



NOTICE

**Meeting of the Board Of Directors of the
League Insurance Government Health Team (LIGHT)
by virtual conferencing
Thursday, July 21, 2022, at 2:30 p.m. CT/1:30 p.m. MT**

PLEASE TAKE NOTICE that on **Thursday, July 21, 2022, at 2:30 pm CT/1:30 p.m. MT**, the League Insurance Government Health Team (LIGHT) will hold a Meeting of the LIGHT Board of Directors by virtual conferencing.

An agenda of subjects known at this time is included with this notice, but the agenda shall be kept continually current and readily available for public inspection at the principal office of LIGHT during normal business hours at 1335 L Street, Lincoln, Nebraska.

The City of Ashland Council Chambers at 2304 Silver Street, Ashland, Nebraska, 68003, will be open for attendance by the public during the meeting. LIGHT Board Member Jessica Quady, or her designee, will inform the public about the location of the copy of the Open Meetings Act which is accessible to members of the public at the City of Ashland Council Chambers. A notice of this meeting with the agenda and other materials are available at this location with a copy of the Open Meetings Act posted.

You may join the meeting by Zoom via Computer, Smart Device or Telephone <https://us06web.zoom.us/j/86783527500?pwd=d3FwRk4zRThJOUNIN3NZSOiZeEEyUT09> or via phone at 877-853-5257. The Meeting ID is 867 8352 7500 and the Passcode is 532388.

On July 15, 2022, notice of this meeting with the agenda and other materials were sent to all LIGHT members and the LIGHT Board of Directors. Notice of this meeting with the agenda and other materials are available for public inspection at 1335 L Street, in Lincoln, Nebraska and posted with the following links kept continually current: an electronic copy of the agenda, all documents being considered at the meeting, with a link to the current version of the Open Meetings Act are on the website of the League of Nebraska Municipalities – www.lonm.org/light/.



AGENDA

**Meeting of the Board Of Directors of the
League Insurance Government Health Team (LIGHT)
by virtual conferencing
Thursday, July 21, 2022, at 2:30 p.m. CT/1:30 p.m. MT**

In accordance with the Open Meetings Act, Chapter 84, Article 14 of the Reissue Revised Statutes of the State of Nebraska 1943, as amended, one copy of all reproducible written materials to be discussed is available to the public at the meeting and at the link below for examination and copying. The LIGHT Board of Directors may pass motions to go into closed session on agenda items pursuant to the requirements of the Open Meetings Act.

Join the meeting by Zoom via Computer, Smart Device or Telephone <https://us06web.zoom.us/j/86783527500?pwd=d3FwRk4zRThJOUNIN3NZS0lZeEEyUT09> or via phone at 877-853-5257. The Meeting ID is 867 8352 7500 and the Passcode is 532388.

Officials of LIGHT members and members of the public may comment on agenda items or listen to the Board of Directors Meeting; however, if the Board of Directors votes to hold a closed session pursuant to the Open Meetings Act, officials of LIGHT members and members of the public may not comment or listen during that time.

1. Call meeting to order:

- a. 2:30 p.m. CT/1:30 p.m. MT – Plattsmouth Mayor Paul Lambert, Chair of the LIGHT Board, will call the meeting to order.
- b. Roll call.
- c. Indicate that on July 15, 2022, a notice of this meeting with the agenda and other materials were sent to all LIGHT members and the LIGHT Board of Directors. Notice of this meeting with the agenda and other materials were available for public inspection at 1335 L Street, in Lincoln, Nebraska, and also posted with the following link kept continually current: an electronic copy of the agenda and all documents being considered at the meeting, with a link to the current version of the Open Meetings Act are on the website of the League of Nebraska Municipalities – www.lonm.org/light/.
- d. The City of Ashland Council Chambers at 2304 Silver Street, Ashland, Nebraska, 68003, is open for attendance by the public during the meeting. LIGHT Board Member Jessica Quady, or her designee, will inform the public about the location of the copy of the Open Meetings Act which is accessible to members of the public at the City of Ashland Council Chambers. A notice of this meeting with the agenda

and other materials are available at this location with a copy of the Open Meetings Act posted.

- e. Pledge of Allegiance to the Flag of the United States of America.
 - f. Public comment on any agenda item(s): Pursuant to the Open Meetings Act, the LIGHT Board Chair reserves the right to limit comments on agenda items. In accordance with the Open Meetings Act, there is no time limit on comments made by members of the LIGHT Board of Directors.
2. **Consider a motion to approve the minutes of the June 29, 2022, Meeting of the LIGHT Board of Directors.**
See pages 4-9
 3. **Consider a motion to authorize and direct either the Chairperson or Vice Chairperson of LIGHT to execute, on behalf of LIGHT, the [Group Health Insurance Administration Agreement](#) with BCBSNE, along with any subsequent technical revisions recommended by counsel.**
See pages 10-28
 4. **Consider a motion to authorize and direct either the Chairperson or Vice Chairperson of LIGHT to executive, on behalf of LIGHT, the [Servicemarks License and Management Services Agreement](#) with the League of Nebraska Municipalities, and BCBSNE, along with any subsequent technical revisions recommended by counsel.**
See pages 29-35
 5. **Consider a motion to authorize and direct either the Chairperson or Vice Chairperson of LIGHT to execute, on behalf of LIGHT, the [Consulting Services Agreement](#) with McInnes Maggart Consulting Group, LLC and McInnes Group, Inc., which provides brokerage and consulting services, along with any subsequent technical revisions recommended by counsel.**
See pages 36-42
 6. **Consider a motion to authorize and direct either the Chairperson or Vice Chairperson of LIGHT to execute, on behalf of LIGHT, the [COBRA Administrative Services Agreement](#) and any related agreements with Wex Health, Inc., which provides COBRA administrative services for the LIGHT members and the LIGHT Member Health Plan, along with any subsequent technical revisions recommended by counsel.**
See pages 43-63
 7. **Consider a motion to authorize either the Chairperson or Vice Chairperson of LIGHT to enter into and execute, on behalf of LIGHT, all contracts, bids, deeds and conveyances of every kind and other instruments for implementing the service contracts to carry out the business and purposes of LIGHT.**
 8. **Discuss the date for the next meeting of the LIGHT Board of Directors**
 9. **Consider a motion to adjourn**

MINUTES
MEETING OF THE BOARD OF DIRECTORS
OF THE LEAGUE INSURANCE GOVERNMENT HEALTH TEAM (LIGHT)
Wednesday, June 29, 2022, 10:30 a.m.
Cornhusker Marriott Hotel – Arbor 1&2 Room
333 S 13th Street, Lincoln NE

A Meeting of the Board of Directors of the League Insurance Government Health Team (LIGHT) was held June 29, 2022, at 10:30 a.m. in the Arbor 1&2 Room at the Cornhusker Marriott Hotel at 333 S 13th Street in Lincoln, Nebraska.

(AGENDA ITEM #1) **Call to Order.** At 10:32 a.m., Lynn Rex, Executive Director of the League of Nebraska Municipalities, which is the LIGHT Administrator pursuant to the Interlocal Agreement, called the meeting to order.

The roll call was read with the following voting Board Members present: **Tom Goulette**, City Administrator/Utility Superintendent, City of West Point; **Paul Lambert**, Mayor, City of Plattsmouth; **Jessica Quady**, City Administrator, City of Ashland; **Brenda Wheeler**, Clerk, City of Blair. Ex-officio (non-voting) Board Member **L. Lynn Rex**, Executive Director of the League of Nebraska Municipalities (LIGHT Administrator), also was present.

At the time of roll call, 4 voting Board Members were present; **Joel Bergman**, Mayor, City of St. Paul, was absent but attended via Zoom. (Pursuant to the Open Meetings Act, Mayor Bergman could not be counted as part of the quorum, vote or participate as a Board Member.)

Other participants included: **Cline Williams Wright Johnson & Oldfather, L.L.P.** – Michelle Sitorius and John Zimmer; **McInnes Maggart Consulting Group, LLC** – Dennis Maggart; **BCBSNE** – Christa Hofferber, Cortney Ray, Laura Rogge and Sue Warner; **First Concord** – Jim Daubert; and **League of Nebraska Municipalities** – Shirley Riley and Brenda Henning.

Lynn Rex indicated that on June 23, 2022, a notice of this meeting with the agenda and other materials were sent to all LIGHT members and the LIGHT Board of Directors. **Pursuant to Article V. Section 4. of the Bylaws of LIGHT:** *“The initial Board of Directors shall be composed of an elected or appointed official from five municipalities which executed the Interlocal Agreement prior to July 1, 2022, each of whom shall be approved as a Director by the respective governing body of the participating Member. These Directors will hold office until the commencement of the term for their successors who are elected at the 2023 annual Members’ meeting, unless their service is ended earlier because of death, resignation, or removal. Members of LIGHT will elect a new Board of Directors at the 2023 annual meeting....”* **Thanks to the following elected and appointed officials designated by their respective governing body to serve on the initial LIGHT Board of Directors: Joel Bergman, Mayor, City of St. Paul; Tom**

Goulette, City Administrator/Utility Superintendent, City of West Point; Paul Lambert, Mayor, City of Plattsmouth; Jessica Quady, City Administrator, City of Ashland; and Brenda Wheeler, Clerk, City of Blair. Pursuant to Article V. Section 3.: *“In addition, the Board of Directors shall include the Executive Director of the League as an ex-officio, non-voting member.”* Notice of this meeting with the agenda and other materials were available for public inspection at 1335 L Street, in Lincoln, Nebraska, and also posted with the following link kept continually current; an electronic copy of the agenda and all documents being considered at the meeting, with a link to the current version of the Open Meetings Act was on the website of the League of Nebraska Municipalities – www.lonm.org/light/.

Lynn Rex stated in accordance with Chapter 84, Article 14 of the Reissue Revised Statutes of the State of Nebraska 1943, as amended, one copy of all reproducible written materials to be discussed was available to the public at this meeting for examination. She also stated the LIGHT Board of Directors may pass motions to go into closed session on agenda items pursuant to the requirements of the Open Meetings Act. Lynn Rex informed the public about the location of the Open Meetings Act posted in the meeting room.

Lynn Rex stated the following regarding public comment on any agenda item(s): Pursuant to the Open Meetings Act, the LIGHT Board Chair reserves the right to limit comments on agenda items. In accordance with the Open Meetings Act, there is no time limit on comments made by members of the LIGHT Board of Directors.

(AGENDA ITEM #2) **Consider a motion to elect a Chair of the LIGHT Board of Directors.** Goulette moved, seconded by Quady to elect Mayor Paul Lambert as the Chair of the LIGHT Board of Directors. Lynn Rex asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

Lynn Rex announced that Mayor Lambert, newly elected Chair of the LIGHT Board of Directors, would preside over the remainder of the meeting as well as future meetings.

(AGENDA ITEM #3) **Consider a motion to elect a Vice Chair of the LIGHT Board of Directors.** Wheeler moved, seconded by Lambert to elect Tom Goulette as the Vice Chair of the LIGHT Board of Directors. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

Chair Lambert asked those present to join him in reciting the Pledge of Allegiance to the Flag of the United States of America.

(AGENDA ITEM #4) **Consider a motion to acknowledge the LIGHT Interlocal Agreement.** Goulette moved, seconded by Wheeler to acknowledge the LIGHT Interlocal Agreement. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

(AGENDA ITEM #5) **Consider a motion to approve and adopt the Bylaws of LIGHT.** Quady moved, seconded by Wheeler to approve and adopt the Bylaws of LIGHT. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

(AGENDA ITEM #6) **Consider a motion to acknowledge the LIGHT Membership Agreement.** Goulette moved, seconded by Wheeler to acknowledge the LIGHT Membership Agreement. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

(AGENDA ITEM #7) **Consider a motion to acknowledge the League of Nebraska Municipalities as the LIGHT Administrator and the League Executive Director as its designee.** Wheeler moved, seconded by Quady to acknowledge the League of Nebraska Municipalities as the LIGHT Administrator and the League Executive Director as its designee. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

(AGENDA ITEM #8) **Consider a motion to approve Michelle Sitorius of Cline Williams Wright Johnson & Oldfather, L.L.P. as the Legal Counsel for LIGHT and authorize the LIGHT Board Chair, LIGHT Board Vice Chair or LIGHT Administrator to execute related agreements.** Quady moved, seconded by Goulette to approve Michelle Sitorius of Cline Williams Wright Johnson & Oldfather, L.L.P. as the Legal Counsel for LIGHT and authorize the LIGHT Board Chair, LIGHT Board Vice Chair or LIGHT Administrator to execute related agreements. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

(AGENDA ITEM #9) **Consider a motion to approve Thomas, Kunc & Black as the Auditing Firm for LIGHT.** Goulette moved, seconded by Wheeler to approve Thomas, Kunc & Black as the Auditing Firm for LIGHT. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. ***Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.***

(AGENDA ITEM #10) **Consider a motion to direct the LIGHT Administrator to obtain directors' and officers' insurance and a fiduciary liability insurance policy for the LIGHT Board of Directors.** Quady moved, seconded by Wheeler to direct the LIGHT Administrator to obtain directors' and officers' insurance and a fiduciary liability insurance policy for the LIGHT Board of Directors. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. **Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.**

(AGENDA ITEM #11) **Consider a motion to approve and ratify the Declaration Regarding Single-Group Health Plan Status submitted to the Nebraska Department of Insurance.** (Presented by Michelle Sitorius of Cline Williams) Goulette moved, seconded by Quady to approve and ratify the Declaration Regarding Single-Group Health Plan Status submitted to the Nebraska Department of Insurance. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. **Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.**

(AGENDA ITEM #12) **Consider a motion to approve and ratify the Blue Cross Blue Shield Nebraska (BCBSNE) benefit designs:**

- a. Preferred Provider Organization (PPO) Option 1
- b. PPO Option 2
- c. PPO Option 3
- d. Qualified High Deductible Health Plan (QHDHP) Option 1
- e. QHDHP Option 2
- f. QHDHP Option 3
- g. QHDHP Option 4

(Presented by Dennis Maggart of McInnes Maggart Consulting Group, LLC and Laura Rogge of BCBSNE) Wheeler moved, seconded by Goulette to approve and ratify the Blue Cross Blue Shield Nebraska (BCBSNE) benefit designs: a. Preferred Provider Organization (PPO) Option 1; b. PPO Option 2; c. PPO Option 3; d. Qualified High Deductible Health Plan (QHDHP) Option 1; e. QHDHP Option 2; f. QHDHP Option 3; and g. QHDHP Option 4. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. **Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.**

(AGENDA ITEM #13) **Consider a motion authorizing the LIGHT Board Chair, LIGHT Board Vice Chair or LIGHT Administrator to execute/countersign the following on behalf of the LIGHT Board of Directors:**

- a. Interlocal Agreement for each municipality joining LIGHT;
- b. Membership Agreement for each municipality joining LIGHT; and
- c. BCBSNE Master Group Application

Wheeler moved, seconded by Quady to authorize the LIGHT Board Chair, LIGHT Board Vice Chair or LIGHT Administrator to execute/countersign the following on behalf of the LIGHT Board of Directors: a. Interlocal Agreement for each municipality joining LIGHT; b.

Membership Agreement for each municipality joining LIGHT; and c. BCBSNE *Master Group Application*. Chair Lambert asked if there was any discussion; there was none. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. **Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.**

(AGENDA ITEM #14) **Discuss the date for the next meeting of the LIGHT Board of Directors.** Lynn Rex stated that the next meeting will be held virtually in the next two to three weeks with more information forthcoming. The next in-person meeting likely will be held in conjunction with the League Annual Conference on Sept. 14-16 at the Cornhusker Marriott in Lincoln.

(AGENDA ITEM #15) **Consider a motion to adjourn.** Goulette moved, seconded by Wheeler to adjourn. Roll call vote. Ayes: Goulette, Lambert, Quady and Wheeler. Nays: None. Abstentions: None. Absent: Bergman. **Motion carried: 4 ayes, 0 nays, 0 abstentions and 1 absent.** The meeting was adjourned at 11:21 a.m.

Approved on:

ATTEST:

Brenda Henning
Membership Services Assistant
League of Nebraska Municipalities

L. Lynn Rex
Ex-Officio, Non-Voting, LIGHT Board Member
Executive Director of the League of Nebraska Municipalities (*LIGHT Administrator*)



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Cornhusker Marriott Hotel – Arbor 1&2 Room
333 S 13th Street, Lincoln**

PLEASE TAKE NOTICE that on **Wednesday, June 29, 2022, at 10:30 am CT**, the League Insurance Government Health Team (LIGHT) will hold a Meeting of the LIGHT Board of Directors at the Cornhusker Marriott Hotel – Arbor 1&2 Room at 333 S 13th Street, Lincoln, Nebraska.

An agenda of subjects known at this time is included with this notice, but the agenda shall be kept continually current and readily available for public inspection at the principal office of LIGHT during normal business hours at 1335 L Street, Lincoln, Nebraska. A notice of this meeting with the agenda and other materials are available at this location with a copy of the Open Meetings Act posted. The meeting also will be made available by Zoom via Computer, Smart Device or Telephone at <https://us06web.zoom.us/j/87549751339?pwd=R2xTY21lUjkyaldlV2JuM1lIQlcwZz09> or via phone at 877-853-5257. The Meeting ID: 875 4975 1339 and the passcode is 178008.

