

**Claims Funding Agreement**

**Rider to Assured Excellence Third Party Administrator Agreement**

**ALLEGEANT LLC**

This Claims Funding Agreement (this "Agreement") is made and entered into effective as of \_\_\_\_\_ (the "effective Date") by and between \_\_\_\_\_ (the "Employer" and Allegeant LLC (the "Claims Processor) for the purposes of providing certain administrative services in connection with the Employer's Assured Excellence Third Party Administrator Agreement the "AETPA Agreement") with AP Benefit Advisors, LLC ("APBA").

The AETPA Agreement allows the Employer to access certain pricing and claims adjudication for the procedures specified in the Assured Excellence Program including Exhibits A, B and AA (the "Program") that are provided by the Assured Excellence Providers ("AEP").

A separate Claims Processing Agreement ("CPA Agreement") has been executed between the Claims Processor and APBA to provide claims processing and specified services with respect to the Program with AEP.

The following services for Claims Funding under the Program are provided to the Employer under this Agreement:

- A. The Claims Processor will perform, either directly or through its agents, the services under the Program offered to Employer:
  - (1) Receive group/member eligibility from APBA on behalf of Employer.
  - (2) Receive claims from AEP and adjudicate claims according to APBA's contract with AEP for Program's approved services.
  - (3) Initiate funds transfer from Employer to Claim Processor's bank account for payment to AEP for Program's approved services.
  - (4) Provide transaction claims detail to Cotiviti Data Warehouse as directed by APBA.
  - (5) Provide transaction claims detail and payment records to APBA, as needed.
  - (6) Provide general support to AEP and members receiving services as needed.
  
- B. The miscellaneous terms and conditions specified herein in Schedule A will apply to this Agreement.

ALLEGEANT LLC \_\_\_\_\_, Employer

By: *Tyler Willse*

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

Print Name: Tyler Willse

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

Date: 7/24/2020

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

## SCHEDULE A

### SERVICES TO BE PROVIDED BY CLAIMS PROCESSOR

#### I. CLAIMS PROCESSING SERVICES.

A. The Claims Processor is empowered and required to act with respect to the Program only as expressly stated in the CPA Agreement and in this Agreement. The Claims Processor's role shall be limited to that of claims processor under the Program, and the services rendered by the Claims Processor under this Agreement and the CPA Agreement shall not include the power to exercise control over the Employer's Plan assets, if any, or otherwise, be deemed to be the "Plan Administrator" or a "Fiduciary" with respect to the Program. The Claims Processor is not a "Covered Entity" under the Health Insurance Portability and Accountability Act of 1996 as amended and has an executed Business Associate Agreement with APBA.

#### B. PROGRAM BANK ACCOUNT.

(1) The funds in any bank account established by Employer in connection with the Program ("Bank Account") shall be utilized for the payment of Program benefits and for all other expenses as outlined in Exhibits A, B and AA under the AETPA Agreement between the Employer and APBA.

(2) The Claims Processor will advise the Employer whenever it becomes necessary or appropriate to deposit and/or transfer additional funds to the Bank Account to make disbursements relating to the Program.

#### C. CLAIMS REVIEW; DETERMINATION AND PAYMENT OF BENEFITS.

(1) Eligibility for Benefits. The Claims Processor's determination of an applicant's eligibility for benefits shall be made in accordance with the applicable provisions of the Program and the participant's eligibility as determined by the Employer, and provided to the Claim Processor by APBA and the Claims Processor shall have no discretion with respect to the application of those provisions.

(2) Review of Claims. The Claims Processor will review each claim submitted by AEP to make a payment based on the Program's benefits and pricing and other expenses as outlined in Exhibits A, B and AA of the AETPA Agreement. If the claim processor is unable to reconcile the submitted claim against the required pricing of the specific procedure outlined in the Plan's Exhibit A, the claim processor will request assistance from APBA, and the Employer, if necessary for a final determination. The Employer's review process shall comply in all respects with the requirements of ERISA and its regulations, if applicable.

