

CAUSE NO. D-1-GN-23-001549

THE TEXAS DEPARTMENT OF	§	IN THE DISTRICT COURT OF
INSURANCE,	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
FRIDAY HEALTH INSURANCE	§	
COMPANY, INC.	§	
<i>Defendant.</i>	§	345th JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER'S  
APPLICATION TO APPROVE COMMUTATION AGREEMENT  
(ODYSSEY REINSURANCE COMPANY)**

TO THE HONORABLE JUDGE OF SAID COURT:

CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Friday Health Insurance Company, Inc. (the “SDR” and “FHIC” respectively), files this Application to Approve Commutation Agreement (Odyssey Reinsurance Company) (the “Application”).

**I. INTRODUCTION**

1.1 The SDR files this Application pursuant to § 443.154(y) of the Texas Insurance Code (the “Code”) to request authority to enter into an agreement with Odyssey Reinsurance Company (“Odyssey”) to commute its reinsurance agreements with FHIC. The proposed Commutation Agreement is attached as Exhibit 1.

**II. AUTHORITY**

2.1 On March 23, 2023, the Court entered the *Agreed Order Appointing Liquidator, Permanent Injunction, and Notice of Automatic Stay* (the “Permanent Injunction”). The Permanent Injunction appointed the Texas Commissioner of Insurance as Liquidator of FHIC. On that same date, the Texas Commissioner of Insurance appointed CANTILO & BENNETT, L.L.P. as Special Deputy Receiver of FHIC.

2.2 This Court has jurisdiction over the subject matter of this Application and the parties herein pursuant to § 443.005 of the Code. The Court has exclusive jurisdiction over property of the estate pursuant to § 443.005(c) of the Code and personal jurisdiction over all parties affected herein because this is a civil proceeding arising under and related to a delinquency proceeding under the Texas Insurer Receivership Act, Chapter 443 of the Code.

2.3 Travis County is the mandatory, sole, and exclusive venue for this proceeding. § 443.005 of the Code.

2.4 The subject matter of this Application is referred to the Special Master appointed in this proceeding in accordance with Section III of the *Agreed Order of Reference to Master* entered on March 23, 2023.

### **III. BACKGROUND**

3.1 Effective January 1, 2022, FHIC entered into an excess of loss (“XOL”) reinsurance agreement with Odyssey (the “Reinsurance Agreement”). In summary, Odyssey reinsured ninety percent (90%) of FHIC losses per member (insured) in excess of \$500,000 and forty percent (40%) in excess of \$1 million. The Reinsurance Agreement covered losses on policies issued in 2022. Odyssey entered into similar agreements with the Friday Health affiliates in other states. A similar reinsurance agreement was entered into for the 2023 loss year by FHIC, the Friday Health affiliates in other states and Odyssey effective January 1, 2023 (collectively “Reinsurance Agreements”).

3.2 Odyssey filed a proof of claim in the FHIC estate, which the SDR has labeled POC No. 01059, (the “Odyssey POC”), for \$2,404,680. The Odyssey POC has not been adjudicated by the SDR.

#### **IV. PROPOSED COMMUTATION**

4.1 The following summarizes the Commutation Agreement but does not modify or amend any of its terms. Odyssey agrees to pay the SDR \$11,578,525 to commute and settle the Reinsurance Agreements fully. The SDR and Odyssey will mutually release each other. The Reinsurance Agreement will be terminated. Odyssey will withdraw the Odyssey POC with prejudice and agrees to not file any more claims in the FHIC estate.

4.2 Section 443.007(e) of the Code places the burden of proof on any objecting party to show why the receivership court should not authorize the SDR to enter into the Reinsurance Agreement. This Court reviews the Special Deputy Receiver's actions under the abuse of discretion standard. *See Tucker v. Universal Ins. Exch.*, No. 03-09-00390-CV, 2010 WL 3059201, at \*2 (Tex. App.—Austin Aug. 5, 2010, no pet.) (mem. op.); *American Ben. Life Ins. v. Hill Country Life Ins.*, 582 S.W.2d 227, 228–29 (Tex. App.—Fort Worth 1979, writ ref'd n.r.e.).