On June 23, 2022, notice of this meeting with the agenda and other materials were sent to all LIGHT members and the LIGHT Board of Directors. Notice of this meeting with the agenda and other materials are available for public inspection at 1335 L Street, in Lincoln, Nebraska, and also posted on the website of the League of Nebraska Municipalities – www.lonm.org/light/.

GROUP HEALTH INSURANCE ADMINISTRATION AGREEMENT

This Group Health Insurance Administration Agreement (“Agreement”) between the League Insurance Government Health Team (“LIGHT”) and Blue Cross and Blue Shield of Nebraska (“BCBSNE”) is effective upon execution by both parties, with coverage to be issued on July 1, 2022 as provided in subparagraph number 2 below.

BCBSNE will provide an association group health insurance policy to LIGHT to provide health insurance coverage to eligible participating employers of LIGHT on the terms and conditions as stated in the LIGHT Membership Agreement and the LIGHT Interlocal Agreement. The health insurance coverage provided to LIGHT Members is described as the “BCBSNE – LIGHT Coverage.”

The BCBSNE – LIGHT Coverage is underwritten and administered by BCBSNE. The LIGHT Member Health Plan is supported by the League of Nebraska Municipalities (“LONM”). The terms and conditions of the BCBSNE – LIGHT Coverage are stated in the Contract between the parties, which the entire Contract includes: Master Group Application; Participation Agreement and Subgroup Applications; enrollment information; Master Group Contract; and any endorsements or amendments thereto (collectively referred to as the “Contract”). LIGHT’s responsibilities with respect to the BCBSNE – LIGHT Coverage are as defined in the Contract and in this Agreement. LIGHT has no discretionary authority or control over the BCBSNE – LIGHT Coverage.

Accordingly, the parties agree as follows:

1. Definitions.
 - A. “Agent of Record” means an Insurance Producer designated by a Subgroup to serve as the Subgroup’s representative on the coverage.
 - B. “Consultant” means McInnes Maggart Consulting Group, LLC, or such replacement consultant as LIGHT shall designate in writing to BCBSNE. At times, Consultant may be acting as an Agent of Record to a Subgroup, but for sake of identification will be referred to uniformly herein as “LIGHT Consultant.”
 - C. “Insurance Producer” means a broker, agent or agency licensed in the state of Nebraska to sell, solicit or negotiate insurance. Insurance Producers include and are limited to those entities or individuals appointed by BCBSNE. LIGHT reserves the right to refuse to work with certain Insurance Producers.
 - D. “LIGHT” means the League Insurance Government Health Team.
 - E. “Subgroup” means an entity covered under the BCBSNE – LIGHT Coverage pursuant to an accepted Participation Agreement and Subgroup Application.
2. Coverage. The rates and terms of BCBSNE – LIGHT Coverage are as set forth in the Contract. In the event of any conflict between the Contract and this Administration Agreement, the Contract will control. The parties will work diligently to complete all documents and perform all actions necessary to allow BCBSNE to issue the Contract as soon as reasonably possible, anticipated to be no later than July 1, 2022.

3. Membership and Eligibility Determinations. Working with LIGHT, LIGHT will confirm LIGHT membership and, thus, initial eligibility for the BCBSNE – LIGHT Coverage. Otherwise, all eligibility determinations are made by BCBSNE. The procedure for determining membership and eligibility for BCBSNE – LIGHT Coverage for an applicant subgroup is as follows:
- A. BCBSNE will accept requests for coverage from Insurance Producers and the LIGHT Consultant authorized by LIGHT on behalf of applicant subgroups located in the state of Nebraska.
 - B. Upon receipt of the request for coverage from the Insurance Producer, BCBSNE will confirm LIGHT membership for eligibility of the applicant subgroup for BCBSNE – LIGHT Coverage by referencing the monthly membership file provided by LIGHT.
 - C. Based on the results of the membership review per Part B. above, the applicant subgroup will be categorized as set forth in TABLE 1 on the next page.

TABLE 1

Category	BCBSNE Coverage Action
<p>Category A: Applicant subgroup is a member of LONM.</p>	<p>Issue BCBSNE – LIGHT Coverage, assuming satisfaction of all underwriting rules.</p>
<p>Category B: Applicant subgroup is not a member of LONM.</p>	<p>Applicant subgroup will have up to three (3) business days to fulfill eligibility requirements.</p> <ul style="list-style-type: none"> • If eligibility requirements are met, BCBSNE will recategorize the applicant subgroup as Category A. • If eligibility requirements are not met, or in the absence of response after three (3) business days, the applicant subgroup will be recategorized by BCBSNE as Category C.
<p>Category C: Applicant subgroup fails to achieve Category A status after three (3) days in Category B.</p>	<p>BCBSNE will decline BCBSNE – LIGHT Coverage; and BCBSNE may issue non-LIGHT coverage.</p>

4. Membership and Underwriting Guidelines Apply. Attached hereto as Exhibit A are the Blue Cross and Blue Shield of Nebraska Membership and Underwriting Guidelines for BCBSNE – LIGHT Coverage (“Guidelines”). The Guidelines apply to all BCBSNE - LIGHT Coverage issued or proposed to be issued. The Guidelines may be revised from time to time by BCBSNE, upon thirty (30) days’ written notice to LIGHT.
5. Renewals. BCBSNE will terminate BCBSNE – LIGHT Coverage if LIGHT notifies BCBSNE that a Subgroup is no longer a qualified member of LIGHT. Termination will occur only at the annual anniversary of enrollment of the Subgroup. For voluntary Subgroup terminations, LIGHT must provide the notification to BCBSNE at least 60 days in advance of the anniversary. These eligibility standards will be applied uniformly without regard to health or claim status. If coverage is terminated, BCBSNE may immediately offer non-LIGHT Coverage to the Subgroup.

6. LIGHT Licensing and Management Services Fee. LIGHT will receive a fee (“Licensing and Management Services Fee”), as applicable, for the use of LONM name and marks in connection with BCBSNE – LIGHT Coverage as well as for certain management services LONM will provide to LIGHT as set out in the Servicemarks License and Management Services Agreement among LIGHT, LONM, and BCBSNE (“License Agreement”).
7. Agent of Record.
 - A. BCBSNE will recognize the LIGHT Consultant and/or Insurance Producer, as authorized by LIGHT, as Agent of Record on the business.
 - B. BCBSNE may honor Agent of Record designations by Subgroups, if approved by the LIGHT Consultant, in favor of the Insurance Producer of their choice (including LIGHT Consultant).
8. Consultant Compensation.
 - A. BCBSNE will pay the LIGHT Consultant compensation equal to \$10 per contract per month (PCPM) for all Subgroups, subject to the terms and conditions set forth in the Single Case Commission Agreement and any relevant schedules thereto, effective July 1, 2022.
 - B. BCBSNE will pay each Insurance Producer which is the current broker of record for a Subgroup \$30 per contract per month (PCPM), subject to the terms and conditions set forth in the Single Case Commission Agreement and any relevant schedules thereto, effective July 1, 2022.
 - C. Prior to LIGHT’s annual renewal, or if LIGHT elects to change the LIGHT Consultant for this business, a new consultant compensation amount will be mutually agreed upon by BCBSNE and LIGHT.
9. Cooperation. BCBSNE will educate Insurance Producers with whom it does business on the workings and benefits of BCBSNE – LIGHT Coverage. LIGHT, BCBSNE, and LIGHT Consultant will meet quarterly, upon the request of any of them, to review performance of the block, marketing and sales objectives, renewals, and other issues of importance. BCBSNE and LIGHT agree to work diligently to set and achieve sales and persistency goals. BCBSNE shall provide monthly and quarterly claims reporting to LIGHT and LIGHT Consultant. Upon request, BCBSNE shall provide LIGHT with any and all claims information for the Plan.
10. Format of Mailings. Each party will give the other reasonable advance notice of proposed mass mailings regarding BCBSNE – LIGHT coverage. BCBSNE will send renewal and other notices in a format and style of its choosing which will generally be of the same style as for its other groups. If LIGHT Consultant desires an alternative format, then LIGHT Consultant will be responsible for production and mailing costs.
11. Term and Termination.
 - A. This Agreement shall continue in force until terminated as provided herein.
 - B. If enrollment in the BCBSNE – LIGHT Coverage falls below 250 enrolled contracts within 180 days prior to LIGHT’s renewal date, LIGHT and BCBSNE will mutually agree on either a plan to increase LIGHT’s enrollment to the 250 minimum enrollment level or to terminate this Agreement. A mutually agreed upon plan will be executed at

least 150 days prior to LIGHT's renewal date or the Agreement will be terminated.

C. This Agreement may be terminated as follows:

- i. For Cause: Immediately upon notice to the other party, without prejudice to any other remedies, if: (i) the other party breaches any of its obligations hereunder and fails to remedy such breach to the notifying party's satisfaction within thirty (30) days after it demands such cure or (ii) the other party becomes insolvent or bankrupt, assigns all or a substantial part of its business or assets for the benefit of creditors, permits the appointment of a receiver for its business or assets, becomes subject to any legal proceeding relating to insolvency, reorganization or the protection of creditors' rights or otherwise ceases to conduct business in the normal course.
- ii. Without Cause: With ninety (90) days written notice to the other party. BCBSNE may provide non-BCBSNE – LIGHT Coverage to currently covered members immediately after termination.

12. Confidentiality.

- A. LIGHT and BCBSNE acknowledge that each party may have access to certain of the other party's confidential and proprietary information and trade secrets ("Information") in connection with this Agreement. Each party will take all reasonable precautions necessary to safeguard the confidentiality of the other party's Information, including those required under this section, those taken by such party to protect its own confidential information and those which the other party may reasonably request from time to time.
- B. Each party will use the other party's Information solely to fulfill the purposes of this Agreement. Neither party will disclose, in whole or in part, the other party's Information to any person, except to the disclosing party's employees or agents who require access to fulfill the purposes of this Agreement or as required by law.
- C. Each party acknowledges that any unauthorized use or disclosure of the Information may cause irreparable damage to the other party. If an unauthorized use or disclosure occurs, such party will take, at its expense, all steps which are necessary to recover the other party's Information and to prevent its subsequent unauthorized use or dissemination, including availing itself of actions for seizure and injunctive relief. If such party fails to take these steps in a timely and adequate manner, the other party may take them at such party's expense.
- D. Neither party will have any confidentiality obligation with respect to any portion of the other party's Information that (i) it independently knew or develops, (ii) it lawfully obtains from a third party under no obligation of confidentiality or (iii) becomes available to the public other than as a result of its act or omission.
- E. LIGHT and BCBSNE agree to the terms of the HIPAA Business Associate Agreement, Exhibit B.

13. General Provisions.

- A. This Agreement, including any Exhibits, constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes all previous agreements

except the Master Group Contract, the Single Case Commission Agreement between LIGHT Consultant, other Agents of Record, BCBSNE, and the License Agreement.

- B. This Agreement, and all its terms and conditions, shall be severable. To the extent any term or condition of this Agreement shall be deemed to be in conflict with applicable law or regulation, the law or regulation will control, and, provided that the unenforceability of such term or condition does not deprive either of the parties of the benefit of their bargain, the remainder of this Agreement shall remain enforceable to the extent permitted by law.
- C. This Agreement may be amended only upon the written mutual agreement of LIGHT and BCBSNE.
- D. This Agreement shall be governed and construed in accordance with the laws of the state of Nebraska.
- E. LIGHT acknowledges that LIGHT Consultant is an Insurance Producer appointed by BCBSNE to act on other accounts.
- F. Each employer Subgroup retains responsibility for compliance with state and federal laws pertaining to employee health benefit plans.
- G. LIGHT and BCBSNE are at all times independent parties. None of the provisions of this Agreement are intended to create, nor shall be deemed or construed to create, any other relationship between the parties, including those of joint venture, partnership or association. Neither LIGHT nor BCBSNE may act on behalf of the other except as provided in this Agreement, and neither may bind or execute a release on behalf of the other except as authorized in writing by such other party.
- H. This Agreement constitutes a contract solely between LIGHT and BCBSNE, and no other party is a third party beneficiary or has any rights to enforce any of its provisions. Additionally, LIGHT hereby expressly acknowledges its understanding that BCBSNE is an independent corporation operating under a license with the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association") permitting BCBSNE to use the Blue Cross and Blue Shield service marks in Nebraska, and that BCBSNE is not contracting as the agent of the Association.

Blue Cross and Blue Shield of Nebraska, by

Signature: _____

Print Name: _____

Title: _____

League Insurance Governmental Health Team, by

Signature: _____

Print Name: Paul Lambert

Title: Chair, League Insurance Government Health Team

EXHIBIT A
BLUE CROSS AND BLUE SHIELD OF NEBRASKA MEMBERSHIP
AND UNDERWRITING GUIDELINES

For Coverage Issued to the League Insurance Government Health Team (“LIGHT”)

For Members of the League of Nebraska Municipalities (“LONM”)

I. ELIGIBILITY AND PARTICIPATION REQUIREMENTS FOR ACTIVELY EMPLOYED SUBGROUPS

A. Basic Eligibility Requirements for BCBSNE – LIGHT Coverage:

1. Each subgroup applicant employer must meet the requirements set forth in the League Insurance Government Health Team (“LIGHT”) Interlocal Agreement and enter into the LIGHT Interlocal Agreement.
2. Each subgroup applicant employer must enter into the LIGHT Membership Agreement and complete a participation and subgroup application by BCBSNE.
3. Each subgroup applicant employer must meet the following requirements:
 - a. Is a city or village in the State of Nebraska;
 - b. Constitutes an employer as defined under ERISA § 3(5);
 - c. Employs in the State of Nebraska at least one common law employee; and
 - d. Is a dues-paying member in good standing with the League of Nebraska Municipalities (“LONM”).
4. Eligibility Parameters:
 - a. General Requirement. All eligible employees of the subgroup applicant employer whose employment taxes are reported and paid pursuant to the same Employer Identification Number (EIN) are eligible to participate in the Plan.
 - b. Municipal Controlled Entities. If a Municipal Controlled Entity (as defined in Section b(iii) below) has a separate EIN from its municipality, all employees of the Municipal Controlled Entity are eligible to participate in the Plan so long as the municipality which meets the subgroup applicant employer requirements participates in the Plan.
 - i. The subgroup applicant employer may elect whether Municipal Controlled Entity employees are eligible to participate in the Plan. Only eligible employees of the Municipal Controlled Entity may participate in the Plan, not Board members of the Municipal Controlled Entity.
 - ii. If the subgroup applicant employer elects to allow Municipal Controlled Entity employees to participate in the Plan, the Municipal Controlled Entity employees will be considered along with the municipality’s employees for purposes of the insurer rate/premium quote and minimum participation requirements. The Municipal Controlled Entity will not execute a separate insurer participation agreement or subgroup application.
 - iii. A Municipal Controlled Entity is an entity created by municipal ordinance, in which the municipality’s mayor/chairperson, with the approval of the municipality’s governing body, is authorized to appoint the persons serving on the board, agency or authority of the entity.

A. Currently, a Municipal Controlled Entity includes the following entities:
Airport Authority, Airport Board, Board of Public Utilities, Board of Public Works, Community Development Agency, Community

Redevelopment Authority, Housing Authority, Library Board, or such other entities that are approved by the LIGHT Board of Directors, subject to the requirements set out above in Section b(iii).

- c. Union Employees and Negotiated Agreements. Member employees who are subject to a union negotiated agreement are subject to the terms of the applicable negotiated agreement.
 - i. If both union and non-union employees participate in the Plan, all employees (both union and non-union employees) are considered for purposes of any Plan minimum participation requirements. If the terms of the union negotiated agreement require a separate insurance arrangement from the Plan, then only non-union employees are considered for purposes of any Plan minimum participation requirements.
 - ii. If the terms of the union negotiated agreement alter the allocation of the employer contribution versus the employee contribution towards premiums such that the allocation differs from the allocation of premiums applicable to non-union employees, the subgroup applicant employer must specify this in its insurer participation agreement and subgroup application. Any Plan employer contribution requirements related to union employees shall be deemed met so long as the allocation of employer contribution versus the employee contribution reflects the terms of the applicable negotiated agreement.
5. Only subgroup applicant employers which are dues-paying members in LONM (individually, a “Subgroup”; together “Subgroups”), as determined by LONM, shall be eligible for the BCBSNE – LIGHT Coverage. Determination of LONM membership status shall be confirmed by LIGHT or LONM pursuant to this Group Health Insurance Administration Agreement (“the Agreement”) between LIGHT and BCBSNE.
6. Employees of a Subgroup are eligible to obtain Plan coverage, conditioned upon any eligibility requirements set out in these Membership and Underwriting Guidelines and/or subgroup application.
7. Eligible employees’ dependents may only participate in the Plan if the employee has elected coverage for himself/herself. There is no dependent-only coverage. The employee must be and remain enrolled in order to maintain coverage for a dependent.
8. Eligible dependents of an eligible employee include:
 - a. Spouse;
 - b. Children of the eligible employee, or the employee’s spouse, including, (1) natural-born or legally adopted child who has not reached the limiting age of 26; (2) child for whom the employee or beneficiary (or the spouse) has legal guardianship and who has not reached the limiting age of 26; or (3) child with a mental or physical disability who has attained the limiting age of 26 may continue coverage beyond age 26 if proof of disability is provided within 31 days of attaining age 26 and the child remains:
 - incapable of self-sustaining employment, by reason of mental or physical handicap,
 - unmarried, and
 - dependent upon the employee for support and maintenance.