#### D. CLAIMS PROCESSING RECORDS.

The Claims Processor shall create and maintain records concerning each claims application and the action taken on its Claims System and for a period of one year after termination of this agreement. Thereafter duplicative EDI claims processing records are retained in secure environments for access for a period consistent with ERISA requirements but not less than five years after termination of this agreement.

#### II. UTILIZATION MANAGEMENT SERVICES

The authority and responsibility for all health care decisions with respect to a particular individual covered by the Program rests with that individual, or his or her representative, and that individual's health care providers and not with the Claims Processor, utilization management provider, the Employer or

APBA.

III. TERM.

This Agreement is effective on the date specified in the first paragraph of the first page of this Agreement. This Agreement shall remain in effect as long as the Employer participates in the Program and the Claims Processor's TPA Agreement is effective with APBA. Should Employer terminate its relationship with APBA, this agreement shall also terminate.

IV. EMPLOYER DUTIES AND RESPONSIBILITIES.

A. GENERALLY. The Employer, with the APBA's assistance, shall make any and all final decisions about the design of and interpretation of the Plan, and all final authority and responsibility for the Program, its design and its administration is retained by the Employer.

B. EMPLOYEE PARTICIPANTS AND ENROLLMENT. The Claims Processor is entitled to rely, for all purposes, on the eligibility and participation information provided by the Employer, or by APBA on the Employer's behalf, and shall be fully protected by the Employer in relying on it, and the Claims Processor shall have no duty independently to verify or investigate any of that information.

V. DEFAULT

A. EMPLOYER DEFAULT. The Employer shall be in default under this Agreement if it fails to transfer funds to the Bank Account within 48 to 72 hours after being notified by the Claims Processor that a transfer is necessary. If the Employer fails to transfer funds within the specified period the Claims Processor will attempt to rectify the funding request with the Employer and with APBA's assistance. Continued failure to transfer funds when requested by the Claims processor may result in termination of the Employer's participation in the Program under the AETPA Agreement.

VI. LEGAL ACTIONS; LIABILITY; INDEMNIFICATION.

A. LEGAL ACTIONS. The Claims Processor shall notify the Employer of any legal action(s) arising with respect to the Program of which the Claims Processor becomes aware. The defense of any legal actions with respect to the Program shall be the responsibility of and be undertaken at the expense of the Employer, it being understood and agreed that the Claims Processor shall cooperate with and assist the Employer in the defense to the extent the Employer reasonably may require.

B. LIABILITY; INDEMNIFICATION. The Claims Processor shall use ordinary care and due diligence in the performance of its duties, but the Claims Processor shall not be liable to the Employer or any other person for any mistake of judgment or other action or inaction taken in good faith, or for any loss or damage resulting from that mistake of judgment, action or inaction, unless the loss or damage is due to the Claims Processor's negligence or willful misconduct. The Employer indemnifies and holds harmless the Claims Processor, its directors, officers, employees, agents and assigns against any and all actions, claims, lawsuits, settlements, judgments, costs, penalties and expenses, including attorney's fees, (collectively, "Actions") resulting from, arising out of or in any way connected with the duties of the Claims Processor (these duties to include but not be limited to Plan recordkeeping, claims payment duties, payments made pursuant to the direction of the Employer, including payments which may be contrary to the terms of the Plan or any insurance contract, and retroactive coverage decisions), and any Actions resulting from or arising out of the effects of the Claims Processor carrying out its duties and responsibilities, unless the Actions are attributable

to the Claims Processor's negligence or willful misconduct.

If the Claims Processor has knowledge of an Action or threatened Action which may give rise to indemnification under this Agreement, the Claims Processor shall give prompt notice of the Action or threatened Action to the Employer. If such a notice is given, the Employer, at the Employer's expense, shall retain counsel (which shall be counsel acceptable to the Claims Processor) to represent and defend the Claims Processor with respect to the Action or threatened Action.

## VII. NOTICES.

All notices under this Agreement shall be in writing and either delivered personally or sent by fax, confirmed by telephone, or by certified or registered mail, postage prepaid, as follows:

A. If to the Employer:

B. If to the Claims Processor:

Allegeant, LLC  
1954 Greenspring Drive, Suite 640  
Timonium, Maryland 21093

A notice delivered personally shall be effective when delivered. A notice faxed shall be effective when receipt is confirmed by telephone. A notice mailed shall be effective when received as noted on its return receipt. Either party may designate a different addressee or address by prior written notice to the other party.

