI Health has the right, but not the duty, to defend and to compromise or settle the claim or other matter on Plan Sponsor's behalf, for Plan Sponsor's account, and at Plan Sponsor's risk.

5.11 OFFSET. EMI Health may offset payments due Plan Sponsor under this Policy against claims overpayments and premiums due and unpaid.

5.12 ASSIGNMENT. Plan Sponsor may not assign any of its rights under this Policy without EMI Health's prior written consent.

5.13 ENDORSEMENTS. Any endorsements attached or subsequently issued are a part of this Policy.

5.14 CURRENCY. All payments under this Agreement shall be made in United States currency.

Article VI. INSOLVENCY. In the event of insolvency of the Plan, all payments normally made to it by EMI Health shall be payable directly to the liquidator, receiver, or statutory successor of the Plan on the same basis of the liability of EMI Health under this Agreement without diminution because of insolvency of the Plan.

In the event of insolvency of the Plan, the liquidator, receiver, or statutory successor of the Plan shall give EMI Health written notice of the pendency of a claim on the Plan within a reasonable time after the claim is filed in the solvency proceeding. During the pendency of the claim, EMI Health may investigate the claim, and in a proceeding where the claim is to be adjudicated, EMI Health may, at EMI Health's own expense, interpose in the name of the Plan (its liquidator, receiver, or statutory successor) any defense or defenses which EMI Health may deem available to the Plan or its liquidator, receiver, or statutory successor.

The expense thus incurred by EMI Health shall be chargeable, subject to court approval, against the Plan as part of the expense of liquidation to the extent of a proportionate share of the amount of excess reimbursement which may accrue to the Plan solely as a result of the defense undertaken by EMI Health.

Article VII. CLAIMS PROVISIONS.

7.1 NOTICE OF CLAIM. The Plan must give written notice to EMI Health of a Covered Person receiving Eligible Services where the eligible paid claims are expected to exceed or have exceeded 70 percent of the Specific deductible within 30 (thirty) days (or as soon thereafter as reasonably possible) of the date incurred or the date the Plan becomes aware of the potential/actual claim. Written notice must include the Covered Person's first and last name, date of birth, identification number, claims paid and pending amount, primary diagnosis, date of onset, prognosis, and anticipated liability for the Policy Period. The Plan must provide a minimum of quarterly updates to an initial notification or more frequently if a salient change from the initial reported notice of claim has occurred or upon request of EMI Health.

The Plan must also give written notice of claims to EMI Health within 30 days of the date the Plan becomes aware of the existence of facts which would reasonably suggest the possibility that Losses will be Incurred which are covered by this Policy and which are subject to the Aggregate Stop Loss benefit and equal or exceed the Annual Aggregate Attachment Point or are expected to exceed that amount.

7.2 PROOF OF LOSS. Plan's written Proof of Loss must be submitted to EMI Health within 90 days of it being paid by the Plan. Later proof will be accepted only if it is shown to have been furnished as soon as reasonably possible and in no event later than one year after the date of Loss.

7.3 REPORTS. The Plan will submit by the 15th day of each month all Proof of Loss reports and supporting documents including, but not limited to, a monthly summary of all Losses Paid by the Plan and total number of Covered Units covered under the Plan during the prior month. The Plan will be responsible for the investigation, auditing, calculating and the Payment of all claims under the Plan.