#### **V. NOTICE**

5.1 The SDR has served this Application to all known parties in interest, including all affected guaranty associations, and all individuals and entities identified by the SDR in the Certificate of Service by e-mail and as noted, by mail or overnight delivery to certain government agencies.

#### **VI. OFFER OF PROOF AND VERIFICATION**

6.1 This Application is verified by the affidavit and certification pursuant to § 443.017(b) of the Code by Susan E. Salch, Partner in CANTILO & BENNETT, L.L.P., SDR of FHIC.

## VII. NOTICE OF ELECTRONIC SERVICE REQUIREMENT

7.1 All pleadings filed in response to this Application or in regard to this estate shall be served by e-mail on the undersigned counsel and all parties shown in the attached Certificate of Service.

### PRAYER

WHEREFORE, PREMISES CONSIDERED, CANTILO & BENNETT, L.L.P., in its capacity as Special Deputy Receiver of Friday Health Insurance Company, Inc., respectfully prays that this Court enter an order:

1. Approving the Application in all respects;
2. Authorizing the Special Deputy Receiver to enter into the Commutation Agreement with Odyssey;
3. Finding that the Order constitutes a final order fully resolving all issues relating to this Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443; and
4. Granting the SDR such other and further relief to which it may be justly entitled.

Respectfully submitted,

/s/ Greg Pierce  
Gregory A. Pierce  
State Bar No. 15994250  
P.O. Box 40  
Austin, Texas 78767  
Tel: (512) 474-2154  
[gpierce@gpiercelaw.com](mailto:gpierce@gpiercelaw.com)

-and-

Christopher Fuller  
State Bar No. 07515500  
FULLER LAW GROUP  
4612 Ridge Oak Drive  
Austin, Texas 78731

Telephone: (512) 470-9544  
[cfuller@fullerlaw.org](mailto:cfuller@fullerlaw.org)

**Attorneys for CANTILO & BENNETT, L.L.P.,  
Special Deputy Receiver of  
Friday Health Insurance Company, Inc.**

## **APPLICANT'S NOTICE OF SUBMISSION**

Pursuant to the terms of the Agreed Order of Reference to Master entered by the District Court in this cause, the *Application to Approve Commutation Agreement (Odyssey Reinsurance Company)* is hereby set for written submission before the Special Master, Tom Collins, on **April 28, 2025**.

The Special Master has asked that the following rules be provided you:

1. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the submission date.
2. A copy of any objection shall be served by e-mail by such date on:
  - (a) The Special Master's Docket Clerk, at [specialmasterclerk@tdi.texas.gov](mailto:specialmasterclerk@tdi.texas.gov);
  - (b) The undersigned counsel, Greg Pierce at [gpierce@gpiercelaw.com](mailto:gpierce@gpiercelaw.com); and
  - (c) All interested parties, including those listed on the SDR's Certificate of Service.
3. The objecting party shall coordinate with the SDR's counsel and the Docket Clerk [(512) 676-6915]] to obtain an oral hearing setting for argument on the Application and Objection, and complete and attach an "Objecting Party's Notice of Oral Hearing" to the objection.
4. The written objection must specifically list all reasons for objection with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally.
5. **Please note that if an objection is not filed as described in the Notice of Submission, the Master may consider the Application without a hearing.**
6. **Failure to file timely a written objection before the Special Master constitutes a waiver of the right to object to the Special Master's recommendation to the District Court.**
7. Any Acknowledgment of Notice and Waiver to be filed by the Guaranty Association or other interested party should be filed at least three (3) calendar days before the submission or hearing date.