## VIII. GENERAL TERMS

A. APPLICABLE LAW. This Agreement is subject to and shall be governed by the laws of the State of Maryland, except where those laws are preempted by the laws of the United States.

B. ASSIGNMENT. Neither party may assign this Agreement without the prior written consent of the other party, and such consent will not be unreasonably withheld, delayed or conditioned. No such consent will be required for the assignment to an entity owned by or under common control with assignor, but the assignor shall provide assignee with prompt written notice of the assignment.

C. LIMITATION ON CLAIMS BY EMPLOYER. Any claim by the Employer against the Claims Processor based on any breach or alleged breach by the Claims Processor of its duties shall be invalid unless delivered to the Claims Processor, in writing, by the earlier of the termination of this Agreement or the date one hundred eight (180) days after the date of the breach or alleged breach is discovered.

D. PRIVACY POLICIES. The Claims Processor intends to be compliant with the federal regulations implementing the medical records privacy provisions of HIPAA, on or before the date when those regulations become applicable.

E. ELECTRONIC CLAIMS REIMBURSEMENT. The Employer will initiate an ACH or Wire Transfer to the Claims Processor's Bank Account for payment of services provided under the Plan. The request of such Transfer will be emailed in a format similar to:

**ALLEGEANT LLC**  
**CLAIMS PROCESSING AND PLAN SERVICES AGREEMENT**  
**Amendment Number One**

Effective as of July 24, 2020, AP Benefit Advisors, LLC (the "Client") and Allegeant LLC (the "Claims Processor") hereby amends the Claims Processing and Plan Services Agreement dated June 27, 2017 between Crawford Advisors, LLC, now known as AP Benefit Advisors, LLC ("APBA"), and Allegeant LLC. This Amendment provides specialized claims processing and other specified services with respect to the Client's AssuredExcellence Plan ("Plan") with AssuredExcellence Providers ("AEP") that is offered to Client's Employer Groups (the "Employer").

Accordingly, the parties agree as follows:

- A. The Claims Processor will perform, either directly or through its agents, these services:
- (1) Provide specialized claims processing and support services for Client's Plan offered to Employer. The details of the Plan are incorporated by reference to Exhibits A, B and AA of the AssuredExcellence Third Party Administrator Agreement between the Client and the Employer.
  - (2) Receive group/member eligibility from Client on behalf of Employer.
  - (3) Receive claims from AEP and adjudicate claims according to Client's contract with AEP for Plan's approved services.
  - (4) Initiate funds transfer from Employer to the Claims Processor's bank account for payment to AEP for Plan's approved services.
  - (5) Provide transaction claims detail to Cotiviti (formerly known as Verscend) Data Warehouse as directed by Client.
  - (6) Provide transaction claims detail and payment records to stop-loss carriers for Employer.
  - (7) Provide general support to AEP and members receiving services as needed
- B. The Client will pay to the Claims Processor the fees specified on Schedule B and by reference in Schedule E, Funding Policy.
- C. The term of this Agreement is specified in Schedule C.
- D. The miscellaneous terms and conditions specified in Schedule D will apply to this Agreement.

- E. The Client will assist in securing on an Employer by Employer basis the Plan Sponsor Agreement which enables the Claims Processor to initiate a funds transfer from the employer to the Claims Processor's Bank Account for payment of services provided by AEP under the Plan.

ALLEGEANT LLC

AP BENEFIT ADVISORS, LLC

By: *Tyler Willse* (SEAL)

Print Name: Tyler Willse

Date: 7/24/2020

By: *Patrick Haynes* (SEAL)  
Patrick Haynes (Jul 24, 2020 10:54 EDT)