7.4 ARBITRATION. Any claim, controversy, or dispute of any kind or nature arising out of, or in any way in connection with, this Agreement, the parties to this Agreement, or their conduct, directly or indirectly related to this Agreement and its subject matter (including the question of whether or not the resolution of the matter is subject to this arbitration clause) including, but not limited to, claims of breach of any covenant, promise, or obligation, or with respect to any warranty, representation, or certification under this Agreement shall be submitted for resolution through binding arbitration if the same is not resolved between the parties by negotiations and settlement, upon the agreement of both parties. The procedures and rules governing the requested arbitration proceeding shall be (1) the terms of this Plan governing arbitration and the procedures for the same and (2) applicable Texas statutes governing arbitration. In the event of any inconsistency between the listed procedures and rules, the earlier listed provisions shall govern over the later listed provisions. The arbitration shall be conducted by a single arbitrator selected by mutual agreement of the parties hereto from a panel provided by an independent arbitration association. In the absence of an agreement by the parties as to the selection of an arbitrator, the arbitrator named by each of the parties shall, together, select the arbitrator for the proceeding from the said panel. All costs of the arbitration proceeding shall be borne equally by the parties hereto. Upon request by the selected arbitrator, each party will deposit in advance with the selected arbitrator a sum sufficient to cover the reasonably estimated costs of the arbitration proceeding payable to the arbitrator with respect to the conduct of the arbitration proceeding. Any failure to deposit such sums in the time frame required shall entitle the other party to the entry by the arbitrator of a default award in favor of such non-defaulting party in accordance with the relief requested by such non-defaulting party. The parties agree that the arbitrator may include in the award reasonable attorneys' fees incurred by the party prevailing in the arbitration proceeding. The decision and award of the arbitrator shall be final and binding upon the parties, if both parties have agreed to binding arbitration. Arbitration shall occur in the county where the Plan Sponsor's primary place of business is located.

7.5 RECOVERIES. Plan will correspond with Enrollee claimants and their representatives regarding possible third-party liability or claimant liability for expenses paid by the Plan on behalf of Enrollee claimants and issue an initial written demand for payment or reimbursement. Beyond an initial written demand (which demands will be given only where legally justified in the reasonable judgment of EMI Health and its legal counsel), EMI Health shall have no responsibility or liability for the refusal of Enrollee claimants or their representatives or other third parties to reimburse the Plan for such expenses and no obligation to take any legal action to enforce the Plan's subrogation rights. Notwithstanding the foregoing, EMI Health agrees to exercise, on behalf of the Plan Sponsor and the Plan, the right to offset the payment of future

claims as a method of implementing recovery of any such unreimbursed sums. The aforesaid offset right need only be exercised in those instances in which, in the reasonable judgment of EMI Health and its legal counsel, such right is properly and legally assertable. In providing the above services, EMI Health does not represent or guarantee that it will discover or pursue each and every subrogation opportunity, or that all attempts at collection will be successful. Plan Sponsor is ultimately responsible for such discovery, pursuit, and collection.

7.6 SUBROGATION. If the Plan fails to pursue its rights of recovery, EMI Health may do so. EMI Health is subrogated to its rights to recover from others under the Plan. EMI Health will deduct from any recovery its expenses and the claim amount Paid to Plan Sponsor. EMI Health will pay Plan Sponsor the balance of the recovery.

7.7 CONTESTED CLAIMS. The Plan will advise EMI Health of its intention to contest, compromise, or litigate a claim involving excess reimbursement. If EMI Health agrees with the Plan's intention, then EMI Health will pay its share of the unusual expense of the contest in addition to its share of the claim itself. If EMI Health declines to be a party to the contest, it will pay the Plan its full share of the claim according to the terms and conditions of this Agreement.

7.8 UNUSUAL EXPENSE. In no event shall the following be considered as "unusual expenses" (as that term is used in Section 7.7) or items of excess reimbursement liability:

expenses incurred in connection with a dispute or contest arising out of conflicting claims or entitlement to policy proceeds or benefits which the Plan admits are payable; expenses, fees, settlements, or judgments arising out of or in connection with claims made against the Plan for punitive or exemplary damages; expenses, fees, settlements, or judgments arising out of or in connection with claims made against the Plan and based on alleged or actual bad faith, failure to exercise good faith, or tortuous conduct.

Article VIII. GENERAL PROVISIONS.