/s/ Greg Pierce  
Gregory A. Pierce

## **CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the Application to Approve Commutation Agreement (Odyssey Reinsurance Company) was sent in accordance with TEX. INS. CODE § 443.007(d) on April 14, 2025 to:

*Via Email:* [specialmasterclerk@tdi.texas.gov](mailto:specialmasterclerk@tdi.texas.gov)

Tom Collins, Receivership Master  
c/o Special Master's Clerk  
RLO MC-FRD  
PO Box 12030  
Austin, TX 78711-2030

*Via Email:* [Shawn.Martin@tdi.texas.gov](mailto:Shawn.Martin@tdi.texas.gov)

Shawn Martin  
General Counsel Division  
Office of Financial Counsel  
TEXAS DEPARTMENT OF INSURANCE  
PO Box 12030  
Austin, TX 78711-2030

*Via Email:* [John.Walker@tdi.texas.gov](mailto:John.Walker@tdi.texas.gov)

John Walker  
TEXAS DEPARTMENT OF INSURANCE  
RLO MC-FRD  
PO Box 12030  
Austin, TX 78711-2030

*Via Email:* [Vane.Hugo@tdi.texas.gov](mailto:Vane.Hugo@tdi.texas.gov)

Vane Hugo  
TEXAS DEPARTMENT OF INSURANCE  
RLO MC-FRD  
PO Box 12030  
Austin, TX 78711-2030

*Via Email:* [David.Ashton@tdi.texas.gov](mailto:David.Ashton@tdi.texas.gov)

David Ashton  
General Counsel Division  
Office of Financial Counsel  
TEXAS DEPARTMENT OF INSURANCE  
PO Box 12030  
Austin, TX 78711-2030

*Via e-Service:* [Zachary.Rhines@oag.texas.gov](mailto:Zachary.Rhines@oag.texas.gov)

Zachary L. Rhines  
Assistant Attorney General  
General Litigation Division  
OFFICE OF THE TEXAS ATTORNEY GENERAL  
P.O. Box 12548, Mail Stop 01901  
Austin, TX 78711-2548  
*Counsel for Texas Department of Insurance*

*Via e-Service:* [dprice@sp-legal.com](mailto:dprice@sp-legal.com)

Dan Price  
SHANLEY PRICE  
5501A Balcones Drive, Suite 218  
Austin, TX 78731  
*Counsel for the Texas Life and Health  
Insurance Guaranty Association*

*Via e-Service:* [sstrickland@mwlaw.com](mailto:sstrickland@mwlaw.com)

Stanton Strickland  
MITCHELL, WILLIAMS, SELIG, GATES &  
WOODYARD, P.L.L.C.  
500 W. 5th Street, Ste. 1150  
Austin, TX 78701  
*Counsel for Friday Health Insurance, Inc.*

*Via First Class Mail*

INTERNAL REVENUE SERVICE  
Special Procedures Branch  
300 East 8<sup>th</sup> Street, Suite 352  
Mail Stop 5026AUS  
Austin, TX 78701

*Via Email:* [BPollock@mayerbrown.com](mailto:BPollock@mayerbrown.com)

Bronwyn Pollock  
MAYER BROWN LLP  
333 Grand Ave., 47th Floor  
Los Angeles, CA 90071  
*Counsel for AXA France Vie*

*Via Email:* [RHarrell@mayerbrown.com](mailto:RHarrell@mayerbrown.com)  
*Via Email:* [JDanford@mayerbrown.com](mailto:JDanford@mayerbrown.com)  
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James Danford, Jr.  
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Houston, TX 77002  
*Counsel for AXA France Vie*

*Via Email:* [VSidhu@mayerbrown.com](mailto:VSidhu@mayerbrown.com)  
*Via Email:* [JToes@mayerbrown.com](mailto:JToes@mayerbrown.com)  
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*Counsel for AXA France Vie*

*Via Email:* [Brian.Hansen@hcahealthcare.com](mailto:Brian.Hansen@hcahealthcare.com)  
Brian Hansen  
HCA HEALTHCARE  
One Park Plaza, Building 1-2E  
Nashville, TN 37203

*Via Email:* [mpcooley@reedsmith.com](mailto:mpcooley@reedsmith.com)  
Michael P. Cooley  
REED SMITH LLP  
2850 N. Harwood Street, Suite 1500  
Dallas, TX 75201  
*Counsel for Molina Healthcare, Inc.*