Print Name: Patrick Haynes

Date: 07/24/2020

## SCHEDULE A

### SERVICES TO BE PROVIDED BY CLAIMS PROCESSOR

#### I. CLAIMS PROCESSING SERVICES.

A. GENERALLY. It is understood and agreed that the Claims Processor is empowered and required to act with respect to the Plan only as expressly stated in this Agreement. The Client hereby authorizes the Claims Processor to facilitate claim processing with respect to Exhibit A in the AssuredExcellence Third Party Administrator Agreement and provide services further described in Schedule A herein. The Client and the Claims Processor agree that the Claims Processor's role shall be limited to that of claims processor under the Plan, that the services rendered by the Claims Processor under this Agreement shall not include the power to exercise control over Plan assets, if any, or discretionary authority over Plan operations, and that the Claims Processor will not for any purpose, under ERISA or otherwise, be deemed to be the "Plan Administrator" of the Plan or a "Fiduciary" with respect to the Plan. The Plan's Administrator, for purposes of ERISA, is the Employer. The Plan's benefits and coverages design has been selected by Client who is solely responsible for that design.

The Claims Processor is not a "covered entity" under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), in connection with services rendered under this Agreement, but for purposes of this Agreement is deemed to be a "business associate" of the Client under the Agreement. The Claims Processor has an executed Business Associate Agreement with the Client.

#### B. PLAN BANK ACCOUNT.

(1) Administration. the Client and the Claims Processor understand and agree that the funds in any bank account established on behalf of Client in connection with the Plan (the "Bank Account") shall be utilized for the payment of Plan benefits and for all other expenses as outlined in Exhibits A, B and AA of the AssuredExcellence Third Party Administrator Agreement.

(2) Specific Duties. The Claims Processor's duties and responsibilities with respect to the Bank Account are the following:

(a) The preparation of all paperwork required by the bank where the Bank Account is established (the "Bank") to enable the Claims Processor to utilize the Bank Account.

(b) The establishment, prior to the Bank Account's receipt of funds from each Employer, of separate subaccounts of the Bank Account to account separately for the general account from which benefits are payable under the Plan for each Employer.

(c) Advising the Employer whenever it becomes necessary or appropriate to deposit and/or transfer additional funds to the Bank Account to make disbursements relating to the Plan.

(e) Providing reasonable cooperation and timely response to the Employer and Client if the Claims Processor identifies any problems with the Bank Account in its monthly reconciliation or at any other time.

C. CLAIMS REVIEW; DETERMINATION AND PAYMENT OF BENEFITS.

(1) Applications for Benefits. Where applicable, AEP, on behalf of individuals covered by the Plan shall complete claims forms and submit those forms and any required supplemental information to the Claims Processor. The Claims Processor shall review each application submitted, determine the applicant's eligibility for benefits based on the Employer's eligible Plan Participants, and, if applicable, process and deliver a check drawn on the Bank Account for benefit payment to AEP.

(2) Eligibility for Benefits. The Claims Processor's determination of an applicant's eligibility for benefits shall be made in accordance with the applicable provisions of the Plan and the Participant's eligibility as determined by the Employer, and provided to the Claims Processor by APBA and the Claims Processor shall have no discretion with respect to the application of those provisions.

(3) Review of Claims. The Claims Processor will review each claim to make a payment based on the Plan's benefits and pricing and other expenses as outlined in Exhibits A, B and AA of the Plan. If the Claim Processor is unable to reconcile the submitted claim against the required pricing of the specific procedure outlined in the Plan's Exhibit A, B and AA the Claims Processor will request assistance from APBA, and the Employer, if necessary, for a final determination. The Employer's review process shall comply in all respects with the requirements of ERISA and its regulations, if applicable.

(4) Correctness of Benefit Payments. If any Plan payment is improperly made to AEP on behalf of the Plan, or if an amount less or greater than the Plan payment actually due is made, the Claims Processor shall make a reasonable best effort to correct the error; provided, that the Claims Processor shall have no obligation to initiate court proceedings to collect any excessive payment. If requested by the Claims Processor, the Client or the Employer shall provide reasonable assistance to the Claims Processor in these correction efforts.

D. REPORTS. The Claims Processor shall submit the following reports to the Client:

(1) Monthly Claims Summary Analysis Reports, in a manner determined by the Claims Processor to be necessary to enable the Client to monitor the utilization of benefits available under the Plan. These reports shall include the total number of claims processed and the total number of benefit payments made, for the current month and for the fiscal year-to-date.