Coverage of children of the eligible employee (or of the spouse) ends when the child attains age 26 unless specifically provided above in subsection (b).

9. Each Subgroup employer must contribute a minimum of 50% of the employee cost of the Plan for all eligible employees enrolled in the Subgroup.
10. Each Subgroup must meet minimum participation requirements of 75% of all eligible employees, less valid waivers, but with no less than 25% of total eligible employees; or 50% of total eligible employees.
11. Deductible, coinsurance, and maximum out-of-pocket credits are allowed for any Subgroup with a renewal date other than July 1.
12. If a Subgroup discontinues Plan coverage for a Plan year, it will not be allowed to re-enroll until 24 months elapse from the date of cancellation.
13. A Subgroup must provide notification to LIGHT and BCBSNE at least 60 days in advance of the annual anniversary for enrollment if the Subgroup intends to terminate coverage under the Plan for a subsequent Plan year.
14. Employees who are actively at work with Subgroups are eligible to obtain BCBSNE – LIGHT Coverage, subject to the eligibility requirements set forth in the Subgroup Application of the Subgroup for which they are employed. “Actively at work” requirements shall be applied in a manner consistent with HIPAA requirements for nondiscrimination in the case of employees who are absent due to illness.

If an employee is not actively at work or fails to meet the minimum weekly working hours requirement for four (4) consecutive weeks, as specified on the Subgroup Application, the employee’s coverage will be terminated. The “actively at work” requirement shall be met under the following three circumstances: (1) the employee is actively performing the customary duties, responsibilities, and obligations of the role which the employee is employed to perform; (2) the employee is on leave under the Family and Medical Leave Act (FMLA), whether paid or unpaid; and/or (3) the employee is on an approved paid leave. The minimum weekly working hours requirement is waived for all periods in which the employee is on FMLA leave, but shall apply in all other circumstances, including periods of approved paid leave. Where an employee is on approved paid leave, to meet the minimum weekly working hours requirement, the employee must have available and use paid leave equal to or in excess of such requirement.

Annually upon receipt of each Subgroup Application, BCBSNE will review each Subgroup Application, evaluate the listed employees who are not “actively at work,” and evaluate, through consultation with the applicable Subgroup, whether coverage is effective as to that employee based on the requirements set out in the Subgroup Application and the Guidelines.

Subsequently, BCBSNE will verify, with the applicable Subgroup and within ten (10) business days of obtaining knowledge of facts that indicate an employee is not “actively at work” or has failed to meet the minimum weekly working hours requirement for four (4) consecutive weeks, the eligibility of an employee for BCBSNE-LIGHT Coverage. At the same time that this verification process commences, BCBSNE shall notify LIGHT of the eligibility issue.

15. Seasonal employees are eligible to obtain the BCBSNE – LIGHT Coverage through the Subgroup for which they are actively employed and only during the period they are actively employed and if their scheduled work hours during that period of time will exceed an average of the same number of hours per week over an entire year as required for the Subgroup.

16. Annually, each employer Subgroup will be required to complete a Subgroup Application furnished by BCBSNE verifying they meet Plan requirements.
17. In order to substantiate compliance with participation requirements, employer Subgroups must secure waivers from employees who decline enrollment due to other existing coverage. A copy of each disclaimer shall be kept in the employer Subgroup's health benefits file, and the original is to be sent to BCBSNE.
18. Coverage changes for a Subgroup may only be made at the annual renewal for LIGHT prior to the commencement of each Plan year.
19. If a Subgroup's enrollment changes by more than +/- 10% during a Plan year, BCBSNE reserves the right to re-rate the Subgroup as of the commencement of the subsequent Plan year.
20. BCBSNE will perform an evaluation of each Subgroup at the annual renewal to determine if the current rating band for that Subgroup is appropriate. If it is determined that a Subgroup's medical risk has changed, BCBSNE has the option to move that Subgroup up or down two rate bands, depending upon whether the risk has worsened or improved.
21. LIGHT is a single, large group health plan as evidenced by the Declaration of Single- Group Health Plan Status executed by LIGHT and accepted by BCBSNE. Accordingly, the BCBSNE – LIGHT Coverage is treated as one, large group employer plan for the purposes of federal Medical Loss Ratio (MLR) and Medicare Secondary Payor requirements.
22. Any deviation from the Underwriting Guidelines must be mutually agreed to by the LIGHT and BCBSNE.

B. Late Enrollees:

1. An eligible employee or dependent is a Late Enrollee if they do not enroll:
 - a. Within 31 days of his or her initial eligibility, or
 - b. During a Special Enrollment Period.
2. Late Enrollees may enroll for coverage only during June, the annual open enrollment month, for a July 1 effective date. There is no surcharge for these Late Enrollees.

C. Special Enrollment Period:

An eligible employee and his or her eligible dependents who have not previously enrolled for coverage may be able to enroll during a Special Enrollment Period, pursuant to the Health Insurance Portability and Accountability Act. This Special Enrollment Period is available only in the case of:

1. An eligible employee who declined BCBSNE – LIGHT Coverage for the employee or dependents at the time enrollment was previously offered because he or she was covered under other Creditable Coverage and subsequently lost that coverage because of any of the following:
 - a. The other coverage was COBRA continuation coverage which now has been

exhausted.

- b. The other coverage was not COBRA continuation coverage, and the coverage has been terminated as a result of a loss of eligibility, including loss because of death of a spouse, divorce or legal separation, termination of employment or reduction in hours of employment, an involuntary termination of the coverage. (A voluntary termination of coverage, a failure to pay premiums or reasons determined to be “for cause,” do not qualify as a loss of eligibility under this provision.).

A loss of eligibility shall include that which is due to moving out of the service area of an HMO or other arrangement that only provides benefits to individuals who reside, live or work in the service area; or a loss due to the exhaustion of a lifetime limit on all benefits.

- c. The employer ceased to make contribution for the other non-COBRA Creditable Coverage.

Persons requesting enrollment during a Special Enrollment Period must do so within 31 days of a loss of coverage described above. The employee must enroll (if not already covered) in order to enroll his or her eligible dependents.

2. A person who becomes an eligible dependent of the employee, through birth, adoption or marriage.

An employee who is eligible but has not previously enrolled may also enroll with or without the new dependent(s) at this time. Likewise an eligible spouse who has not previously enrolled may enroll with or without the new eligible dependent child as a result of birth, adoption or placement for adoption of that child. The effective date shall be the date of the qualifying event.

Persons requesting enrollment during a Special Enrollment Period must do so within 31 days of a marriage, birth or adoption. The employee must enroll (if not already covered) in order to enroll his or her eligible dependents during a Special Enrollment Period.

3. A Special Enrollment Period of 60 days is available to an employee or his or her eligible dependent who is eligible but not enrolled, if either of the following occur:
 - a. The employee or dependent is covered under Medicaid or a State Child Health Insurance Program, and such coverage is terminated as result of loss of eligibility.
 - b. The employee or dependent becomes eligible for premium assistance under Medicaid or a State Child Health Insurance Program with respect to coverage under the group health plan.

Enrollment must be requested within 60 days after termination of the coverage, or the determination of eligibility for assistance.

D. Court-Ordered Medical Child Support:

BCBSNE will assist an Subgroup with determinations and correspondence related to Qualified Medical Child Support Orders for its employees covered under the Plan, pursuant to federal or state law requirements regarding court-ordered child health care coverage. Since there is no

dependent-only coverage, a parent requesting coverage for an eligible dependent child pursuant to a court or administrative order must also enroll if not already covered under the Plan. Late Enrollment restrictions will not apply to the parent or child if Application is made within 31 days of the effective date of the court order.

When honoring a medical child support order in connection with a request for a single-to- family change, the assigned effective date will be the first of the month following receipt of the request.

E. Effective and Renewal Dates:

1. **New Employees:** Coverage will be effective on the first day a new employee becomes eligible for the BCBSNE – LIGHT Coverage, as specified on the Subgroup Application.
2. **Special Enrollees:** Coverage will be effective for newborns on the date of birth; adopted children the date of placement for adoption; newly married and all other Special Enrollees on the first day of the month following receipt of the enrollment form, provided timely enrollment is requested in all cases.
3. **Subgroups Renewal Date:** All Subgroups will have a common renewal date of July 1 regardless of the Subgroup’s anniversary date.

II. HEALTH COVERAGE BENEFIT OPTIONS

Subgroups must designate their chosen options on the Subgroup Application. Split coverage or dual option coverage within a Subgroup will be allowed if the Subgroup has two or more enrolled employees. The Underwriting Medical Review will not be affected by choice of Dual Option.

III. CONTINUATION OF COVERAGE

BCBSNE provides continuation coverage for former employees or dependents as necessary to meet requirements imposed upon employer Subgroups under COBRA or state continuation coverage, as applicable. BCBSNE, however, does not provide administrative services, such as mailing of notices or billing of former employees or dependents. Such requirements remain the responsibility of the employer Subgroup. The COBRA requirements are summarized below for informational purposes only.

- A.** Public Law 99-272, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and subsequent amendments provide that upon termination of coverage because of certain qualifying events, employer Subgroups **with 20 or more employees** must allow employees and their dependents to continue their present group health plan for 18, 29 or 36 months, depending upon the event. Persons who are eligible for continuation coverage are “qualified beneficiaries.” A qualified beneficiary also includes a child born to or placed for adoption with the covered person during the period of COBRA coverage. Such children have all of the statutory protections and rights of other qualified beneficiaries. **COBRA coverage is subject to fulfillment of conditions and requirements which are the responsibility of the employer Subgroup and employee.** The employer Subgroup is responsible to provide all notices required by COBRA and/or Department of Labor regulations.

IV. GUIDELINES FOR ENROLLING NEW SUBGROUPS IN THE BCBSNE – LIGHT COVERAGE

Eligible Subgroups not currently enrolled in the BCBSNE – LIGHT Coverage may apply for coverage subject to the Membership requirements, as set forth in this Agreement, by submitting the required information noted below.

A. Subgroups with 100 or more enrolled employees:

BCBSNE will require all available experience and rates from the prior group health insurance plan in force for such Subgroups. BCBSNE will use the current experience rating formula to develop a premium for the prospective group enrollment.

B. Subgroups with less than 100 enrolled employees:

For subgroups with 1-9 full-time employees enrolling: The Subgroup will be required to complete individual underwriting questionnaires. The Subgroup will be offered rates in one of the rating bands based on its risk score.

For subgroups with 10-99 full-time employees enrolling: The Subgroup may either complete individual underwriting questionnaires or submit a census in a BCBSNE approved format. The Subgroup will be offered rates in one of the rating bands based on its risk score.

C. Standard group underwriting practices applicable: BCBSNE standard group underwriting practices that are not in conflict with those stated in these guidelines will be used to determine whether an approved Subgroup shall be eligible for enrollment.

EXHIBIT B

HIPAA BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (the “Agreement”) is entered into between Blue Cross and Blue Shield of Nebraska (“BCBSNE”) and League Insurance Government Health Team (“LIGHT”) and is made a part of the Group Health Administration Agreement (“Master Agreement”) to the extent BCBSNE is considered a business associate of LIGHT and to the extent LIGHT performs a function or activity on behalf of BCBSNE involving the use or disclosure of Individually Identifiable Health Information.

WHEREAS, the parties hereto have an ongoing business relationship under which LIGHT provides certain products or services to BCBSNE and in the course of that business relationship LIGHT may come into contact with Protected Health Information created or received by BCBSNE, and BCBSNE may come into contact with Protected Health Information created or received by LIGHT; and

WHEREAS, LIGHT is the administrator of the Master Agreement between BCBSNE and LIGHT concerning certain health insurance products and services to be provided to members of LIGHT and their employees, and as such, may be obligated to provide the same safeguards to Protected Health Information as BCBSNE; and

WHEREAS, the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the “HITECH Act”), that are applicable to business associates, along with any guidance and/or regulations issued by DHHS, require Covered Entities to have in place written agreements with third parties who come into contact with certain Protected Health Information; and

WHEREAS, the parties have determined that it is in their respective interest to comply with said requirements of HIPAA and the HITECH Act now enter into this Agreement on the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual exchange of promises set forth herein, BCBSNE and LIGHT agree as follows:

1. The purpose of this Agreement is to set forth the terms and conditions deemed necessary by the parties to ensure compliance with the requirements applicable to their handling of Protected Health Information (“PHI”) under the Security Regulations (45 CFR Part 160 and 164, Part C, hereinafter Security Standards and Implementation Specifications (45 CFR part 160 and 164, subpart C and subpart D, hereinafter the Security Rule and HIPAA Breach Notification Rule); and the Standards for Privacy of Individually Identifiable Health Information (45 CFR part 160 and 164 subparts A and E, hereinafter the “Privacy Rule”) promulgated under HIPAA and the requirements promulgated under the HITECH Act. Capitalized terms set forth in this Section shall have that meaning set forth in HIPAA, the Privacy Rule, the Security Rule and the HITECH Act as applicable. In the event of any inconsistency between this Agreement and the Privacy or Security Rules (“Rules”) or the HITECH Act, the requirements set forth in the Rules shall control.

2. The parties agree to not use or disclose PHI other than as permitted or required by this Agreement, by the Master Agreement, or as Required by Law.

3. The parties agree to use appropriate safeguards to prevent the use or disclosure of the PHI other than as provided for by this Agreement or the Master Agreement. The parties further agree to implement administrative, physical and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI that it creates, receives, maintains, or transmits as required by the Security Rule.

4. The parties agree to mitigate, to the extent practicable, any harmful effect that is known to either of them regarding a use or disclosure of PHI by such party in violation of the requirements of this Agreement or of the Master Agreement.

5. The parties agree to report to each other within 72 hours of discovery any use or disclosure of PHI not provided for by this Agreement or by the Master Agreement, and each party will report to the other party within 72 hours of discovery any Security Incident of which the party giving notice becomes aware and any “Breach” of “Unsecured Protected Health Information” as these terms are defined by the Breach Notification Rule and any implementing regulations.

6. If either party conducts any Electronic Transactions for or on behalf of the other party for which the Department of Health and Human Services has established standards, the party will comply, and will require any subcontractor or agent involved with the conduct of such Transactions to comply, with each applicable requirement of 45 CFR Part 162 and as required by the HITECH Act. The parties will not enter into, or permit their respective subcontractors or agents to enter into, any agreement in connection with the conduct of Electronic Transactions for or on behalf of the other party that do not comply with the requirements of 45 CFR Part 162 or any requirements of the HITECH Act.

7. The parties agree to ensure that any of their respective agents, including a subcontractor of a party, to whom the party provides PHI agrees to the same restrictions and conditions that apply through this Agreement to the party with respect to such information. Moreover, each party shall ensure that any such agent or subcontractor agrees to implement reasonable and appropriate safeguards to protect such PHI.

8. The parties acknowledge and agree that LIGHT will not maintain BCBSNE’s PHI in a designated record set, and they further acknowledge and agree that BCBSNE will not maintain LIGHT’s PHI, if any, in a designated record set. If, however, either party maintains any PHI in a designated record set for the other party, the parties agree to disclose such information in a Limited Data Set, if practicable. In addition, LIGHT and BCBSNE agree to implement and follow appropriate minimum necessary policies in the performance of its obligations of maintaining and accessing each other’s PHI. The parties further agree:

- a. to provide access, at the request of the other party and in the time and manner designated by that party, to PHI in a Designated Record Set, to the party or, as directed by that party, to an Individual in order to meet the requirements under 45 CFR 164.524, and
- b. make any amendment(s) to PHI in a Designated Record Set that the other party directs or agrees to pursuant to 45 CFR 164.526, at the request of LIGHT or an Individual, and in time and manner designated by the other party.

9. The parties agree to document such disclosures of PHI and information related to such disclosures as would be required for the other party to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. The parties agree to provide each other with the documentation described in this paragraph within 15 days of any such disclosure upon request by the other party. Such documentation shall be sufficient to allow the other party to respond to an individual request for accounting of disclosures of PHI under 45 CFR 164.528 or any requirements of the HITECH Act.

10. The parties agree to make their respective internal practices, books, and records, including policies and procedures relating to the use and disclosure of PHI received from, or created or received by that party on behalf of the other party, available to the other party or to the Secretary for purposes of the Secretary determining the other party's compliance with the Privacy Rule.