*Via Email:* [dhollaway@houstonlaw.com](mailto:dhollaway@houstonlaw.com)  
T. Daniel Hollaway  
Hollaway PC – Attorneys at Law  
19 Briar Hollow Lane, Suite 245  
Houston, TX 77027  
*Counsel for Christus Health*

*Via Email:* [Kristen.Perry@faegredrinker.com](mailto:Kristen.Perry@faegredrinker.com)  
Kristen L. Perry  
FAEGRE DRINKER BIDDLE & REATH LLP  
1717 Main Street, Ste 5400  
Dallas, TX 75201  
*Counsel for Quest Diagnostics Clinical Laboratories, Inc.*

*Via Email:* [MTurner@plevinturner.com](mailto:MTurner@plevinturner.com)  
Miranda H. Turner  
PLEVIN & TURNER LLP  
1701 Pennsylvania Ave., N.W. Suite 200  
Washington, DC 20006

*Via Email:* [Amy\\_Condo@bcbsil.com](mailto:Amy_Condo@bcbsil.com)  
Amy Pinkerman Condo  
HEALTH CARE SERVICE CORPORATION  
300 E. Randolph Street  
Chicago, IL 60601  
*Counsel for Health Care Service Corporation  
Blue Cross and Blue Shield of Illinois, Montana,  
New Mexico, Oklahoma and Texas*

/s/ Greg Pierce  
Gregory A. Pierce



**SPECIAL DEPUTY RECEIVER'S VERIFICATION AND CERTIFICATION  
PURSUANT TO TEX. INS.CODE ANN. §443.017(b)**

**AFFIDAVIT OF SUSAN E. SALCH**

State of Texas

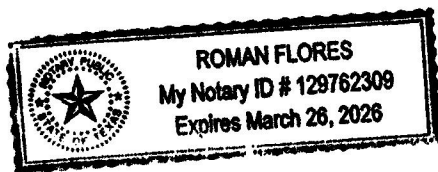
County of Travis

BEFORE ME, the undersigned authority appeared Susan E. Salch, who after being by me duly sworn, stated the following under oath:

1. "My name is Susan E. Salch. I am of sound mind, capable of making this affidavit, and am competent to testify to the matters contained in this affidavit.
2. I am a partner in CANTILO & BENNETT, L.L.P., the Special Deputy Receiver of Friday Health Insurance Company, Inc. (the "SDR" and "FHIC" respectively), I am duly authorized to make this Affidavit on behalf of the SDR.
3. I have reviewed the *Application to Approve Commutation Agreement (Odyssey Reinsurance Company)* and the facts stated therein are true and correct based on my personal knowledge, my review of estate records and my consultation with the staff and subcontractors.
4. I certify that the exhibits, books, accounts, records, papers, correspondence, and/or other records and documents attached hereto were produced pursuant to TEX. INS. CODE § 443.017, are either true and correct copies of records of FHIC and were received from the custody of FHIC or found among its effects, or were created by and filed with the Receiver's office in connection with the receivership of this delinquent company, and are held by the Special Deputy Receiver in its official capacity."

By: Susan E. Salch  
Susan E. Salch

**SUBSCRIBED AND SWORN TO BEFORE ME** on April 11, 2025, by Susan E. Salch, Special Deputy Receiver of Friday Health Insurance Company, Inc.



[Signature]  
Notary Public

# **EXHIBIT 1**

## **COMMUTATION AGREEMENT**

This Commutation Agreement (“Agreement”), effective as of \_\_\_\_\_, 2025 is entered into between Friday Health Insurance Company, Inc., a health maintenance organization domiciled in Texas (“FHIC” or the “Company”) and Odyssey Reinsurance Company, a reinsurance company domiciled in Connecticut (the “Reinsurer”). (The Reinsurer and the Company are sometimes each referred to herein as a “Party” and collectively as the “Parties”).