(2) Monthly Data Warehouse Reports (electronic files) to Verscend, in a manner determined by the Claims Processor, to facilitate the Client's reporting to the Employer

(3) Monthly Transaction Claim Detail Reports, in a manner determined by the Claims Processor, to facilitate the Client and/or the Employer to settle stop-loss claims under a policy that is in effect with the Employer for any benefits provided under the Plan.

E. CLAIMS PROCESSING RECORDS. The Claims Processor shall create and maintain records concerning each claims application and the action taken by it. The Claims Processor maintains EDI claims processing records for the duration of this agreement accessible on its Claims System and for a period of one year after termination of this agreement. Thereafter duplicative EDI claims processing records are retained in secure environments for access for a period consistent with ERISA requirements but not less than five years after termination of this agreement.

The Client has and shall have the express right to examine individual claim records described in the previous paragraph at any time on reasonable prior written notice to the Claims Processor. Any



examination shall occur in a manner designed to protect the confidentiality of medical records. However, the Client shall be entitled to audit the records only at reasonable intervals and only on a random claim basis, and the Client shall reimburse the Claims Processor for any expenses incurred by the Claims Processor in connection with these audits.

If this Agreement is terminated, any records in the Claims Processor's possession shall be forwarded to the Client as soon as the Claims Processor has no further need of those records for final accounting or claims processing purposes.

## II. UTILIZATION MANAGEMENT SERVICES

A. AUTHORITY AND RESPONSIBILITY FOR HEALTH CARE DECISIONS. The Claims Processor, the Employer and the Client agree and acknowledge that, notwithstanding any review services or decision made by utilization management provider and notwithstanding any related or unrelated limitation of benefits under the Plan, the authority and responsibility for all health care decisions with respect to a particular individual covered by the Plan rests with that individual, or his or her representative, and that individual's health care providers and not with the Claims Processor, utilization management provider, the Employer and the Client.

## SCHEDULE B

### CLAIMS PROCESSOR FEES

#### I. INITIAL AND RENEWAL PAYMENT.

There is no initial or renewal payment due.

#### II. OTHER FEES.

The Claims Processor shall be paid the other fees specified in its fee schedule in the Funding Policy, Schedule E. These other fees are to be paid by the Client.

If necessary, a fee estimate may be used by the Claims Processor to determine a fee for any month. If an estimated fee is later determined to understate or overstate the fee actually due to the Claims Processor for that month, the Client and the Claims Processor shall effect a subsequent reconciliation of the fee due the Claims Processor.

#### III. ADJUSTMENT TO FEE.

A. Generally. The Claims Processor may adjust its fee schedule upon sixty (60) days prior written notice to the Client, or as specified in Schedule E, Funding Policy. If the Client wishes to terminate the Agreement due to a fee schedule increase which the Client determines to be unreasonable, it may do so by providing thirty (30) days prior written notice of termination to the Claims Processor.

B. Increased Costs. Additionally, the Claims Processor may adjust its fee schedule as of the effective date of any Plan amendment which increases the Claims Processor's duties or responsibilities.

C. Reimbursements to Claims Processor. If the Claims Processor is assessed with any taxes, other charges or fees with respect to any benefit payments effected by the Claims Processor under the Plan and this Agreement, the Employer promptly shall reimburse the Claims Processor for that amount on receipt by the Employer of a written request for reimbursement.

D. Optional Services and Charges. The Client also shall be invoiced on a monthly basis, under the Claims Processor's fee schedule, if it requests and receives any optional services offered by the Claims Processor.

## SCHEDULE C

### TERM OF AGREEMENT

I. INITIAL TERM.

The initial term of this Agreement shall be from January 1, 2017 to December 31, 2019, both dates inclusive.

II. RENEWAL TERM(S).

This Agreement shall be renewed automatically for a one year renewal term on each January 1 after December 31, 2019 unless either party provides a written notice of termination of this Agreement to the other party at least sixty (60) days prior to the first day of the renewal term in question.

III. TERMINATION BY MUTUAL CONSENT.

The Employer and the Claims Processor may terminate this Agreement by written mutual consent at any time upon sixty (60) days written notice.