11. Except as otherwise limited in this Agreement, the parties may use or disclose PHI to perform functions, activities, or services for or on behalf of each other for the purposes stated in the separate agreement or agreements defining the Business relationship (the "Master Agreement") and obligations of the parties, provided that such use or disclosure would not violate the Privacy Rule if done by the other party.

12. Except as otherwise limited in this Agreement, the parties may use PHI of the other party for their proper management and administration or to carry out their legal responsibilities.

13. Except as otherwise limited in this Agreement, the parties may disclose the PHI of the other party for their proper management and administration, provided that disclosures are Required by Law, or the party obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the disclosing party of any instances of which it is aware in which the confidentiality of the information has been breached.

14. Except as otherwise limited in this Agreement, the parties may use PHI to provide Data Aggregation services to the other party as permitted by 45 CFR 164.504(e)(2)(i)(B).

15. Except as otherwise provided herein, the parties may make any use or disclosure of PHI permitted under 45 CFR 164.502(j)(1) or 45 CFR 164.512. To the extent possible and except as permitted under 45 CFR 164.502(j)(1), where PHI is sought in reliance upon 45 CFR 164.512(e), the parties agree to notify each other in sufficient time for the other party to lodge an appropriate objection. In that event, the disclosing party agrees to provide copies of the PHI to be disclosed to the other party for such notification. Except as permitted by 45 CFR 164.502(j)(1), neither party shall disclose any PHI of the other party as permitted under 45 CFR 164.512(e) without first notifying such party as provided in this section.

16. Termination for Cause. Upon either party's knowledge of a material breach by the other party, the non-breaching party shall

- a. Provide an opportunity for the breaching party to cure the breach or end the violation and terminate the Agreement if the breaching party does not cure the breach or end the violation within the time specified by non-breaching party;
- b. Immediately terminate the Agreement if the breaching party has breached a material term of this Agreement and cure is not possible; or
- c. If neither termination nor cure is feasible, the non-breaching party shall report the violation to the Secretary.

17. Each party shall be responsible for its own acts and omissions and shall be liable for payment of that portion of any and all claims, liabilities, injuries, suits, and demands and expenses of all kinds that may result or arise out of any alleged malfeasance or neglect caused or alleged to have been caused by said party, its employees, agents, or subcontractors, in the performance or omission of any act or responsibility of said party under this Agreement. In the event that a claim is made against both parties, it is the intent of both parties to cooperate in the defense of said claim and to cause their insurers to do likewise. Both parties shall, however, retain the right to take any and all actions they believe necessary to protect their own interests.

18. Effect of Termination.

- a. Except as provided in paragraph b. of this subsection, upon termination of this Agreement, for any reason, each party shall return or destroy all PHI received from the other party or created or received by a party on behalf of the other party. This provision shall apply to PHI that is in the possession of subcontractors or agents of a party. Except as otherwise provided, herein, the parties shall retain no copies of the PHI.
- b. In the event that a party determines that returning or destroying the PHI is infeasible, that party shall provide to the other party notification of the conditions that make return or destruction infeasible. In that event, the party shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as the party maintains such PHI. The parties agree that information received by BCBSNE from subgroups and from enrollees was not received by or on behalf of LIGHT, and shall be retained by BCBSNE pursuant to this paragraph.
- c. The respective rights and obligations of the parties under this subsection shall survive the termination of this Agreement.

19. Regulatory References. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended.

20. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the parties to comply with the requirements of the Security Rule, the Privacy Rule, the Breach Notification Rule, and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.

21. Interpretation. Any ambiguity in this Agreement shall be resolved to permit the parties to comply with the Security Rule, the Privacy Rule, and the Breach Notification Rule.

22. Nothing expressed or implied in this Agreement is intended to confer upon any person or entity other than the parties hereto and their respective successors or assigns any rights, remedies, obligations, or liabilities whatsoever.

23. This Agreement constitutes the entire agreement between the parties with regard to the subject matter hereof.

End of Document.

4891-5192-4001, v. 3

SERVICEMARKS LICENSE AND MANAGEMENT SERVICES AGREEMENT

THIS SERVICEMARKS LICENSE AND MANAGEMENT SERVICES AGREEMENT (the “Agreement”) is made and entered into between the League of Nebraska Municipalities (the “League”), the League Insurance Government Health Team (“LIGHT”), and Blue Cross Blue Shield of Nebraska (“BCBSNE”). For purposes of this agreement, LIGHT and BCBSNE each are referred to as a “Licensee” and collectively are referred to as the “Licensees.”

WHEREAS, the League owns the rights to the name “League of Nebraska Municipalities” (the “League Name”); a logo consisting of the letters “LNM” with a byline including the words League of Nebraska overlaid on an image of the State of Nebraska (the “Logo”), as set forth on Exhibit A attached hereto, and its member list; and

WHEREAS, LIGHT and BCBSNE desire to license the right to use the League Name and the Logo in connection with the marketing of certain welfare benefits plans, including a health insurance plan, to members of the League (“Insurance Plans”); and

WHEREAS, the League has agreed to license the right to use the League Name and Logo and all future versions of the League Name and Logo to LIGHT and BCBSNE for as long as the League’s Executive Board supports the Insurance Plans offered by LIGHT and BCBSNE; and

WHEREAS, the League is willing to provide management services necessary for the day-to-day operations of LIGHT, certain management services, and necessary support services for LIGHT’s Board of Directors; and

WHEREAS, LIGHT desires to engage the League to provide the services of its employees to perform certain management services for LIGHT.

NOW, THEREFORE, the mutual covenants herein contained, and good and valuable other consideration as set forth herein, the receipt, adequacy and sufficiency of which are acknowledged, the parties agree as follows:

1. GRANT OF SERVICEMARKS LICENSE.

a. For purposes of this Agreement, the term “Licensed Servicemarks” means the League Name and Logo and any and all future versions of the League Name and Logo which are developed and used by the League.

b. The League hereby grants to Licensees, subject to the payment of the fees set forth on Exhibit B, and compliance with all other terms and conditions of this Agreement, an exclusive, non-transferable license and right to use the Licensed Servicemarks solely on brochures, documents, and other materials produced and distributed by them, including distribution on the internet, promoting the Insurance Plans for the term of this Agreement.

2. QUALITY CONTROL.

a. Licensees shall only use the Licensed Servicemarks in connection with the Insurance Programs and only with the League’s prior written approval. The parties agree to cooperate in the Licensees’ delivery of such Insurance Programs and shall share information and approaches where and when appropriate.

b. Upon reasonable notice to a Licensee, the League or its authorized representative shall have the right, during regular business hours and at Licensees' facilities, to review Licensees' uses of the Licensed Servicemarks to insure the League's satisfaction and other aspects of compliance that the use is within the scope of the League's quality standards.

c. If at any time the League determines that any use of the Licensed Servicemarks fails to fully conform to the League's standards the League shall so notify the Licensees in writing of such non-conformance and unless the parties can amicably resolve the issues of noncompliance within 90 days, the League may in its absolute discretion terminate this Agreement as set forth in Section 6 below.

3. PROTECTION OF LICENSED SERVICEMARKS.

a. Licensees agree not to challenge, oppose, or petition to cancel or otherwise challenge the validity of the Licensed Servicemarks or dispute the League's ownership thereof. Licensees also agree, subject to the terms and conditions of this Agreement, that any and all rights that may subsequently accrue from Licensees' use of the Licensed Servicemarks shall inure to the sole benefit of the League.

b. Except as provided in this Agreement, Licensees shall not use the Licensed Servicemarks as all or part of any corporate name, trade name, trademark, service mark, certification mark, collective membership mark or any other designation confusingly similar to the Licensed Servicemarks, except with the League's prior written consent. If any application for registration is or has been filed by or on behalf of Licensees anywhere which, in the reasonable opinion of the League is confusingly similar, deceptive or misleading with respect to, or dilutes or in any way damages the Licensed Servicemarks, Licensees shall at the League's request abandon all use of such mark and any registration or application for registration thereof and shall reimburse the League for all costs and expenses of any successful opposition or related legal proceeding, including attorneys' fees, instigated by the League or its authorized representative.

4. AGREEMENT PERSONAL. The benefit of this Agreement shall be personal to Licensees, who shall not, without the prior written consent of the League assign the same, nor transfer any of its rights or obligations hereunder, nor grant or purport to grant any sublicense in respect of the Licensed Servicemarks to any other person. Any such purported assignment or sublicense shall be void.

5. MANAGEMENT SERVICES.

a. Provisions of Services. The League will provide the following management services to LIGHT:

i. The League shall provide executive, management and office support services for LIGHT on an as-needed basis;

ii. The League will coordinate, host, and provide services for the LIGHT Board of Directors' meetings and the LIGHT members' meetings, including preparing meeting agendas, providing legal notice, and recording of minutes;

iii. The League will assist in the marketing and advertising for LIGHT and the LIGHT Member Health Plan, including managing the LIGHT website, and promoting the LIGHT Member Health Plan in League publications, brochures, and conferences;

iv. The League will provide opportunities for LIGHT to present and to promote the LIGHT Member Health Plan and related benefit offerings at League-sponsored conferences and meetings;

v. The League will cover initial costs of the LIGHT Board of Directors associated with the management of LIGHT, including legal fees and directors and officers insurance coverage;

vi. The League will directly negotiate service provider agreements on behalf of the LIGHT Board of Directors, except for such provisions that relate to any League compensation. All such service provider agreements are subject to the LIGHT Board of Directors' approval;

vii. The League will provide bookkeeping/accounting services for LIGHT on an as-needed basis;

viii. The League will maintain and archive all LIGHT documents and records; and

ix. The League will provide such other services, including education services and information services, as requested by the LIGHT Board of Directors or its Chair from time to time.

b. Compensation for Services. The League's compensation for its management services to be provided under this Agreement shall be set forth as identified on Exhibit B of this Agreement.

6. TERM AND TERMINATION.

a. Servicemarks License. The license granted under this Agreement shall be effective July 1, 2022, and shall continue (i) for as long as the League's Executive Board supports the Insurance Plans offered by LIGHT and BCBSNE, (ii) until the Licensees (or either of them) cease(s) to offer the Insurance Plans, or (iii) unless sooner amended or terminated in accordance with this section.

i. This Agreement may be amended at any time upon the written, mutual agreement of the parties.

ii. If either Licensee is in material breach of one or more of its obligations under this Agreement, the League may, upon its election and in addition to any other remedies that it may have, at any time terminate all the rights granted by it hereunder by not less than 30 days' written notice to the Licensees specifying any such breach.

iii. Licensees may unilaterally terminate its license under this Agreement by giving 30 days' written notice to the League and immediately ceasing all use of the Licensed Servicemarks.

iv. Immediately after the expiration or termination of the license and rights granted under this Agreement, Licensees agree to cease and discontinue completely and permanently the use of the Licensed Servicemarks, including any use on the internet and to destroy or promptly return all materials produced that contain the Licensed Servicemarks to the League.

b. Management Services. Unless sooner amended or terminated, the League shall provide the management services during the period in which it grants the license set forth in this Agreement.

i. This Agreement may be amended at any time upon the written, mutual agreement of the parties.

ii. This Agreement may be terminated by either party at any time and for any reason upon 30 days' prior written notice.

iii. Upon termination of this Agreement by either party, for any reason, the League agrees to promptly return and/or cause its employees to return to LIGHT all books, records, files and all other data, documents and information, regardless of the form, that relates to the operations of LIGHT and that are in the possession of the League or any employee of the League who has been assigned to perform management services pursuant to this Agreement.

7. NOTICES.

Any notice required or permitted to be given under this Agreement shall be written communication by way of fax, or letter registered and postage prepaid, and shall be directed by one party to the other at its respective address as follows unless otherwise provided for in this Agreement.

a. Notices to the League shall be directed to the following:

League of Nebraska Municipalities
Attn: Executive Director
1335 L Street
Lincoln, Nebraska 68508

b. Notices to LIGHT shall be directed to the following:

League Insurance Government Health Team
c/o Michelle L. Sitorius
Cline Williams Wright Johnson & Oldfather, L.L.P.
233 S. 13th St., Suite 1900
Lincoln, NE 68508-2095

c. Notices to BCBSNE shall be directed to the following:

Blue Cross Blue Shield of Nebraska
Attn: General Counsel
P.O. Box 3248
Omaha, NE 68100-0001

Either party may change its address to which notices or requests shall be directed by written notice to the other party, but until such change of address has been received any notice or request sent to the above addresses shall be effective upon mailing and shall be considered as having been received.

8. MISCELLANEOUS.

a. Entire Agreement. The provisions of this contain the entire understanding between the parties relating to use by Licensee of the Licensed Servicemarks and management services. Such provisions supersede and cancel all prior provisions, negotiations, agreements, and commitments (whether oral or in writing) with respect to such use by Licensee. This Agreement may not be released, discharged, abandoned, changed or modified in any manner except by an instrument in writing signed by the parties.

b. Governing Law. The construction of this Agreement will be governed by the substantive laws of the State of Nebraska.

c. No Waiver and Further Assurances. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other

provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party. The parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to effect the transactions contemplated by this Agreement.

d. Severability. Whenever possible, each term or provision of this Agreement shall be interpreted in only such manner as to be effective and valid under applicable law, but if any provision or portion or any provision of this Agreement should be deemed invalid under applicable law, such provision or portion of such provision shall be ineffective without invalidating the remainder of such provision or remaining provisions of this Agreement.

e. Independent Contractor. With respect to the management services, the relationship of the League and LIGHT shall be that of an independent contractor. Nothing in this agreement shall be deemed or construed to create an agency, employer-employee, partnership, joint venture, franchise or other relationship between the parties. Each party hereto shall be solely responsible for paying or providing all wages, benefits, Workers Compensation and Unemployment Compensation insurance coverage which may be required for its respective employees and for complying with all withholding, reporting, safety and health requirements which may be imposed by any State, Federal or local law in respect thereto. LIGHT shall neither have nor exercise any control or direction over the method or means by which the individuals provided by the League perform their functions, except that the League agrees to cause said individuals to perform such services at all times in accordance with this Agreement.

LEAGUE OF NEBRASKA MUNICIPALITIES

By: _____
L. Lynn Rex, Executive Director

LEAGUE INSURANCE GOVERNMENT
HEALTH TEAM

By: _____
Paul Lambert, Chair

BLUE CROSS BLUE SHIELD OF NEBRASKA

By: _____

(Name and Title)

EXHIBIT A

LOGO



EXHIBIT B

LICENSED SERVICEMARKS AND MANAGEMENT SERVICES FEES

Licensed Servicemarks and Management Services Fees payable hereunder are as follows:

An amount equal to forty percent (40%) of the compensation received by the LIGHT Consultant as set out in the Group Health Insurance Administration Agreement between BCBSNE and LIGHT, not to exceed two percent (2%) of premiums received by BCBSNE in any month, net of refunds paid.

CONSULTING SERVICES AGREEMENT

McInnes Maggart Consulting Group, LLC
McInnes Group, Inc.

THIS AGREEMENT, made this 1st day of July, 2022, (the “Effective Date”) by and between McInnes Maggart Consulting Group, LLC, a Kansas limited liability corporation, having its principal place of business at 3500 West 75th Street, Suite 200, Prairie Village, Kansas, 66208 (hereinafter referred to as “MMCG”), McInnes Group, Inc., a Kansas corporation (hereinafter referred to as “MGI”), and the League Insurance Government Health Team (hereinafter referred to as “LIGHT”).

WHEREAS, MMCG is engaged in business as an insurance consulting firm, for the marketing, consulting, negotiating, delivery, and servicing of all employee benefit group related insurance products;

WHEREAS, MGI is engaged in business as an insurance consulting firm, for the marketing, consulting, negotiating, delivery, and servicing of all employee benefit group related insurance products;

WHEREAS, LIGHT wishes to engage for: consulting services, brokerage services; negotiation of insurance contracts; marketing of insurance to its member subgroups; and other matters related to the installation and servicing of insurance contracts (“Services”).

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants made hereinafter, and agree:

1. Consulting Services. MMCG and MGI agree to provide Services to LIGHT and its members during the term of this Agreement. The lead consultant on this project representing MMCG and MGI will be Dennis Maggart or others acting at his direction. The duties assigned to MMCG and MGI by LIGHT shall include:

- a. Consulting and assistance with all aspects related to the development of competitive employee benefit plans, including medical, dental, vision, life, AD/D, long-term disability, voluntary worksite plans, and other coverages as requested by LIGHT or the LIGHT Administrator.
- b. Review and advise on existing program renewals and cost projections.
- c. Negotiate specific coverage terms with selected carriers based on direction from the LIGHT Administrator, subject to review by LIGHT legal counsel.
- d. Review and advise on all necessary service contracts for administration based on direction from the LIGHT Administrator, subject to review by LIGHT legal counsel.
- e. Assist with development of underwriting and rating of benefit plan quotes to include accumulation and coordination of document submission to carriers, subject to review by LIGHT or the LIGHT Administrator upon request.
- f. Develop proposed administrative service programs with selected vendors for benefit administration systems and COBRA administration, subject to review by LIGHT legal counsel and approval by the LIGHT Board of Directors.