**WHEREAS**, The Company entered into HMO Excess Reinsurance Agreements with the Reinsurer as described at Exhibit A attached hereto, which, together with any and all amendments, renewals and endorsements thereto, are referred to herein as the “Reinsurance Agreements”; and

**WHEREAS**, FHIC was placed into liquidation (“Liquidation Order”) in a receivership proceeding on March 23, 2023 by order of the 345th District Court in Austin, Travis County, Texas (“Receivership Court”), which found FHIC to be insolvent and appointed the Texas Commissioner of Insurance (the “Commissioner”) as Receiver, who in turn appointed CANTILO & BENNETT, L.L.P. as the Special Deputy Receiver (“SDR”) of FHIC; and

**WHEREAS**, the Company and the Reinsurer wish to fully and finally determine, settle, commute and discharge all liabilities and obligations between them that have arisen, arise or may arise under the Reinsurance Agreements.

**NOW, THEREFORE**, in consideration of the promises and covenants set forth herein and the payment of the Commutation Amount to be made hereunder, the Company and the Reinsurer agree as follows:

### **Article 1 - COMMUTATION AMOUNT AND PAYMENT**

- (a) The Parties have agreed that the Reinsurer’s net current and future obligations to the Company under the Reinsurance Agreements, as of a mutually-agreed date, are \$11,578,525 (the “Commutation Amount”). The Company specifically acknowledges and agrees that the Commutation Amount is good and adequate consideration, and represents a present fair and equivalent value for the Reinsurer’s net liabilities and all other obligations (including profit commission) to the Company under the Reinsurance Agreements.
- (b) The Reinsurer will pay and transmit the Commutation Amount to the Company (or, if the Company directs in writing, to a broker acting on behalf of the Company) within five (5) days (excluding Saturdays, Sundays and US banking holidays) of the Reinsurer’s receipt, acceptance and execution of an agreed final copy of this Agreement executed by Company.
- (c) The Reinsurer shall make payment of the Commutation Amount by wire transfer in immediately available US funds using the following routing instructions:

Bank Name: [REDACTED]

Bank Address: [REDACTED]  
[REDACTED]

ABA No.: [REDACTED]

Account Name: [REDACTED]

BNF: [REDACTED]  
[REDACTED]

REF/OBI/FFC: [REDACTED]  
[REDACTED]

If paying by check, the Reinsurer shall make payment of the Commutation Amount by check sent via overnight mail at Reinsurers expense to the Company at the postal address specified in Article 8.

## **Article 2 - RELEASES**

- (a) In consideration of the payment of the Commutation Amount by the Reinsurer, the Company, for itself and on behalf of its parents, subsidiaries and other affiliates, and the agents, predecessors, successors (including any liquidator or rehabilitator of the Company) and assigns of each, releases and forever discharges the Reinsurer and its parents, subsidiaries and other affiliates, and the agents, predecessors, successors and assigns of each, from any and all past, present or future liabilities and obligations arising out of, under or relating to the Reinsurance Agreements, whether such are known or unknown, reported or unreported, and whether currently existing or arising in the future, including but not limited to, all claims, debts, demands, causes of action, duties, sums of money, covenants, contracts, controversies, agreements, promises, omissions, damages, judgments, costs, expenses and losses whatsoever arising under or related to the Reinsurance Agreements; provided, however, that this release does not discharge obligations which have been undertaken by the terms of this Agreement.
- (b) In consideration of the promises and agreements and the release given by the Company, the Reinsurer, for itself and on behalf of its parents, subsidiaries and other affiliates, and the agents, predecessors, successors and assigns of each, releases and forever discharges the Company, and its parents, subsidiaries and other affiliates, and the agents, predecessors, successors (including any liquidator or rehabilitator of the Company) and assigns of each, from any and all past, present or future liabilities and obligations arising out

of, under or relating to the Reinsurance Agreements, whether such are known or unknown, reported or unreported, and whether currently existing or arising in the future, including but not limited to, all claims, debts, demands, causes of action, duties, sums of money, covenants, contracts, controversies, agreements, promises, omissions, damages, judgments, costs, expenses and losses whatsoever arising under or related to the Reinsurance Agreements; provided, however, that this Release does not discharge obligations which have been undertaken by the terms of this Agreement.