IV. TERMINATION OF PLAN.

If the Plan is completely terminated and if the termination is not followed by the establishment by the Employer of a successor plan, this Agreement shall terminate as of the date of the Plan termination.

V. "WINDING UP".

If this Agreement is terminated: (a) by either party providing written notice under II., above; (b) after a default by one or both of the parties; (c) by mutual consent of the parties as specified in III., above; (d) due to a complete termination of the of the Plan not followed by the establishment by the Employer of a successor plan as specified in IV., above; (e) after a fee increase; or (f) for any other reason, the following "winding up" shall occur:

A. Claims Processor Obligations. Upon a termination after a default by either party, all obligations of the Claims Processor shall cease immediately. If the Agreement is to be terminated as provided in II. or III., above, or after a fee increase, the Claims Processor shall continue to process claims and perform all other duties until the effective date of the termination of the Agreement. If the Agreement is terminated as provided in IV. above, the Claims Processor shall complete the processing of all claims for benefit payments under the Plan then in the possession of the Claims Processor, and shall receive its normal compensation until those claims have been processed.

B. Plan Records. After a termination of this Agreement, the Claims Processor shall, with reasonable promptness, return all records maintained under the Plan to the Client or to the successor claims processor if so directed by the Client.

C. Full Accounting. No later than sixty (60) days after the effective date of the termination of this Agreement for any reason, the Claims Processor shall prepare and deliver to the Client a complete and final accounting as of the termination date (the "Termination Report"). If the Termination Report is prepared after a termination due to the Claims Processor's default, or prepared in lieu of any report required by and specified in Schedule A, I.E.(1)-(4), there shall be no preparation charge. If the Termination Report is prepared after termination due to the Employer's default or prepared in addition to any report required by and specified in

Schedule A, I.E.(1)-(4), the Employer shall pay a reasonable preparation fee as determined by the Claims Processor.

VI. PRE-EXISTING RIGHTS OR LIABILITIES.

Termination of this Agreement for any reason shall not affect the rights or obligations of either party which arise prior to the date of termination.

## SCHEDULE D

### MISCELLANEOUS TERMS AND CONDITIONS

#### I. CLIENT DUTIES AND RESPONSIBILITIES.

A. GENERALLY. The Client shall make any and all final decisions about the design of and interpretation of the Plan, and all final authority and responsibility for the Plan, its design and its administration is retained by the Client. The Client understands and agrees that, if any of its interpretation and administration decisions are at variance with the terms of the Plan, those decisions may not be binding on the insurer(s), if any, of benefits provided under the Plan or on the "stop-loss" insurer(s), if any, providing coverage with respect to the Plan.

Generally, as requested by the Claims Processor, the Client shall assist the Claims Processor in the performance of the Claims Processor's duties and responsibilities under this Agreement.

In addition to any other information or reports required by this Agreement to be provided by the Client to the Claims Processor, the Client shall furnish to the Claims Processor, in writing, any information concerning the Plan as reasonably shall be necessary for the Claims Processor to provide the services described in this Agreement as is reasonably requested from time to time by the Claims Processor, including, but not limited to, the name and address of the Employer, the Employer's employer identification number and the names(s) of the person or persons authorized to instruct the Claims Processor in all matters not requiring the attention of the Employer under this Agreement or under any federal, state or local law.

B. EMPLOYEE PARTICIPANTS AND ENROLLMENT. As of the first day of the initial term of this Agreement, the Client has delivered to the Claims Processor all information necessary for the Claims Processor to process claims for benefit payments under the Plan. The Client shall deliver to the Claims Processor all new and amended enrollment cards (or electronic records of such information) for those referred for services under the Plan collected during the previous month along with an employee list (or electronic record of such information) summarizing eligibility and participation affecting the Plan. The Claims Processor is entitled to rely, for all purposes, on the eligibility and participation information provided by the Client and shall be fully protected by the Client in relying on it, and the Claims Processor shall have no duty independently to verify or investigate any of that information.

Additionally, on the request of the Claims Processor, the Client shall provide the Claims Processor with any other information about employees and their beneficiaries and/or the Plan as the Claims Processor reasonably may require.