- g. Develop, implement, and coordinate a marketing plan for the LIGHT benefit plans, subject to review by LIGHT, the LIGHT Administrator, and the endorsed carrier. The marketing plan will include solicitation, quoting, underwriting, and installation procedures for subgroups directly represented by MMCG and/or MGI and those subgroups who choose to utilize and be represented by an approved outside producer. The marketing plan shall be coordinated with marketing efforts of the LIGHT Administrator and the endorsed carrier.
 - h. Negotiation of competitive benefit plan insurance contracts and service contracts in coordination with the LIGHT Administrator, subject to review by LIGHT legal counsel.
 - i. Assist with regulatory compliance for LIGHT with the Nebraska Department of Labor, Nebraska Department of Insurance and any other regulatory party as requested by LIGHT, its legal counsel, or the LIGHT Administrator.
 - j. Provide guidance on benefit plan designs and cost containment programs that lead to cost efficiencies and/or improved service levels to LIGHT.
 - k. Provide ongoing customer service to benefit plan members, designated municipal staff, LIGHT staff, and the LIGHT Administrator for administration of the benefit plans and resolution of problems with carriers and service providers. This service will be provided during normal business hours and will be coordinated with on-line capabilities provided by the carriers and other service providers.
 - l. Other general health and welfare consulting tasks as assigned by LIGHT or the LIGHT Administrator.
2. Term and Termination. This Agreement shall commence on the Effective Date and shall end on June 30, 2023 (the “Initial Period”), unless terminated in accordance with the following:
- a. This Agreement will terminate effective immediately in the event the League of Nebraska Municipalities’ (the “League”) Executive Board withdraws its support from LIGHT as provided in Section 7 of the League Insurance Government Health Team Interlocal Agreement.
 - b. LIGHT may terminate this Agreement for cause upon 60 days written notice to MMCG and/or MGI. “For Cause” shall mean a breach of this Agreement as determined by LIGHT, fraud, negligence, or any acts or conduct of MMCG and/or MGI which involve dishonesty, embezzlement, or criminal activity. In the event that LIGHT delivers to MMCG and/or MGI a written notice that MMCG and/or MGI is in breach of this Agreement, then MMCG and/or MGI shall have a period of sixty (60) days from the date of said written notice to cure said breach; provided, however, if the nature of the cure is such that it cannot be accomplished within the sixty (60) day period, then if MMCG and/or MGI commences to cure within the sixty (60) day period and diligently pursues said cure as determined by LIGHT, then MMCG and/or MGI shall not be in breach hereunder.
 - c. MMCG may terminate this Agreement for cause upon sixty (60) days written notice to LIGHT. “For Cause” shall mean a breach of this Agreement as determined by MMCG and/or MGI (specifically including, but without limitation, failure to pay consulting fees), fraud or any acts or conduct of LIGHT which involve dishonesty, embezzlement, or

criminal activity.

- d. Subject to the LIGHT Board of Directors' approval, this Agreement shall renew for successive terms of one (1) year Renewal Periods, commencing on the termination date of the Initial Period unless terminated by either party in writing three (3) months prior to the end of the Initial Period. In addition, any renewal of this Agreement shall be subject to the approval of the League's Executive Board, except for any provisions relating to any payments to be made to the League contained herein.

3. Consulting Fee. LIGHT agrees that MMCG and MGI shall receive the following compensation ("Consulting Fees") according to the following schedule:

a. Health Plan Compensation:

(i) MGI will receive compensation directly from the carrier equal to \$30 per contract per month (PCPM) for those LIGHT member groups for which MGI is the broker of record for LIGHT Member Health Plan coverage, subject to the terms and conditions set forth in the Blue Cross Blue Shield of Nebraska Single Case Commission Agreement and any relevant schedules thereto, effective July 1, 2022.

(ii) MMCG will receive compensation directly from the carrier equal to \$10 per contract per month (PCPM) for every LIGHT member group, subject to the terms and conditions set forth in the Blue Cross Blue Shield of Nebraska Single Case Commission Agreement and any relevant schedules thereto, effective July 1, 2022.

b. Life, Dental, Long Term Disability, and Vision Plan Compensation: MMGC will receive base commission directly from the carrier equal to fifteen percent (15%) of the premiums for those LIGHT member groups for which MMGC is designated as the broker of record for life, dental, long term disability, and/or vision insurance coverage, subject to the terms and conditions set forth in the agreement with the selected carrier for these coverages.

c. Worksite Benefits (e.g., critical illness, accident, short-term disability) Compensation: MMGC will receive base commission directly from the carrier equal to fifteen percent (15%) of the premiums for those LIGHT member groups for which MMGC is designated as the broker of record for worksite benefits, subject to the terms and conditions set forth in the agreement with the selected carrier for these coverages.

4. Administrative and Management Services Payments. MMGC and MGI shall be responsible for paying the costs of certain services with selected vendors for benefit administration systems, COBRA administration, management services, and any other services determined to be necessary by LIGHT. These services will be approved by the LIGHT Board of Directors. The costs of these services will be paid to the selected service providers by MMGC and MGI as required by the applicable service provider. MMGC and MGI will provide LIGHT and the LIGHT Administrator with (a) a monthly accounting of these costs and fees paid to each service provider for the services selected by LIGHT and (b) as requested by LIGHT or the LIGHT Administrator, any underlying information utilized in determining the costs and fees.

For the Initial Period, MMGC and MGI shall be responsible for the following three payments: (x) to WEX Health, Inc. for COBRA administration costs, pursuant to the terms of the WEX Administrative Services Agreement entered into by LIGHT; (y) to EASE for benefit administration costs, pursuant to the terms of the EASE Administrative Services Agreement entered into by LIGHT; and (z) to the League for management services costs, as set out in Exhibit B of the LIGHT Servicemarks License and Management Services Agreement and as set out in Exhibit A of this Agreement.

5. Miscellaneous Any notice provided for in this Agreement shall be deemed to have been delivered when delivered by hand or when deposited in the U.S. postal service mail by first class mail, postage prepaid, to the other party at the address set forth below, or to such other address as may be hereafter specified by written instrument signed by authorized officers of LIGHT, MGI, and MMCG. The validity, interpretation, and performance of this Agreement shall be subject to and construed under the laws of the State of Nebraska, without regard to principles of conflict of laws. This Agreement represents the entire agreement between the parties and supersedes all prior agreements and negotiations of the parties respecting the matters contained herein.

6. Exclusivity Clause. During the term of this Agreement and for two years after termination hereof: (a) MMCG and its employees and MGI and its employees shall be precluded from engaging with or dealing with Nebraska municipal governments, agents, brokers, attorneys or individuals who are engaged in any type of municipal government business within the state of Nebraska without the express written permission of LIGHT and the League's Executive Board; and (b) MMCG and its employees and MGI and its employees shall be precluded from using any knowledge gained because of this relationship and precluded from approaching any participants or municipal government that were members of LIGHT during this relationship. During the term of this Agreement, LIGHT agrees that MMCG and MGI will be the primary organizations for consulting services as outlined in this Agreement.

7. Mutual Indemnification.

- a. LIGHT hereby agrees to indemnify, defend and hold harmless MMCG from any and all losses, costs and expenses, including attorney's fees and court costs, incurred by MMCG, under or otherwise resulting from the Services rendered herein by MMCG unless caused by the negligence, breach of contract or willful or illegal conduct of MMCG. LIGHT hereby agrees to pay, protect, defend (at trial and appellate levels and with attorneys, consultants and experts acceptable to MMCG), and hold MMCG harmless from and against, and hereby indemnify MMCG from and against any and all liens, damages, (including without limitation, punitive or exemplary damages), losses, liabilities, obligations, settlement payments, penalties, fines, assessments, citations, directives, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements and expenses of any kind or of any nature whatsoever (including, without limitation, reasonable attorneys', consultants' and experts' fees and disbursements actually incurred in investigating, defending, settling or prosecuting any claim, litigation or proceeding) (collectively, "costs") which may at any time be imposed upon, incurred by or asserted or awarded against MMCG in connection with this Agreement, unless caused by the negligence, breach of contract or willful or illegal conduct of MMCG.
- b. MMCG hereby agrees to indemnify, defend and hold harmless LIGHT, its employees, its Administrator and members, from any and all losses, costs and expenses, including attorney's fees and court costs, incurred by LIGHT, resulting from MMCG's negligence,

breach of contract or willful or illegal conduct relating to the Services provided by MMCG. MMCG hereby agrees to pay, protect, defend (at trial and appellate levels and with attorneys, consultants and experts acceptable to LIGHT), and hold LIGHT harmless from and against, and hereby indemnify LIGHT from and against any and all liens, damages, (including without limitation, punitive or exemplary damages), losses, liabilities, obligations, settlement payments, penalties, fines, assessments, citations, directives, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements and expenses of any kind or of any nature whatsoever (including, without limitation, reasonable attorneys', consultants' and experts' fees and disbursements actually incurred in investigating, defending, settling or prosecuting any claim, litigation or proceeding) (collectively, "costs") which may at any time be imposed upon, incurred by or asserted or awarded against LIGHT in any way related to the negligence, breach of contract or willful or illegal conduct of MMCG.

- c. LIGHT hereby agrees to indemnify, defend and hold harmless MGI from any and all losses, costs and expenses, including attorney's fees and court costs, incurred by MGI, under or otherwise resulting from the Services rendered herein by MGI unless caused by the negligence, breach of contract or willful or illegal conduct of MGI. LIGHT hereby agrees to pay, protect, defend (at trial and appellate levels and with attorneys, consultants and experts acceptable to MGI), and hold MGI harmless from and against, and hereby indemnify MGI from and against any and all liens, damages, (including without limitation, punitive or exemplary damages), losses, liabilities, obligations, settlement payments, penalties, fines, assessments, citations, directives, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements and expenses of any kind or of any nature whatsoever (including, without limitation, reasonable attorneys', consultants' and experts' fees and disbursements actually incurred in investigating, defending, settling or prosecuting any claim, litigation or proceeding) (collectively, "costs") which may at any time be imposed upon, incurred by or asserted or awarded against MGI in connection with this Agreement, unless caused by the negligence, breach of contract or willful or illegal conduct of MGI.
- d. MGI hereby agrees to indemnify, defend and hold harmless LIGHT, its employees, its Administrator and members, from any and all losses, costs and expenses, including attorney's fees and court costs, incurred by LIGHT, resulting from MGI's negligence, breach of contract or willful or illegal conduct relating to the Services provided by MGI. MGI hereby agrees to pay, protect, defend (at trial and appellate levels and with attorneys, consultants and experts acceptable to LIGHT), and hold LIGHT harmless from and against, and hereby indemnify LIGHT from and against any and all liens, damages, (including without limitation, punitive or exemplary damages), losses, liabilities, obligations, settlement payments, penalties, fines, assessments, citations, directives, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements and expenses of any kind or of any nature whatsoever (including, without limitation, reasonable attorneys', consultants' and experts' fees and disbursements actually incurred in investigating, defending, settling or prosecuting any claim, litigation or proceeding) (collectively, "costs") which may at any time be imposed upon, incurred by or asserted or awarded against LIGHT in any way related to the negligence, breach of contract or willful or illegal conduct of MGI.

8. Confidentiality. MMCG and MGI agree that any and all information it receives in providing the services under this Agreement identified by LIGHT as “Confidential” and/or “Proprietary”, or which under all circumstances, should reasonably be treated as Confidential and/or Proprietary, and which is valuable to LIGHT by virtue of not being generally known to the public (“Confidential Information”) will not be disclosed to any third party without the express written consent of LIGHT. MMCG and MGI will protect LIGHT's Confidential Information in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind, but in no event less than reasonable care.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective the day and year first above written.

McInnes Maggart Consulting Group, LLC

League Insurance Government Health Team

By:

Dennis Maggart
President
McInnes Maggart Consulting Group, LLC
3500 West 75th Street, Ste 200
Prairie Village, Kansas 66208

By:

Paul Lambert
Chair
League Insurance Government Health Team
1335 L Street
Lincoln, NE 68508

McInnes Group, Inc.

By:

Matt McInnes
President
McInnes Group, LLC
3500 West 75th Street, Ste 200
Prairie Village, Kansas 66208

EXHIBIT A

Management Services Costs

The League shall receive payment of an amount for management services to LIGHT equal to:

(a) the amount of Licensed Servicemarks and Management Services Fees set out in Exhibit B of the LIGHT Servicemarks License and Management Services Agreement,

(b) two percent (2%) of the premiums for life, dental, vision, and worksite coverage for all LIGHT member groups.

4870-6316-9052, v. 9

COBRA ADMINISTRATIVE SERVICES AGREEMENT

RECITALS

WEX and the League Insurance Government Health Team ("LIGHT") may be referred to herein individually as a party and collectively as the "parties."

LIGHT has established the LIGHT Member Health Plan (such plan, herein referred to as the "Plan") for employees of eligible participating members of LIGHT.

LIGHT desires to retain WEX as an independent contractor to administer certain elements of its members' obligations under COBRA and WEX desires to assist these members (such members, individually and collectively as the context may require, are herein referred to as the "Employer") in the administration of such COBRA obligations.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the related regulation and interpretations by the Department of Labor and the Internal Revenue Service.

WEX and LIGHT agree that WEX shall assist in the administration of Employer's COBRA obligations based on the terms and conditions set forth in this COBRA Administrative Services Agreement ("this Agreement"), including, without limitation that:

- LIGHT is the administrator of the Plan.
- WEX is an independent contractor in relation to LIGHT, Employer, and to the Plan and may act as an agent and/or designee on behalf of LIGHT or Employer.
- LIGHT remains responsible for maintaining the Plan, including the establishment of eligibility and the payment of the benefits owed or established under the Plan to its participants.
- WEX is to provide the agreed upon services without assuming any liability for the performance of any other services beyond those set forth below.

The above-stated recitals are accurate, true, and correct and are incorporated herein and made a part hereof by this reference.

Now, therefore, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows.

ARTICLE 1 WEX ADMINISTRATIVE SERVICES

- 1.1 Except for those obligations that are Employer's responsibility under this Agreement, WEX shall assume responsibility for the proper interpretation, application, and administration of COBRA rules and regulations for the Plan for COBRA administration under WEX's control.
- 1.2 WEX services under this Agreement are limited to the Plan.
- 1.3 WEX shall have no responsibility or duty with respect to any plan where complete information about that plan is not provided.
- 1.4 WEX's responsibilities and duties with respect to the Plan are limited to those expressly provided in this Agreement.
- 1.5 WEX shall consult with Employer regarding the interpretation and application of regulations concerning COBRA administration as they apply to the Plan.
- 1.6 Upon timely receipt of the required information from Employer and within the applicable time frame required by COBRA or upon the effective date of coverage, whichever is later, WEX shall send, via "Accountable Mail" WEX's standard initial rights notification letter (also known as the general rights notice or the initial notice) to newly Covered employees and spouses informing them of their rights under COBRA.

“Accountable Mail” means mail that provides documented proof that the letter or notice was mailed and the date of such mailing to the recipient at the recipient’s last known address and meets COBRA regulation requirements, but does not mean that delivery is tracked.

“Covered” means participating in the Plan.

If information is not timely received from Employer, WEX shall send the notice described in this Section 1.6 as soon as administratively practicable after receiving the information. Consequently, however, such notice may not be provided within the time frame required by COBRA. If complete information is not provided, such notice also may be incomplete.

1.7 Upon commencement of the services provided herein, if requested by Employer, WEX will mail its standard initial rights notification letter to all Covered employees and spouses. In order for WEX to complete this mailing, Employer must provide the information requested by WEX in a timely manner.

1.8 Upon timely receipt of complete information from Employer, WEX shall send via Accountable Mail within the applicable time frame required by COBRA, WEX’s standard qualifying event eligibility and election notice to all qualified beneficiaries who have a qualifying event. If complete information is not timely received from Employer, WEX shall send the notice described in the preceding sentence as soon as administratively practicable after receiving complete information, however, such notice may not be provided within the applicable time frame required by COBRA.

The terms “qualifying event” and “qualified beneficiary” shall have the meanings given to them under COBRA.

1.9 Except to the extent prohibited by state or local law, COBRA continuation coverage premiums will include an additional 2% for administrative costs. In addition to the monthly administrative fee per Covered employee under this Agreement, WEX will retain the 2% additional premium allowed by COBRA for administrative costs charged to qualified beneficiaries electing or participating in COBRA continuation coverage (“COBRA Continuant”).

1.10 WEX shall mail WEX’s portal login notice and standard payment coupons to COBRA Continuant after COBRA continuation coverage is elected and the first COBRA premium payment has been received.

1.11 WEX shall provide COBRA Continuant the option to make their COBRA premium payments by check or via automatic recurring ACH (automated clearing house electronic funds-transfer system) at no additional charge.