### **Article 3 - FULL AND INDEPENDENT KNOWLEDGE**

The Reinsurer and the Company represent that each has had full opportunity to consult its own attorneys, accountants, and actuaries in connection with the review of this Agreement and the adequacy of the Commutation Amount, that each understands the meaning and effect of this Agreement, and that each has carefully read and understands the scope and effect of each provision contained in this Agreement.

### **Article 4 - COMPROMISE**

This Agreement sets forth a compromise and shall not at any time for any purpose be considered as an admission of liability or responsibility on the part of either Party or as evidence of any alleged rights, duties or obligations to any party in relation to the Reinsurance Agreements.

### **Article 5 - OTHER ACTIONS**

This Agreement and the negotiations and proceedings leading to this Agreement shall not form the basis for any claim by either against the other except with respect to an action for enforcement of the terms of this Agreement.

### **Article 6 - JUDICIAL AND REGULATORY APPROVALS**

#### **(a) Regulatory Approvals**

Approval of this Agreement, including all exhibits and attachments hereto, by the regulatory authorities having jurisdiction over the Company's insurance activities that are required pursuant to applicable law, regulation or court order is a condition precedent to the Parties' duty to perform their obligations under this Agreement, including the Reinsurer's obligation to make payment of the Commutation Amount.

(b) **Judicial Approvals**

Approval of this Agreement, including all exhibits and attachments hereto, by the Receivership Court is a condition precedent to the Parties' duty to perform their obligations under this Agreement, including the Reinsurer's obligation to make payment of the Commutation Amount.

**Article 7 - MISTAKE OF LAW OR FACT**

This Agreement is intended to fully resolve the rights, obligations and liabilities of the Parties under the Reinsurance Agreements and no Party shall seek to re-open or set aside this Agreement on the grounds that it has become aware of any mistake of law (including any such mistake arising as a result of a subsequent change of law) or any mistake of fact relating to this Agreement or the Reinsurance Agreements.

**Article 8 - NOTICES AND CONTACT INFORMATION**

All notices and other communications under or in connection with this Agreement (aside from any transmission of the Commutation Amount) shall be in writing and shall be deemed given if (1) delivered personally (including overnight mail services or messenger), or (2) delivered by registered or certified mail; in each case to the Parties in accordance with the following contact information:

If to the Company:

Friday Health Insurance Company, Inc., in receivership  
CANTILO & BENNETT, L.L.P.  
[11401 Century Oaks Terrace, Suite 300](#)  
[Austin, Texas 78758](#)

Attention: Susan E. Salch  
Telephone: (512) 478-6000

If to the Reinsurer:

Odyssey Reinsurance Company  
300 First Stamford Place  
Stamford, CT 06902

Attention: General Counsel  
Telephone: (203) 977-8000

## **Article 9 - CONFIDENTIALITY**

The terms and conditions of this Agreement, as well as its existence, shall be kept confidential between the Parties and shall not be disclosed by either Party without the express written consent of the other Party, except for disclosure to (1) those in the Party's corporate organization who have a need to know; (2) professional advisors of the Party; (3) rating agencies; (4) reinsurers of the Party in respect of the Reinsurance Agreements; (5) governing regulatory authorities and agencies, including but not limited to the Commissioner in her capacity as Liquidator of FHIC, the Texas Department of Insurance, the Receivership Court, and the SDR's accountants, auditors, attorneys, financial advisor(s) or bankers to the extent necessary for performance of their responsibilities; and (6) those to whom the Party may be required to make disclosure by operation of law, regulation or court order.

## **Article 10 - JURISDICTION**

The exclusive jurisdiction and venue for any action to enforce any provision of this Agreement shall be the Receivership Proceeding where all Parties agree personal jurisdiction exists over them. If the Reinsurer or the Company bring an action to enforce any term of this Agreement, then the prevailing party in such litigation is entitled to receive from the non-prevailing Party any reasonable expenses, including without limitation, its reasonable attorneys' fees and costs incurred.