8.1 CORPORATE AUTHORIZATION

(a) **EMI HEALTH** represents and warrants that it is a corporation duly organized, validly existing, and in good standing under the laws of Utah. EMI Health has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Each of the persons signing below on behalf of EMI Health represents and warrants that he has been duly authorized by appropriate corporate action to execute this Agreement for and on behalf of EMI Health.

(b) **PLAN SPONSOR** represents and warrants that it is a corporation duly organized, validly existing, and in good standing under the laws of Texas. Plan Sponsor has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Each of the persons signing below on behalf of Plan Sponsor represents and warrants that they have been duly authorized by appropriate corporate action to execute this Agreement for and on behalf of Plan Sponsor.

(c) **PLAN.** The Plan has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Each of the persons signing below on behalf of the Plan represents and warrants that they have been duly authorized by appropriate corporate action to execute this Agreement for and on behalf of the Plan.

8.2 DEFAULT. In the event any party shall default in the performance or payment of any obligation due by the other party hereunder and/or under any of the other documents referred to herein, and such default remains uncured for a period of 30 days after written notice of such default is given by any party as set forth below, then the prevailing party, at its option, may pursue all remedies available hereunder or at law or equity.

8.3 NOTICE. All notices and other communications required or permitted hereunder shall be sufficiently given if they are in writing and delivered personally or deposited in the United States mail, Return Receipt Requested, addressed as follows:

If to EMI Health:

EMI Health
5101 South Commerce Drive
Murray, Utah 84107

or such other address as EMI Health shall advise the other parties to this Agreement in writing.

If to the Plan Sponsor, such address as the Plan Sponsor shall advise the other parties to this Agreement in writing.

If to the Plan, such address as the Plan shall advise the other parties to this Agreement in writing.

8.4 HEADINGS. The paragraphs and other headings of this Agreement are for reference purposes only and shall not be deemed to alter the meaning or intent of the language of this Agreement exclusive of such headings.

8.5 MODIFICATION. This Agreement may not be modified, altered, or amended in any manner unless such modification, alteration, or amendment shall be reduced to writing and executed by all parties to this Agreement.

8.6 INUREMENT. This Agreement shall inure to the benefit of the respective parties hereunder, devisees, personal representatives, successors, and assigns.

8.7 ATTORNEY'S FEES. If any party shall bring suit against any other party as a result of any alleged breach or failure by such other party to fulfill or perform any covenants or obligations under this Agreement, in such event, the prevailing party in such action shall, in addition to any other relief granted or awarded by the Court, be entitled to judgment for reasonable attorney's fees incurred by the prevailing party by reason of such action and all costs of suit and those incurred in preparation thereof, at both trial and appellate levels.

8.8 CONSTRUCTION. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. This Agreement shall be construed as a whole and in accordance with its fair meaning and without regard to any presumption or other rule requiring construction against the party preparing this Agreement or any part hereof.

8.9 NO WAIVER. The waiver by one party of the performance of any covenant or condition hereunder shall not invalidate this Agreement, nor shall it be considered to be a waiver by such party of any covenant or condition hereunder. The waiver by either or both parties of the time for performing any act hereunder shall not be deemed a waiver of any other act or an identical act required to be performed at a later time. The exercise of any remedy provided by law and the provisions of this Agreement for any remedy shall not exclude other remedies unless they are expressly excluded.

8.10 FACSIMILE SIGNATURE. Any facsimile signature on any counterpart shall be deemed to be an original signature for all purposes and shall fully bind the party whose authorized officer's or agent's facsimile signature appears on the counterpart.

8.11 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8.12 GOVERNING LAW. The interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Texas without resort to its conflict-of-laws rules.

In Witness Whereof, the parties have set their hands the day and year first above written.

EMI HEALTH:

EDUCATORS HEALTH PLANS LIFE, ACCIDENT, AND HEALTH, INC.

By: _____

Title: President

Date: November 2, 2023

PLAN SPONSOR:

TEXAS HOT OILERS

GROUP HEALTH PLAN:

TEXAS HOT OILERS

SELF-FUNDED EMPLOYEE BENEFIT PLAN