C. ASSISTANCE FROM EMPLOYEES OF THE EMPLOYER. The Client shall advise the Claims Processor of those employees of the Employer who are authorized to assist in claims processing and other relevant ministerial duties under the Plan, and of the duties and scope of authority of those employees.

D. LEGAL COMPLIANCE. The Employer and the Plan Administrator, and not the Claims Processor, shall be responsible for keeping the Plan, the Employer and the Plan Administrator in compliance with federal, state and local tax statutes, ERISA, federal, state and local health care continuation rules and other, to the extent applicable, laws.

E. PLAN DOCUMENT. To facilitate the Claims Processor's claims processing under the Plan, the Client shall provide the Claims Processor with a copy of the Plan's governing document (the "Plan Document") and of all subsequent modifications thereto. The Plan Document is attached hereto and is made a part hereof. Any amendment to the Plan Document shall not be effective for purposes of this Agreement until

the Claims Processor has received a properly executed copy of such amendment.

II. SOURCE OF PAYMENTS. The source or sources of payments under the Plan are to be only the Bank Account, which at all times is to be deemed to comprise general assets of the Employer, and/or the insurer providing benefits under the Plan, as described in the Plan documents, and the Claims Processor will have no liability whatsoever for providing a source from which payments will be made under the Plan.

III. DEFAULT.

A. CLIENT DEFAULT. The Client shall be in default under this Agreement if it fails to make payment of monthly administrative invoices within thirty (30) days after being notified by the Claims Processor of the due date of the invoice.

B. CLIENT OR CLAIMS PROCESSOR DEFAULT. In addition to the default discussed in A., above, either party shall be in default under this Agreement on the occurrence of one or more of the following events: (i) the failure of that party to perform any material term, condition or covenant of this Agreement if the failure continues for a period of thirty (30) days after the party's receipt of written notice concerning the failure from the other party; (ii) the ceasing of the conduct of active business by the party; (iii) the institution of proceedings under bankruptcy or insolvency laws by, for or against that party, or the appointment of the a receiver for that party or for that party's assets or properties; (iv) an assignment by that party for the benefit of creditors, or an admission by that party of its inability to pay its debts as they become due. The attachment, levy, encumbrance, seizure, pledge or taking under judicial process of the Bank Account shall be deemed to be a default by the Employer.

C. TERMINATION UPON DEFAULT. On a default, the non-defaulting party may, at its option and by written notice to the other party, terminate this Agreement. Any termination shall be without prejudice to any other rights and remedies which the non-defaulting party may have against the defaulting party with respect to the default.

D. REFUND OF FEE. If the Claims Processor is in default and the Client terminates this Agreement as a result of the default, the Claims Processor shall refund the fee paid for the current month on a prorated basis, i.e., the monthly fee paid by the Client less the Claims Processor's prorated fee for the total number of days actually worked during that month.

E. COSTS. Each party shall pay all reasonable expenses, including reasonable attorney's fees, incurred by the other party in the other party's successful exercise of any of its remedies under this Agreement or which result from the other party's successful enforcement of any of the terms of this Agreement.

IV. LEGAL ACTIONS; LIABILITY; INDEMNIFICATION.

A. LEGAL ACTIONS. The Claims Processor shall notify the Client of any legal action(s) arising with respect to the Plan of which the Claims Processor becomes aware. The defense of any legal actions with respect to the Plan shall be the responsibility of and be undertaken at the expense of the Client, it being understood and agreed that the Claims Processor shall cooperate with and assist the Client in the defense to the extent the Client reasonably may require.

B. LIABILITY; INDEMNIFICATION. The Claims Processor shall use ordinary care and due diligence in the performance of its duties, but the Claims Processor shall not be liable to the Client or any other person for any mistake of judgment or other action or inaction taken in good faith, or for any loss or damage resulting from that mistake of judgment, action or inaction, unless the loss or damage is due to the Claims Processor's negligence or willful misconduct. The Client indemnifies and holds harmless the Claims Processor,

its directors, officers, employees, agents and assigns against any and all actions, claims, lawsuits, settlements, judgments, costs, penalties and expenses, including attorney's fees, (collectively, "Actions") resulting from, arising out of or in any way connected with the duties of the Claims Processor (these duties to include but not be limited to Plan recordkeeping, claims payment duties, payments made pursuant to the direction of the Client, including payments which may be contrary to the terms of the Plan or any insurance contract, and retroactive coverage decisions), and any Actions resulting from or arising out of the effects of the Claims Processor carrying out its duties and responsibilities, unless the Actions are attributable to the Claims Processor's negligence or willful misconduct.