1.12 WEX shall provide COBRA Continuant the option to make their COBRA premium payments online with a credit card or by a single-occurrence ACH request. To the extent permitted by law and the applicable credit card operating rules and regulations, an additional online convenience processing fee charged by the online third-party vendor and payable by the third-party beneficiaries (or Employer, if Employer so elects) will apply to these payment methods. The convenience processing fee is collected by WEX and remitted to the third-party vendor.

1.13 WEX shall deposit COBRA premium payments in a custodial account for the benefit of Employer in the manner described in Article 3.

1.14 WEX shall collect, track, process, and remit to Employer (or remit to the third party designated by Employer to act in the place of Employer for the purpose of remittance) the COBRA premium payments paid by COBRA Continuant, Employer or a third party.

1.15 A remit to carrier option (“Remit to Carrier”) is available at the option of Employer. In order for WEX to implement this option, Employer must submit a completed WEX COBRA ACH direct payments form to WEX. In addition, each applicable carrier must submit a completed WEX COBRA carrier remittance form to WEX. WEX will reserve the right to discontinue Remit to Carrier if the separate billing statement that includes only COBRA Continuant is not received from the carrier. Section 2.8 addresses Employer responsibilities for this option.

- 1.16 WEX shall coordinate with Employer and its insurers and third party administrators (collectively “carrier” or “carriers”) to answer questions pertaining to COBRA continuation coverage eligibility and COBRA premium payment status.
- 1.17 Using WEX’s standard forms and letters, WEX shall communicate with COBRA Continuant concerning change of address, premium rate and benefit changes, COBRA continuation coverage eligibility status, Medicare eligibility, advance-termination notice for the individual conversion, individual conversion and private insurance options, and verification of termination.
- 1.18 WEX shall provide Employer real-time, online access to information related to the status of qualified beneficiaries and COBRA Continuant.
- 1.19 WEX shall provide this information required in the event of an IRS or other third-party audit:
- The written compliance procedures used by WEX in the administration of COBRA.
 - Samples of WEX forms and notices.
 - WEX records that pertain to a qualified beneficiary’s actual qualifying event or election or COBRA Continuant’s continuation of coverage.
 - A description of how WEX administers COBRA coverage.
- 1.20 WEX shall provide Employer with the web portal login information so that Employer may notify WEX when an employee, spouse or dependent is initially added to coverage under the Plan and when an employee, spouse or dependent has experienced a qualifying event and is eligible for COBRA continuation coverage under the Plan.
- 1.21 WEX shall provide Employer with the file format required by WEX so that Employer may upload employee demographic, benefit, and qualifying event information using the employer web portal.
- 1.22 WEX shall provide a customer service line toll-free number for use during WEX normal business hours to answer questions and address issues concerning COBRA regulation, COBRA compliance, and COBRA premium payments.

Monday through Friday Central Time Zone
Employers 7:00 a.m. to 7:00 p.m.
Qualified Beneficiaries 6:00 a.m. to 9:00 p.m.

In compliance with applicable federal and state law, WEX may monitor and/or record calls that are made to and from the customer service line for quality assurance and training purposes and/or to ensure that WEX's services fully comply with the terms of this Agreement.

- 1.23 WEX shall notify a COBRA Continuant if COBRA coverage terminates earlier than the end of the maximum period of coverage applicable to the qualifying event that entitled the individual to COBRA continuation coverage. The notice will be provided as soon as administratively practicable after WEX determines that the COBRA continuation coverage will be terminated early.
- 1.24 WEX shall extend the maximum COBRA continuation coverage period in cases of disability and second qualifying events as allowed under COBRA.
- 1.25 WEX shall provide its standard system generated open enrollment/premium rate change letter during open enrollment. If requested by Employer, WEX will provide qualified beneficiaries with a link to additional plan and benefit description materials provided by Employer through the web portal for qualified beneficiary and COBRA Continuant viewing and printing.
- 1.26 Plan Records and Data
- (a) WEX shall securely destroy or delete written and electronic records containing personal information consistent with business needs or legal retention requirements.

- (b) Per business records needs and associated retention and secure destruction periods, WEX shall retain a copy of all information (as information is defined in Section 2.22, excluding emails or similar electronic communications destroyed in the ordinary course of business pursuant to WEX policy) for at least seven (7) years from the date the record is created at WEX, including, without limitation, a record of all assets and transactions involving the Custodial Account (defined in Article 3).
- (c) Following the termination of this Agreement, WEX shall cooperate with Employer or Employer's subsequent service provider to effect an orderly transition of services provided under this Agreement and, within a reasonable time, will release to Employer a copy of data, records, and files in WEX's standard format.
- (d) Upon termination of this Agreement, WEX shall be entitled to retain a copy of all information, including any data, records, and files released by WEX pursuant to this Section 1.26 and continue to use and disclose such information for claims, audits, and legal and contractual compliance purposes to the extent permitted by law and any executed or applicable business associate agreement between the parties.

1.27 Information Security Program

WEX represents and warrants that it has implemented and maintains a written and comprehensive information security program, and complies with all applicable domestic law and regulation, including without limitation, any privacy and data security law and regulatory requirements under applicable state law.

1.28 Subcontracting

WEX may delegate or subcontract any portion of WEX services. For those WEX services that are delegated or subcontracted, WEX shall remain fully responsible to LIGHT and Employer for compliance with all applicable provisions of this Agreement or of any executed or applicable business associate agreement between the parties. No portion of WEX administrative services shall be delegated or subcontracted to an entity located outside the United States.

1.29 Audit Rights

LIGHT or Employer may audit or inspect any transactions, procedures, records, and participant files relating to Covered employees or COBRA Continuant, at WEX's offices and at a time reasonably acceptable to WEX, upon providing ten (10) business days' advance written notice to WEX and, as applicable, at LIGHT's expense or Employer's expense. Unless otherwise required by legal and/or regulatory compliance, audits must be completed within six (6) months following the date the audit begins.

1.30 Confidentiality of Plan Information

WEX shall keep confidential all information that it obtains concerning the Plan. Other than in the due course of business, such information shall not be disclosed to a third party without prior approval of LIGHT or Employer or as otherwise provided in Article 4.

LIGHT or Employer may request that WEX share Plan information and other data with a vendor of the Plan or Employer. WEX shall consider all reasonable requests, however, prior to releasing or sharing any Plan information or other data, LIGHT or Employer, as applicable, represents that it will enter into a business associate agreement and/or confidentiality and data sharing agreement with the vendor.

For confidential or protected information transmitted by a vendor of the Plan to WEX, Employer must enter into a business associate agreement and/or confidentiality and data sharing agreement with the vendor.

1.31 Benchmarks

WEX may, in its discretion, prepare and deliver to LIGHT or Employer benchmarks or other metrics showing the experience of LIGHT or Employer and its participants with the services provided herein as compared to other employers.

WEX will develop any such benchmarks or metrics through the use of data that has been aggregated and de-identified consistent with any executed or applicable business associate agreement between the parties.

1.32 Limited Warranty

WEX represents and warrants to LIGHT and Employer that the WEX Services shall be performed in a professional manner consistent with generally accepted industry standards and applicable law.

1.33 Disclaimer

WEX does not insure or underwrite LIGHT's liability or Employer's liability to provide benefits under the Plan. WEX shall not be liable or obligated to use its funds for payment of benefits under the Plan, including, without limitation, where such payment of benefits is sought as damages in an action against LIGHT, Employer, WEX or the Plan. Employer shall promptly reimburse WEX for any benefit payments made using WEX funds.

1.34 Non-Discrimination Testing and Additional Product and Service Solutions

Employer may subscribe to WEX's non-discrimination testing and request additional products and services solutions from WEX.

ARTICLE 2 LIGHT AND EMPLOYER RESPONSIBILITIES

2.1 Employer shall provide accurate Covered employee counts to WEX on a monthly basis or as requested by WEX. Employer shall have thirty (30) days from the date of the invoice to correct a Covered employee count for credit or refund. Employer represents and warrants the accuracy of any information Employer provides to WEX regarding Covered employee counts.

2.2 Employer shall provide complete demographic and benefit information to WEX for its current COBRA Continuant on or by the date agreed upon during the implementation process.

2.3 Employer shall enter or upload an electronic file via the employer web portal containing complete demographic and benefit election information within seven (7) days of employees, their spouses, and/or dependents obtaining coverage under the Plan.

2.4 Employer shall notify WEX within seven (7) days of any initial qualifying event or the date coverage is lost due to the qualifying event once Employer is notified with respect to an employee, spouse or dependent.

2.5 Employer shall notify WEX within seven (7) days of a second qualifying event should Employer be notified of a second qualifying event that occurs with respect to an employee, spouse or dependent.

2.6 The foregoing seven (7) day notice timelines address all potential notice requirements. However, notwithstanding the foregoing, no matter when received, WEX will process the notice.

2.7 Unless directed otherwise by WEX, Employer shall provide notice of a qualifying event by entering the required qualifying event information directly into the employer web portal or by uploading an electronic file via the employer web portal. Employer is solely responsible for determining whether an employee, spouse or dependent has experienced an initial qualifying event under the Plan and the date of the qualifying event.

2.8 For Remit to Carrier, Employer shall be solely responsible for its carrier to send a separate billing statement to WEX that includes only COBRA Continuant.

2.9 For Remit to Carrier, Employer shall submit a completed WEX COBRA ACH Direct Payments form to WEX. Failure to submit a completed WEX COBRA ACH Direct Payments form will result in WEX remitting COBRA premium payments to Employer. Employer is at all times responsible to pay to WEX its portion of the premium, where applicable, prior to WEX remitting premiums to the carrier.

- 2.10 LIGHT and Employer (or the third party designated by LIGHT or Employer to act in the place of Employer for the purpose of remittance) shall be responsible for reconciling carrier billings with the online reports provided by WEX through the employer web portal. The parties acknowledge that carriers often restrict the ability to retroactively terminate COBRA coverage (even in cases of non-payment of premiums by the COBRA Continuant). WEX shall not be liable for paying any loss or damage (including premiums) to LIGHT or Employer with respect to any retroactive termination of COBRA coverage, provided that WEX has performed in accordance with this Agreement. WEX reserves the right to decline to implement any retroactive changes in premium rates requested by LIGHT or Employer, retroactive beyond thirty (30) days.
- 2.11 LIGHT shall be responsible for selecting a determination period and establishing and advising WEX of the applicable premium rates to be charged for COBRA continuation coverage. LIGHT must notify WEX in writing at least forty-five (45) days in advance of the applicable billing date of: (a) any changes in premium rates affecting COBRA coverage under the Plan; and (b) any changes in premium rates during an open enrollment period, so that WEX has time to process the changes prior to the effective date.
- 2.12 WEX acknowledges that carriers may not always provide information about premium rate changes in a timely manner. If LIGHT is unable to notify WEX in writing at least forty-five (45) days in advance of the applicable billing date of any changes in premium rates, WEX will make commercially reasonable efforts to process the changes prior to the effective date.
- 2.13 LIGHT and Employer shall be solely responsible for any differences in premium payments when notification of a premium rate change is not provided to WEX at least forty-five (45) days in advance, causing payments made by COBRA Continuant to be incorrect for the new determination period.
- 2.14 LIGHT shall advise WEX of any material changes in the benefits and options provided by the Plan.
- 2.15 LIGHT and Employer shall be responsible for its compliance with the Patient Protection and Affordable Care Act of 2010 ("PPACA"), the Employee Retirement Income Security Act of 1974 ("ERISA"), the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Internal Revenue Code (the "Code"), each as amended from time-to-time, and other applicable law and regulation.
- 2.16 LIGHT agrees to hold WEX harmless from and against all liability, damages, costs, losses, and expenses (including reasonable attorney's fees) and expressly releases all claims against WEX in connection with any claim or cause of action arising out of any activity or occurrence prior to the commencement of services under this Agreement that results from the failure or alleged failure of LIGHT (or its officers and employees), or Employer, its officers and employees, and any other entity related to or performing services on behalf of LIGHT or Employer (other than WEX) to comply with the PPACA, COBRA, ERISA, HIPAA, the Code or any other applicable law or regulation.
- 2.17 LIGHT and Employer shall review and be responsible for the payment of all claims under the Plan and ERISA, including, without limitation, claims and appeals for benefits and claims and appeals for eligibility determinations under the Plan. WEX is not responsible to receive or review claims for benefits under the Plan and shall not be liable for the payment of any claims for benefits in connection with the Plan, including, without limitation, where sought as damages in an action against LIGHT, Employer or the Plan or for any activity or occurrences prior to the Effective Date of this Agreement, provided that such activity or occurrence did not result from the services performed by WEX in accordance with this Agreement.
- 2.18 Employer shall maintain and provide written internal compliance procedures used for notifying WEX of a newly covered employee, spouse or dependent, a qualifying event, a report of terminations for each tax year, or when there are premium rate and benefit changes in the event of an IRS or any third-party audit.
- 2.19 LIGHT and Employer shall provide for the release of information necessary for COBRA compliance and administration under this Agreement.
- 2.20 LIGHT and Employer shall provide plan and benefit descriptions (e.g., Summary of Benefits and Coverage (SBC), Summary Plan Description (SPD), and benefit plan booklets, etc.), as required by law, to qualified beneficiaries during open enrollment. WEX's standard process is to provide a link to these additional materials through the qualified beneficiary web portal for viewing and printing. If requested by Employer, WEX may include these additional materials with its standard open enrollment/rate change letter as long as Employer provides WEX with an

electronic PDF image of the additional open enrollment materials. A handling fee of \$1.50 per page (duplex) will apply for these additional materials. WEX will allow up to twenty-five (25) duplexed pages, including the standard open enrollment/rate change letter.

2.21 LIGHT acknowledges and agrees that WEX shall:

- (a) Have no duty with respect to the funding of premiums by Employer or qualified beneficiaries who elect COBRA;
- (b) Not be liable for paying any premiums of a qualified beneficiary to a carrier or Employer to the extent that WEX did not receive the corresponding payment from the qualified beneficiary, Employer or third party;
- (c) Not be liable for any failure of Employer to remit to a carrier any funds Employer receives from WEX;
- (d) Not be liable for any failure of LIGHT or Employer to reconcile its carrier billings to online reports provided by WEX through the employer web portal;
- (e) Not be liable for any retroactive premium rate changes requested by LIGHT;
- (f) Not be liable for any failure of Employer to modify its carrier billings and notify carriers of a COBRA Continuant's termination from COBRA coverage when WEX remits premiums paid by COBRA Continuants to Employer;
- (g) Not be responsible for failure of delivery of any notice mailed by WEX using the qualified beneficiary information provided to WEX by Employer, which failure is due to the use of said information; and
- (h) Not be responsible for any loss or damage suffered by any participant, COBRA Continuant, Employer or Plan, should WEX fail to give a required notice or a complete notice because WEX did not receive notice of an event for which a notice was required, WEX did not receive complete information, or WEX received incorrect information.

2.22 Employer Information and Instructions

- (a) WEX shall be fully protected in relying upon representations and communications made by or on behalf of LIGHT and Employer in effecting its obligations under this Agreement.
- (b) WEX is entitled to rely on the most current information in its possession when providing services under this Agreement.
- (c) WEX shall provide the services in accordance with this Agreement based on information that is provided to WEX by Employer, Covered employee or qualified beneficiary. For this purpose, "information" means all data, records and other information supplied to WEX, obtained by WEX or produced by WEX (based on data, records or other information supplied to, or obtained by, WEX) in connection with performing the services pursuant to this Agreement, regardless of the form of the information or the manner in which the information is provided to WEX.
- (d) In engaging WEX to perform the services under this Agreement, LIGHT has authorized and instructed WEX in this Agreement to implement WEX's standard administrative forms and procedures.
- (e) WEX is not responsible for any acts or omissions it makes in reliance upon the direction or consent of LIGHT, Employer, Covered employee or a qualified beneficiary or inaccurate, misleading or incomplete information from Employer or any third party.
- (f) If LIGHT instructs WEX with a specific written request (in a format acceptable to WEX) to provide services in a manner other than in accordance with WEX's standard forms and procedures, WEX may (but need not) comply with such an instruction. This would include, but is not limited to, any

LIGHT instruction to add a vendor link to the consumer portal. To the extent that WEX complies with such an instruction, LIGHT and not WEX shall be solely responsible for WEX's action so taken, and LIGHT agrees to hold WEX harmless from and against all liability, damages, costs, losses and expenses (including reasonable attorney's fees) and expressly releases all claims against WEX in connection with any claim or cause of action, which results from or in connection with WEX complying with LIGHT's specific written instruction to provide services in a manner other than in accordance with WEX's standard procedures.

- (g) Employer is responsible for the integrity of data in the files. Therefore, complete and accurate information from Employer is required in order for WEX to perform the services set forth herein.
- (h) LIGHT agrees to instruct Employer not to use the full social security number in the employee identification number field.