## **Article 11 - GENERAL PROVISIONS**

- (a) This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.
- (b) This Agreement shall be governed by and construed in accordance with the laws of Texas without giving effect to any conflict of law provisions that would cause the application of the laws of any jurisdiction other than Texas.
- (c) This Agreement, including the documents and agreements referred to herein, shall constitute the entire agreement between the Parties relating to the Commutation of the Reinsurance Agreements, and supersedes all prior or contemporaneous negotiations or agreements, whether oral or written, relating to the subject matter hereof.
- (d) This Agreement may only be amended in writing executed by each Party.
- (e) This Agreement may be executed in multiple counterparts (including electronic transmittals of signatures), any one of which shall be deemed an original agreement, and all such executed counterparts constituting a single agreement.

- (f) The signatories warrant and represent that they have full authority to execute this Agreement on behalf of the Parties, and that all necessary corporate action relating to this Agreement and its execution by the Parties has been taken.

#### **Article 12 - NO INDEMNIFICATION**

The Parties agree that they have no obligation to, and will not indemnify or hold harmless any other Party for third party claims, causes of action or demands and further waive and release any right to indemnity or contribution arising as a matter of law, by statute, common law, judicial decree or contract. No rights to indemnity arise from this Agreement.

#### **Article 13 – REINSURER PROOF OF CLAIM WITHDRAWN WITH PREJUDICE**

As of the Effective Date, Reinsurer acknowledges and agrees that any and all Proofs of Claim filed by the Reinsurer in the FHIC receivership, including those which the SDR has labeled as POC No. 01059, shall be and hereby are withdrawn with prejudice and no further adjudication of POC No.01059 is required. Reinsurer expressly waives all rights to object to or to appeal the withdrawal of POC No. 01059. Reinsurer agrees that it shall not file any other POCs in the FHIC estate.



**IN WITNESS WHEREOF**, the Parties have executed this Agreement by their respective duly authorized officers or representatives on the date shown below the signature of each.

**Friday Health Insurance Company, Inc.**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Odyssey Reinsurance Company**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit A

“Reinsurance Agreements”

<u>Agreement Reference No.</u>	<u>Period</u>
PID552397	January 1, 2023 – December 31, 2023
PID501243	January 1, 2022 – December 31, 2022
PID254677	January 1, 2021 – December 31, 2021

THE TEXAS DEPARTMENT OF	§	IN THE DISTRICT COURT OF
INSURANCE,	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
FRIDAY HEALTH INSURANCE	§	
COMPANY, INC.	§	
<i>Defendant.</i>	§	345th JUDICIAL DISTRICT

**ORDER GRANTING SPECIAL DEPUTY RECEIVER'S  
APPLICATION TO APPROVE COMMUTATION AGREEMENT  
(ODYSSEY REINSURANCE COMPANY)**

On this date, the Court heard the Application to Approve Commutation Agreement (Odyssey Reinsurance Company) ("Application") filed by CANTILO & BENNETT, L.L.P., Special Deputy Receiver of Friday Health Insurance Company (the "SDR" and "FHIC" respectively).

In accordance with the *Agreed Order of Reference to Master* entered on March 23, 2023 ("Order of Reference"), the Application was submitted to the Master appointed in this proceeding pursuant to TEX. INS. CODE § 443.007. The Master issued a recommendation pursuant to Rule 171 of the Texas Rules of Civil Procedure, which is incorporated herein, finding as follows:

1. Notice of the Application was provided in accordance with TEX. INS. CODE § 443.007(d), and the Order of Reference;
2. The Texas Life and Health Insurance Guaranty Association ("TLHIGA") filed its acknowledgement and waiver;
3. No objections to the Application were filed;
4. The Court has jurisdiction over the Application and parties affected hereunder; and
5. The Application should in all respects be granted.