2.23 Employer's Electronic Account

For access to the services provided by WEX via an online account or other electronic means ("Employer's Electronic Account"), Employer is solely responsible for:

- (a) Designating who is authorized to have access to Employer's Electronic Account;
- (b) Safeguarding all of Employer's passwords, usernames, logins or other security features used to access Employer's Electronic Account ("Electronic Account Access");
- (c) Employer's use of Employer's Electronic Account under any usernames, logins or passwords;
- (d) Ensuring that use of Employer's Electronic Account complies fully with the provisions of this Agreement;
- (e) Any unauthorized access of Employer's Electronic Account due to Employer's actions or inactions, including, without limitation, Employer's failure to safeguard Employer's Electronic Account or Electronic Account Access; and
- (f) The maintenance and routine review of its computing and electronic system usage records (i.e., log files) and the security of its own data, data storage, computing devices, other electronic systems, and network connectivity.

2.24 Plan Tax Obligations

The Plan and/or Employer on behalf of the Plan is responsible for any state or federal tax, fee, assessment, surcharge and/or penalty imposed, assessed or levied against or with respect to the Plan and/or WEX relating to the Plan or the services provided by WEX pursuant to this Agreement, including those imposed pursuant to PPACA. This includes the funding, remittance, and determination of the amount due for PPACA required taxes and fees. In the event that WEX is required to pay any such tax, fee, assessment, surcharge and/or penalty on behalf of Employer, WEX shall report the payment to LIGHT and Employer along with documentation of the payment and Employer shall promptly reimburse WEX for the full amount or for Employer's proportionate share of such amount, as determined by WEX, except as provided in Section 7.3. This reimbursement would be in addition to the fees described in Section 6.1. LIGHT and Employer are at all times responsible for the tax consequences of the establishment and operation of the Plan. Further, the parties agree that WEX does not provide any legal, tax or accounting advice to LIGHT, the Plan and/or Employer. WEX is at all times responsible for all the taxes based upon its net income and its property ownership.

2.25 Enumeration System Identifier

If required, LIGHT is solely responsible to the Plan to obtain or assign the standard unique Health Plan Identifier ("HPID") or Other Entity Identifier ("OEID") or to update the enumeration system per 45 CFR § 162.508.

2.26 Acknowledgement

LIGHT acknowledges and agrees that the services provided by WEX pursuant to this Agreement relate to enrollment and disenrollment in the Plan and that these services to the extent permitted under HIPAA shall be deemed to be performed by WEX on behalf of Employer in its capacity as the sponsor of the Plan.

2.27 Carrier Notifications

WEX's standard practice is to notify the applicable carrier of a qualified beneficiary's enrollment in, changes to or termination from COBRA coverage. However, if instead, Employer instructs WEX to send all such notifications to Employer or to a third party other than the applicable carrier, Employer: (a) is responsible to ensure the carrier is updated in a timely manner; (b) is responsible to provide urgent updates to the carriers in a timely manner as necessary; (c) accepts all responsibility and liability for the carrier notifications; and (d) expressly releases all claims against WEX in connection with the carrier notifications and agrees to hold WEX harmless from and against all liability, damages, costs, losses and expenses (including reasonable attorney's fees) that result from the failure or alleged failure of Employer, its officers and employees, and any other entity (other than WEX) in connection with such carrier notifications.

2.28 Coverage Eligibility

Employer shall be solely responsible for its carrier compliance with COBRA continuation coverage regulatory guidelines that allow for retroactive changes or terminations for qualified beneficiary or COBRA Continuant coverage eligibility beyond sixty (60) days.

ARTICLE 3 CUSTODIAL ACCOUNT

3.1 Appointment and Acceptance of Custodian

By signing this Agreement, LIGHT appoints WEX as custodian of Employer funds for the purposes and upon the terms and conditions set forth in this Agreement, and WEX accepts such appointment and agrees to act as custodian hereunder and to hold any Employer funds received hereunder in accordance with the terms and conditions set forth in this Agreement.

3.2 Custodial Account

WEX maintains one or more depository accounts (the "Custodial Account") at a bank designated by WEX and holds in such Custodial Account all COBRA continuation premiums received from COBRA Continuant or on their behalf from third parties, less any portion of the premium payment that constitutes administrative fees payable by the COBRA Continuant. Upon deposit, such premiums shall become Employer funds (less any applicable fees or other costs as set forth in this Agreement). For administrative convenience and to reduce costs, WEX shall hold Employer funds together with similar funds from other employers in a single Custodial Account (or one or more Custodial Accounts as determined by WEX). WEX shall maintain records as to the exact amount of funds allocated to each employer. Each employer has a legal right to the specific amount of its funds held in the Custodial Account for such employer.

At all times, the assets comprising each employer's funds in the Custodial Account shall be considered a separate subaccount for purposes of this Agreement.

Depending upon the context, the term "Custodial Account" as used herein shall refer to either the separate subaccount for Employer or all of the subaccounts for all employers in the aggregate.

3.3 Employer Funds

LIGHT and WEX intend and agree that the funds transferred to the Custodial Account shall be comprised of and shall remain the general assets of Employer. The COBRA continuation premiums received from COBRA Continuant are after-tax contributions relieved from the ERISA trust requirements. Except to the extent that outstanding checks have been written or withdrawals made against the Custodial Account balance on behalf of Employer, and subject to Section 6.3, Employer funds may be withdrawn by Employer at any time (less any applicable fees or other costs as set forth in this Agreement) and are subject to Employer's general creditors in the same manner as funds deposited in Employer's ordinary checking accounts.

3.4 Disbursements

WEX shall forward the COBRA continuation premiums (less the 2% additional premium allowed by COBRA for administrative costs charged to COBRA Continuants) from the Custodial Account to the applicable carrier or to Employer or Employer's designee as directed by Employer and in accordance with this Agreement. WEX shall neither have nor shall be deemed to have any discretion, control or authority with respect to the disposition of Employer Funds.

3.5 Interest Earned

LIGHT acknowledges and understands that from time to time, WEX may receive earnings and interest on the funds held in the Custodial Account and that any such earnings or interest shall be part of WEX's compensation.

LIGHT acknowledges and understands that fees otherwise charged by WEX for services under this Agreement may be greater if WEX did not retain such earnings and interest on these funds.

The period during which interest may be earned begins on the date Employer funds are deposited into the Custodial Account and continues for as long as Employer funds remain in the Custodial Account.

Funds shall be disbursed on a first-in, first-out basis.

WEX does not track nor can it report interest earned for a single employer. WEX absorbs other bank charges, such as transmission charges, within the fees.

3.6 Maintenance of Records

Upon LIGHT's or Employer's written request, WEX shall provide LIGHT or Employer with an accounting of all Employer assets, transfers, and transactions activity involving the Custodial Account, including a description of all receipts, disbursements, and other transactions.

ARTICLE 4 CONFIDENTIAL COMPANY INFORMATION AND INTELLECTUAL PROPERTY

4.1 General Obligations

For purposes of this Article 4, "confidential company information" shall mean any company information identified by either party as "confidential" and/or "proprietary", or which, under the circumstances, ought to be treated as confidential or proprietary, including non-public information related to the disclosing party's business, service methods, software, documentation, financial information, prices, and product plans. Neither WEX nor LIGHT nor Employer shall disclose confidential company information of the other party. The receiving party shall use reasonable care to protect the confidential company information and ensure it is maintained in confidence, and in no event use less than the same degree of care as it employs to safeguard its own confidential company information of like kind.

The foregoing obligation shall not apply to any information that: (a) is at the time of disclosure, or thereafter becomes, part of the public domain through a source other than the receiving party; (b) is subsequently learned from a third party that does not impose an obligation of confidentiality on the receiving party; (c) was known to the receiving party at the time of disclosure; (d) was generated independently by the receiving party; or (e) is required to be disclosed by law, subpoena or other process.

WEX may disclose Employer's or the Plan's confidential company information to a governmental agency or other third party to the extent necessary for WEX to perform its obligations under this Agreement or if Employer has given WEX written authorization to do so.

Although WEX may have confidential company information processed, managed, and/or stored with subcontractors or third parties, it remains fully responsible to Employer for the confidentiality obligations set forth herein.

4.2 WEX Sensitive Information

If LIGHT or Employer requests access to WEX confidential and/or proprietary security resources and assessments, service organization control audit reports or other audit information for the purpose of reviewing the operating and business condition of WEX, LIGHT's or Employer's acceptance of or access to such information shall constitute its agreement with the following:

- LIGHT and Employer shall maintain the information (whether communicated by means of oral, electronic or written disclosures) in confidence and shall not use the same for its own benefit, or for any purpose other than the furtherance of its review, or disclose the same to any third party.
- LIGHT and Employer may disclose the information to its own officers, employees, and agents on a need-to-know basis for the purposes of its review.
- LIGHT and Employer shall use reasonable care to protect the information and to ensure that it is maintained in confidence, and in no event use less than the same degree of care as LIGHT and Employer uses to safeguard its own like information.
- If LIGHT or Employer is a state agency or otherwise subject to a freedom of information type statute, the information shall be treated as confidential and exempt from disclosure in accordance with applicable law, as the information contains sensitive proprietary information and data defined as trade secret information that would not otherwise be publicly available and that disclosure of this information to the public, including WEX's competitors, would likely result in substantial harm to WEX's competitive positions and may also contain confidential supervisory information and personal information relating to directors, officers, and major shareholders of WEX, the disclosure of which would constitute an unwarranted invasion of personal privacy.

4.3 Intellectual Property

All materials, including, without limitation, documents, forms (including data collection forms provided by WEX), brochures, and online content ("Materials") furnished by WEX to LIGHT and Employer are licensed, not sold. LIGHT and Employer is granted a personal, non-transferable, and nonexclusive license to use Materials solely for LIGHT's and Employer's own internal business use. LIGHT and Employer does not have the right to copy, distribute, reproduce, alter, display or use these Materials or any WEX trademarks for any other purpose other than its own internal business use. LIGHT and Employer shall use commercially reasonable efforts to prevent and protect the content of Materials from unauthorized use. LIGHT's and Employer's license to use Materials ends on the termination date of this Agreement.

Upon termination, LIGHT and Employer agrees to destroy Materials or, if requested by WEX, to return them to WEX, except to the extent LIGHT and Employer is required by law to maintain copies of such Materials.

WEX retains exclusive ownership rights to and reserves the right to independently use its experience and know-how, including processes, ideas, concepts, techniques, and software acquired prior to or developed in the course of performing services under this Agreement.

LIGHT and Employer shall not permit any information regarding the systems of WEX or its subcontractors to be disseminated, sold, assigned, leased or licensed to any third party, nor otherwise used or commercially exploited in any way except as expressly set forth in this Agreement.

4.4 Application

Each party agrees that its obligations contained in this Article 4 apply also to its parent, subsidiary, and affiliated companies, if any, and to similarly bind all successors, employees, and representatives.

ARTICLE 5 TERM AND TERMINATION

- 5.1 The term of this Agreement shall commence as of the Effective Date and shall continue for a period of twelve (12) months (the "Initial Term").
- 5.2 This Agreement shall automatically renew for another twelve (12) months at the end of the Initial Term and every twelve (12) months thereafter unless terminated pursuant to Section 5.3 or Section 5.4 or Section 5.5.
- 5.3 Notwithstanding the foregoing, this Agreement may be terminated at any time during the Initial Term or any renewal term by LIGHT or by WEX without cause and without liability with written notice of the intention to terminate to be effective as of a date certain set forth in the written notice, not fewer than sixty (60) days following the date of such notice.
- 5.4 This Agreement may be terminated upon written notice:
- (a) If any law is enacted or interpreted to prohibit the continuance of this Agreement, upon the effective date of such law or interpretation;
 - (b) If any fee (to the extent not subject to a good faith dispute) for any service provided by WEX to Employer remains unpaid to WEX beyond thirty (30) days past the due date, upon written notification by WEX to LIGHT and Employer that WEX intends to exercise its option to enforce this provision; or
 - (c) Due to (i) a party's filing for bankruptcy, (ii) a party's making any assignment for the benefit of creditors, (iii) a party's consenting to the appointment of a trustee or receiver, (iv) a party's insolvency, as defined by applicable law, or (v) the filing of an involuntary petition against Employer under the Federal Bankruptcy Code or any similar state or federal law which remains un-dismissed for a period of forty-five (45) days.
- 5.5 If a party is in default under any provision of this Agreement other than a payment default, the other party may give written notice to the defaulting party of such default. If the defaulting party has not used good faith efforts to cure such breach or default within thirty (30) days after it receives such notice or if good faith efforts to cure have begun within thirty (30) days but such cure is not completed within sixty (60) days after receipt of the notice, the other party shall have the right by further written notice to terminate this Agreement as of any future date designated in the notice.
- 5.6 LIGHT or Employer, as applicable, shall pay all fees not subject to a good faith dispute that have accrued up to the date of the termination of this Agreement within thirty (30) days after the date of the termination.
- 5.7 Upon termination of this Agreement, any funds in the Custodial Account that have not been disbursed in accordance with the terms and conditions of this Agreement shall be returned to Employer less any applicable undisputed unpaid fees, costs or expenses as set forth in this Agreement.
- 5.8 If this Agreement is terminated under Sections 5.3 or 5.4, WEX will cease the performance of any further services under this Agreement unless both parties agree in writing that certain services shall continue for an additional period. Upon prepayment, if requested by WEX, of the fees for this additional period or upon continued monthly invoicing, WEX will continue the processing of qualifying events, initial notices, the collection and tracking of COBRA premium payments, forwarding premiums to Employer and processing and reporting of COBRA elections and terminations with respect to those qualified beneficiaries who incurred a qualifying event prior to the date of termination of this Agreement.
- 5.9 Upon the completion of the later of the Agreement, or any period of further services, WEX will cease the performance of these COBRA administration services and Employer shall be immediately responsible for all aspects of COBRA administration. WEX shall return to Employer any Employer funds in the Custodial Account. However, the return of such funds shall remain subject to the completion of a final accounting of all account activities, as well as the deduction of undisputed unpaid fees and other expenses under this Agreement or any other agreement between the parties. As necessary, WEX shall have the immediate right to demand and pursue collection of any unpaid fees, reimbursements or other amounts that are due and owing to WEX as of the date of termination pursuant to the terms of this Agreement or any other agreement between the parties.

ARTICLE 6 COST OF SERVICES

6.1 Administrative Services Fees

- (a) LIGHT shall pay WEX a fee for its services under this Agreement. This fee shall be payable in accordance with the fee schedule attached hereto. Fees are invoiced monthly and are due within thirty (30) days of the invoice date. If LIGHT or Employer disputes in good faith any portion of the fees invoiced, LIGHT or Employer shall provide WEX with written notice of any disputed fees together with a complete written explanation of the reasons for the dispute (the "Dispute Notice") within thirty (30) days of the invoice date. The parties shall work together in good faith to reach a mutually agreeable resolution of the dispute identified in the Dispute Notice for a period of ten (10) days following the date of the Dispute Notice.
- (b) As part of the administrative fees under this Agreement, WEX shall also retain the 2% additional premium allowed by COBRA for administrative costs charged to COBRA Continuant. If state or local law prevents COBRA Continuant from being charged the additional 2% premium, then the additional 2% premium shall become a fee paid by the Employer to WEX for its services under this Agreement. This fee shall be payable in accordance with the fee schedule attached hereto. Such fee will be invoiced monthly and will be due within thirty (30) days of the invoice date.
- (c) Notwithstanding the foregoing, WEX reserves the right to:
- Charge for the provision of additional services that were neither included in nor contemplated by this Agreement on the Effective Date;
 - Charge for proprietary technology and services;
 - Increase fees based on additional costs imposed on WEX, such as significant postal rate or bank fee increases or substantiated increased costs due to legislative or regulatory changes, domestic or foreign, actually incurred in performing its services; and
 - Pass through any fees charged to WEX by a vendor of LIGHT or Employer.
- WEX shall provide LIGHT with reasonable prior written notice of such charges or increases.
- (d) On or after the rate expiration date indicated on the fee schedule, WEX reserves the right to amend the fee schedule with at least sixty (60) days' advance written notice. If LIGHT is unwilling to accept the changes to the fee schedule, LIGHT may terminate this Agreement by providing notice to WEX no later than the effective date of the fee schedule amendment.
- (e) Fees quoted assume that WEX's standard software and systems will be compatible with Employer's software and systems and with any prior service provider's software and systems so that the services can be readily performed without any modifications or alterations of WEX's software and systems. In the unusual event that costs are incurred by WEX to integrate the WEX services with Employer's software and systems and/or in migrating the data from the prior service provider to WEX's systems, those costs may be charged separately on a time and materials basis or as otherwise provided under a separate agreement between the parties.

6.2 Non-Party Payment on Behalf of LIGHT and Compliance with Anti-Rebating Law

LIGHT represents and warrants that if someone other than LIGHT is paying WEX's fees on behalf of Employer, the making of such payment shall not violate any applicable anti-rebating law and agrees to hold WEX harmless (including reasonable attorney's fees) from all losses that result from LIGHT's breach of this provision.

6.3 Past Due Fees

Notwithstanding anything in this Agreement or any other agreement between the parties to the contrary, if LIGHT or Employer fails to pay WEX any amount (except for amounts subject to a good faith dispute) that is due as a result of the services provided by WEX to Employer under this Agreement or any other agreement between the parties, WEX shall be permitted to deduct the undisputed amount from any funds held by WEX that were received from Employer. This right of offset shall be in addition to any other remedies that WEX may have in this Agreement or any other agreement between the parties with respect to such non-payment, including, without limitation, any right to terminate this Agreement or a right of recoupment, regardless of whether the past due amount is paid in full as a result of the offset or recoupment rights provided herein.

ARTICLE 7 GENERAL

7.1 Limitations of Liability

Notwithstanding any other provision in this Agreement to the contrary, the total cumulative liability of WEX to LIGHT and Employer for all claims, actions, or suits however caused arising out of or in connection with this Agreement shall be limited to direct damages and shall not exceed the greater of: (a) the amount of fees received by WEX from Employer under this Agreement for the twelve (12) months prior to the occurrence of the event giving rise to any such claims, actions or suits; or (b) amounts payable and actually paid to LIGHT or Employer or WEX resulting from LIGHT's claim or Employer's claim, as applicable, under the insurance policies provided for under Section 7.2 of this Agreement.

In no event shall either party be liable to the other for consequential, special, exemplary, punitive, indirect or incidental damages, including, but not limited to, any damages resulting from loss of use, or loss of profits arising out of or in connection with this Agreement, whether in an action based on contract, tort (including negligence) or any other legal theory whether existing as of the Effective Date or subsequently developed, even if the party has been advised of the possibility or foreseeability of such damages.

No action under this Agreement may be brought by either party more than two (2) years after the cause of action has accrued.

WEX and LIGHT expressly agree that the limitations of liability in this Section 7.1 represent an agreed allocation of the risks of this Agreement between the parties. This allocation is reflected in the pricing offered by WEX to LIGHT and is an essential element of the basis of the bargain between the parties.

7.2 Insurance

During the term of this Agreement, WEX shall maintain general liability insurance and professional/cyber liability insurance with policy limits of not less than \$10,000,000 per occurrence and in the aggregate.

WEX maintains commercial crime insurance, including employee dishonesty coverage with policy limits of not less than \$5,000,000.

Upon request, WEX shall provide LIGHT with a certificate or certificates of insurance reflecting such insurance coverages.

7.3 Indemnification

- (a) Subject to the limitations in Section 7.1, WEX will indemnify, defend and hold harmless LIGHT (and its respective officers, directors, employees, authorized representatives, successors, and permitted assigns) and Employer (and its respective officers, directors, employees, authorized representatives, successors, and permitted assigns) from and against all Charges (as defined below in Section 7.3(e)), liability, damages, costs, losses, penalties, expenses and reasonable attorney's fees (collectively, "Losses") incurred by Employer in connection with any threatened, pending or adjudicated claim, demand, action, suit or proceeding by any third party (including an action brought by or on behalf of an employee or a participant) to the extent arising out of WEX's (i) fraudulent or criminal actions or omissions or (ii) material breach of this Agreement or of any executed or applicable business associate agreement between the parties.

- (b) In addition to Sections 2.16, 2.22, 2.27, and 6.2, LIGHT will indemnify, defend and hold harmless WEX (and its respective officers, directors, employees, authorized representatives, successors, and permitted assigns) from and against all Losses incurred by WEX in connection with any threatened, pending or adjudicated claim, demand, action, suit or proceeding by any third party (including an action brought by or on behalf of an employee or a participant) to the extent arising out of LIGHT's (i) fraudulent or criminal actions or omissions or (ii) material breach of this Agreement or of any executed or applicable business associate agreement between the parties.

If LIGHT is a state agency or otherwise subject to a public entity/political subunit non- indemnification type statute and therefore unable to indemnify under this subsection 7.3(b), LIGHT agrees that WEX shall not be responsible for any injury or damage that occurs as a result of any negligent act or omission committed by LIGHT, including its employees or assigns.

- (c) A party (the "Indemnified Party") seeking indemnification under Sections 7.3(a) or 7.3(b) above shall promptly notify the other party (the "Indemnifying Party") of any matters in respect of which the foregoing indemnity may apply and of which the Indemnified Party has knowledge, and give the Indemnifying Party the opportunity to control the response thereto and the defense thereof; provided, however, that the Indemnified Party shall have the right to participate in any legal proceeding to contest and defend a claim for indemnification involving a third party and to be represented by its own attorneys, all at the Indemnified Party's sole cost and expense; and provided further, however, that no settlement or compromise of an asserted third-party claim may be made without the prior written consent of the Indemnifying Party.
- (d) The Indemnified Party must notify the Indemnifying Party within thirty (30) days in writing of any actual or threatened claim, demand, action, suit or proceeding to which it claims such indemnification applies. Failure to so notify the Indemnifying Party shall not be deemed a waiver of the right to seek indemnification, unless the actions of the Indemnifying Party have been materially prejudiced by the failure of the Indemnified Party to provide notice within the required time period.
- (e) For purposes of this Section 7.3, "Charges" means: (i) excise taxes imposed under Code Section 4980B (26 USC § 4980B), subject to the provisions of the aggregate limitations set forth in Code Section 4980B and the right of the assessed party to challenge the Internal Revenue Service with respect to all or part of the imposition of such excise taxes; and/or (ii) penalties (in an amount up to \$110 per day) that are imposed by a court under Section 502(c)(1) of ERISA (29 USC § 1132) and that are paid. Charges shall not include the payment of the claims for benefits under the terms of the Plan.

ARTICLE 8 MISCELLANEOUS

8.1 Number

Where the context of this Agreement requires, the singular shall include the plural and vice versa.

8.2 Force Majeure

Notwithstanding anything to the contrary contained herein, neither party shall be responsible or liable if the performance of its obligations hereunder is hindered or adversely affected or becomes impossible or impracticable, as a result of an event or effect that the party could not have anticipated or controlled or for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including, without limitation, lockouts, strikes, work stoppages or other labor disruption, accidents, epidemics, pandemics, quarantines, war (whether declared or undeclared), acts of war or terrorism (whether foreign or domestic in origin), insurrection, sabotage, riot, a decree of health emergency, national emergencies or other man-made emergency, civil or military disturbances including any law, regulation, order or other action by any governmental authority, nuclear or natural disasters or acts of God, interruptions, loss or malfunctions of utility, transportation, communications or computer (software and hardware) services, including the disruption or outage of the Internet, or disruption of financial markets or banking functions (a "Force Majeure Event").

A party affected by a Force Majeure Event shall as soon as reasonably practicable after the occurrence of the Force Majeure Event or the occurrence of harm resulting from such a Force Majeure Event that causes the party to be unable to perform: (a) provide written notice to the other party of the nature and extent of any such Force Majeure Event; and (b) use commercially reasonable efforts to remedy any inability to perform due to such a Force Majeure Event.

8.3 Waiver

If either party fails to enforce any right or remedy under this Agreement, that failure is not a waiver of the right or remedy for any other breach or failure by the other party.

8.4 Severability

If any provision of this Agreement is determined to be unenforceable or invalid, such determination shall not affect any other provision, each of which shall be construed and enforced as if such invalid or unenforceable provision were not contained herein.

8.5 Governing Law

This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the internal laws of the State of Nebraska (without regard to the laws of conflict that might otherwise apply) as to all matters, including without limitation, matters of validity, interpretation, construction, effect, performance, enforcement and remedies.

8.6 Dispute Resolution

Excluding all matters pertaining to the collection of amounts due to WEX arising out of the services provided, any claim, controversy or dispute arising out of, or relating to, this Agreement, in addition to disputes about invoices per Section 6.1, first promptly shall be settled by managers with direct day-to-day responsibility under this Agreement, and if not so settled, promptly shall be addressed by executives of the parties who have authority to settle the dispute. A party wishing to raise a dispute shall give prompt written notice to the other party, and the good faith attempt to resolve the dispute, as described in the foregoing sentence, shall take place within thirty (30) days thereafter. Engaging in the dispute resolution process described in this Section 8.6 shall be a condition precedent to proceeding with litigation.

Notwithstanding the foregoing, this provision shall not prevent either party from seeking injunctive relief (or any other provisional remedy) from any court having jurisdiction over the parties and the subject matter of their dispute relating to this Agreement.

To the extent this Agreement must be enforced in a court of law, the parties agree that it can only be brought in the United States District Court for the District of Nebraska, and both parties consent to such jurisdiction and venue.

8.7 Notice

Any notice required or permitted to be given under this Agreement shall be deemed delivered to the address set forth in this Agreement or such other physical or electronic address as specified by the party: (a) when received if delivered by hand; (b) the next business day if placed with a reputable express carrier for delivery during the morning of the following business day; (c) three (3) days after deposit in the U.S. mail for delivery, postage prepaid; or (d) when received if delivered electronically. WEX: 82 Hopmeadow Street, Simsbury, CT 06089, Attention: General Counsel. LIGHT: League Insurance Government Health Team, 1335 L Street, Lincoln, NE 68502, Attention: LIGHT Administrator.

8.8 Entire Agreement

This Agreement, together with the business associate agreement if so applicable, constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements and understandings, whether written or verbal. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of any purchase order,

payment processing agreement, or other document relating to the services provided by WEX herein, the terms and conditions of this Agreement shall control. Further, the terms and conditions of this Agreement shall prevail over any additional terms contained in any such purchase order, payment processing agreement, or other document. Any amendment to this Agreement must be in writing and consented to by authorized representatives of both parties. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, permitted assigns, and successors in interest. Unless expressly set forth in this Agreement, nothing in this Agreement is intended to confer, and nothing herein shall confer upon any person other than the parties hereto, any rights, remedies, obligations or liabilities whatsoever.

8.9 Assignment

This Agreement may not be assigned by either party without the prior written consent of the other unless to an affiliate or in connection with a change in control, merger, acquisition or sale of all or substantially all of the party's assets and provided that the surviving entity has agreed to be bound by this Agreement and has notified the other party in writing within thirty (30) days following the date of the assignment. If consent is required, the parties shall not unreasonably withhold or delay consent.

8.10 Survival

Those provisions that by their nature are intended to survive termination or expiration of this Agreement shall so survive.

8.11 Relationship of the Parties

Employer and WEX acknowledge and agree that WEX is retained under this Agreement as an independent contractor of LIGHT to assist LIGHT and Employer with its obligations to comply with the continuation coverage provisions of COBRA, and that WEX is not a fiduciary under ERISA and lacks any discretion hereunder. LIGHT agrees that use of or offset of amounts in the Custodial Account to pay for fees or other amounts due to WEX under this Agreement shall constitute an Employer action that is authorized by LIGHT and Employer under this Agreement. LIGHT agrees that such actions are not discretionary acts of WEX and do not create fiduciary status for WEX. This Agreement is not intended to create, nor does it create and shall not be construed to create, a relationship of partner or joint venture or any association for profit between LIGHT and WEX.

8.12 Authority

Neither WEX nor LIGHT, when dealing with the other party in relation to the Plan, shall be obliged to determine the other party's authority to act pursuant to this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective July 1, 2022.

WEX Health, Inc.

League Insurance Government Health Team

By: _____

By: _____

WEX Health, Inc.
82 Hopmeadow Street _____
Simsbury, CT 06089 _____

Paul Lambert
Chair
League Insurance Government Health Team
1335 L Street
Lincoln, NE 68508

COBRA ADMINISTRATIVE SERVICES AGREEMENT

EXHIBIT A – COBRA Fee Schedule

Administrative Fees - per covered employee per month

(WEX will retain the 2% administrative fee paid by
COBRA Continuant.)

\$0.75

Minimum Monthly Fee (Applies only if the monthly
Administrative fee times the number of covered lives
is less than this amount)

\$0.00

The following services are also included at no additional cost:

- Access to Marketplace
- Initial notice
- COBRA notice and election
- Premium billing and remittance
- Termination tracking and notification
- Standard postage and printing
- Open enrollment form
- Plan change notice

Implementation fees may apply based on any unique client build requests. Fees are quoted net of commissions.

Monthly administrative fees are guaranteed until July 1, 2027.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

*A covered employee is defined as any employee participating in the LIGHT Member Health Plan.

Payment of the fees as set out above shall managed by McInnes Maggart Consulting Group, LLC and McInnes Group, Inc. Invoicing for services shall be directed to League Insurance Government Health Team, 1335 L Street, Lincoln, NE 68502, Attention: LIGHT Administrator.

Additional Product and Service Solutions

Parties agree that any additional product and service solutions set out below must be expressly agreed to by the League Insurance Government Health Team.

Implementation	Pricing
Mid-year Assumptions or previous plan year takeover (grace period and/or run out period)	\$1,000
Debit Card	Pricing
WEX Benefits Debit Card (2 cards per participant)	Included in PPPM
	
Additional Debit Cards for Spouse and Dependents (18 years of age and older)	Included in PPPM
4th Line Embossing for Employer Name (Up to 19 Characters)	Included in PPPM
Co-branded Debit Card	\$900 one-time fee
Custom Debit Card	\$900 one-time cost + ongoing plastic costs minimum order of 10,000
EMV Debit Card	Request quote
Custom MCC Network	\$1,500 per custom network
Open Enrollment	Pricing
Our Open Enrollment Toolkit* provides access to valuable resources, content, and tools to promote enrollment and utilization of our plans resulting in increased FICA tax savings and employee retention for our clients. The toolkit includes the following items: <ul style="list-style-type: none"> ▪ Handouts ▪ Educational email templates ▪ PowerPoint slides ▪ Post-enrollment educational resources via our knowledgebase ▪ Promotional/educational videos ▪ Virtual open enrollment fair experience ▪ One on one phone support ▪ Product calculators <p>*Toolkit may be modified at our discretion</p>	Included in PPPM
Open Enrollment Compilation Video	\$150 one-time fee
Educational video tailored to an employer's specific plan design (i.e. grace period, run-out, carryover, etc.)	
Automated Educational Email Campaign Email campaigns developed to promote open enrollment and educate employees on the available plans.	Request quote

On-Site Enrollment Meetings & Benefits Fairs	May be available for an additional fee of \$350 per day plus travel expenses; attendance is subject to availability and dependent on CDC guidelines/corporate policies regarding travel at the time of the request.
Kickstart Mailer Introductory direct mail piece mailed via USPS to all new enrollments or those without email	\$1.50 per mailer
Custom Communication Solutions Our Custom Communication Solutions let you take advantage of a variety of co-branding and customization options. You can leverage our consultative team to build a plan that works best for you or choose one of our existing packages. Through a collaborative discussion and review of your needs, we'll help you create and implement a customized communication plan to meet what you're looking for, built from options like those listed below. <ul style="list-style-type: none"> ● Co-branded consumer email notifications and/or portal ● Custom portal colors, banners and/or post login messaging ● Custom benefit email notifications ● Co-branded or completely custom OE materials ● Re-branded COBRA notifications and/or portal ● COBRA/direct bill custom attachments or notifications ● Email or mailed letter communications ● Direct mail Also available here: https://www.wexbenefitsyou.com/custom-marketing-solutions/	Pricing Co-branding Package: \$2,750 Custom Consumer Online Account Package: \$3,000 Gold Customization Package: \$6,000 Note: Any hard costs for options chosen will be added in addition to the base program fee. Additional fees may apply if additional updates or requests are made after final deliverables are sent or go-live dates have occurred.
Data File Integrations Options	Pricing
File Transmission The transmission of data in WEX standard file layout to allow for administrative services.	Included in PPPM
Custom File Transmission <ul style="list-style-type: none"> ▪ Consumer Data Exchange ▪ COBRA Data ▪ Claims Exchange Debit Card Substantiation	\$1,200 annual fee (per file type)
ACA File Transmission Enables transmission of necessary data to a third party for ACA reporting services.	\$1,200 annual fee
834 5010 Eligibility File - Outbound Enables transmission of an EDI 834 5010 to carriers for purposes of eligibility.	Included in PPPM (minimum eligibility may apply)
Online Account Integration Options	Pricing
Single Sign-On Enables a seamless transition between one online platform to the WEX Consumer Online Account without the need for the user to enter additional login information.	\$2,000 annual fee (per portal)

<p>Outbound Single Sign-On Enables a seamless transition between WEX Consumer Online Account to another third party platform without the need for the users to enter additional login information.</p>	\$2,000 annual fee (per portal)
<p>Web Services Enables the ability to display up to five data elements (ex. balance, elections) within a third party system.</p>	\$2,000 annual fee (per portal)
<p>Custom Reporting</p>	Pricing
<p>Standard Reports and Notifications Report on data at the employer level. Most reports and notifications can be automatically delivered via email, or to one of the portals.</p>	Included in PPPM
<p>Ad-Hoc Reporting Report on data at the employer level. Reports are generated real-time from LEAP.</p>	Included in PPPM
<p>Custom Reporting Creation of a custom report based on to build specific report fields, parameters and frequency. Reports are delivered by SFTP or with LEAP.</p>	\$150 per hour *minimums may apply
<p>Programming</p>	Pricing
<p>Custom Development If custom work is requested, WEX will create a Professional Services Agreement.</p>	\$150 per hour
<p>Manual Processing</p>	Pricing
<p>If custom work is requested, WEX will create a Professional Services Agreement.</p>	\$150 per hour