Having considered the pleadings, the evidence submitted, and the recommendation of the Master, the Court accepts the Master's recommendation and approves the Application.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED as follows:

1. The Application is GRANTED in all respects.
2. The Special Deputy Receiver is authorized to enter into the Commutation Agreement with Odyssey.
3. This Order constitutes a final ruling fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443.

Signed on \_\_\_\_\_, 2025.

\_\_\_\_\_  
JUDGE PRESIDING

### Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Greg Pierce on behalf of Greg Pierce

Bar No. 15994250

gpierce@gpiercelaw.com

Envelope ID: 99653619

Filing Code Description: Motion (No Fee)

Filing Description: SPECIAL DEPUTY RECEIVER'S APPLICATION TO APPROVE COMMUTATION AGREEMENT (ODYSSEY REINSURANCE COMPANY)

Status as of 4/15/2025 9:20 AM CST

#### Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Christopher Fuller	7515500	cfuller@fullerlaw.org	4/14/2025 4:43:00 PM	SENT
Gregory Pierce	15994250	gpierce@gpiercelaw.com	4/14/2025 4:43:00 PM	SENT
Thomas Hollaway	9866700	dhollaway@houstonlaw.com	4/14/2025 4:43:00 PM	SENT
Kelly M.Olson		kelly.olson@faegredrinker.com	4/14/2025 4:43:00 PM	SENT
James Danford	24105775	jdanford@mayerbrown.com	4/14/2025 4:43:00 PM	SENT
Patricia Muniz		pmuniz@inquestresources.com	4/14/2025 4:43:00 PM	SENT
Brian Falligant		bfalligant@inquestresources.com	4/14/2025 4:43:00 PM	SENT
Carrie Frasier		cfrasier@sp-legal.com	4/14/2025 4:43:00 PM	SENT

#### Associated Case Party: TEXAS DEPARTMENT OF INSURANCE

Name	BarNumber	Email	TimestampSubmitted	Status
Shawn Martin	13122100	shawn.martin@tdi.texas.gov	4/14/2025 4:43:00 PM	SENT
Zachary L.Rhines		zachary.rhines@oag.texas.gov	4/14/2025 4:43:00 PM	SENT
Special Master Clerk		specialmasterclerk@tdi.texas.gov	4/14/2025 4:43:00 PM	SENT
Vane Hugo		Vane.Hugo@tdi.texas.gov	4/14/2025 4:43:00 PM	SENT
John Walker		John.Walker@tdi.texas.gov	4/14/2025 4:43:00 PM	SENT
David Ashton		David.Ashton@tdi.texas.gov	4/14/2025 4:43:00 PM	SENT

#### Associated Case Party: FRIDAY HEALTH INSURANCE COMPANY, INC

Name	BarNumber	Email	TimestampSubmitted	Status
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### **Automated Certificate of eService**

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Greg Pierce on behalf of Greg Pierce

Bar No. 15994250

gpierce@gpiercelaw.com

Envelope ID: 99653619

Filing Code Description: Motion (No Fee)

Filing Description: SPECIAL DEPUTY RECEIVER'S APPLICATION TO APPROVE COMMUTATION AGREEMENT (ODYSSEY REINSURANCE COMPANY)

Status as of 4/15/2025 9:20 AM CST

Associated Case Party: FRIDAY HEALTH INSURANCE COMPANY, INC

Name	BarNumber	Email	TimestampSubmitted	Status
Stanton Strickland	786392	Stanton.Strickland@USAA.com	4/14/2025 4:43:00 PM	SENT

Associated Case Party: TEXAS LIFE AND HEALTH INSURANCE

Name	BarNumber	Email	TimestampSubmitted	Status
Daniel Price	24041725	dprice@sp-legal.com	4/14/2025 4:43:00 PM	SENT

Associated Case Party: QUEST DIAGNOSTIC CLINICAL LABORATORIES, INC.

Name	BarNumber	Email	TimestampSubmitted	Status
Kristen Perry		Kristen.perry@faegredrinker.com	4/14/2025 4:43:00 PM	SENT