If the Claims Processor has knowledge of an Action or threatened Action which may give rise to indemnification under this Agreement, the Claims Processor shall give prompt notice of the Action or threatened Action to the Client. If such a notice is given, the Client, at the Client's expense, shall retain counsel (which shall be counsel acceptable to the Claims Processor) to represent and defend the Claims Processor with respect to the Action or threatened Action.

V. NOTICES. All notices under this Agreement shall be in writing and either delivered personally or sent by fax, confirmed by telephone, or by certified or registered mail, postage prepaid, as follows:

A. If to the Client:

AP Benefit Advisors, LLC  
200 International Circle, Suite 4500  
Hunt Valley, MD 21031  
Attn: R. Brian Bair, Regional President  
Patrick Haynes, GC/SVP-Compliance

B. If to the Claims Processor:

Allegeant, LLC  
9475 Deereco Road, Suite 408  
Timonium, Maryland 21093  
Attn: Tyler P. Willse, Chief Operating Officer

A notice delivered personally shall be effective when delivered. A notice faxed shall be effective when receipt is confirmed by telephone. A notice mailed shall be effective when received as noted on its return receipt. Either party may designate a different addressee or address by prior written notice to the other party.

VI. GENERAL TERMS.

A. ENTIRE AGREEMENT; AMENDMENTS. The terms and conditions stated in this Agreement are the complete and exclusive statement of the terms of the parties' agreement, and supersede all prior oral and written statements of any kind made by the parties or their representatives. No statement in writing subsequent to the date of this Agreement purporting to modify or to add to the terms and conditions of this Agreement shall be binding unless consented to in writing by duly authorized representatives of the Client and the Claims Processor in a document making specific reference to this Agreement.

B. INVALID PROVISION. If any provision of this Agreement is determined to be invalid under any applicable statute or rule of law, to the extent the provision is determined to be invalid, the provision is deemed to be omitted from this Agreement.

C. WAIVER. No delay or failure of either party in exercising any right under this Agreement and no partial or single exercise of a right under this Agreement shall be deemed of itself to constitute a waiver of the right or any other rights under this Agreement.

D. APPLICABLE LAW. This Agreement is subject to and shall be governed by the laws of the State of Maryland, except where those laws are preempted by the laws of the United States.

E. ASSIGNMENT. Neither party may assign this Agreement without the prior written consent of the other party, and such consent will not be unreasonably withheld, delayed or conditioned. No such consent will be required for the assignment to an entity owned by or under common control with assignor, but the assignor shall provide assignee with prompt written notice of the assignment. The Claims Processor may delegate and assign any of its duties to any affiliate of the Claims Processor or to any third party contractor.

F. BINDING EFFECT; NO THIRD PARTY BENEFICIARIES. This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer upon any other person any rights, remedies or obligations under or by reason of this Agreement.

G. APPLICATION IN CERTAIN JURISDICTIONS. By written notice to the other party, either party may discontinue application of this Agreement in any jurisdiction, effective as of the date as of which the party determines that it will be penalized or in violation of law for proceeding with its performance under this Agreement in that jurisdiction.

H. LIMITATION ON CLAIMS BY CLIENT. Any claim by the Client against the Claims Processor based on any breach or alleged breach by the Claims Processor of its duties shall be invalid unless delivered to the Claims Processor, in writing, by the earlier of the termination of this Agreement or the date one hundred eight (180) days after the date of the identification of the breach or alleged breach.

I. FUNDING POLICY. The Funding Policy, Schedule E, which is attached and which may be amended from time to time contains additional information concerning the duties and responsibilities of the Employer and is incorporated by reference into this Agreement.

J. PRIVACY POLICIES. The Claims Processor intends to be compliant with the federal regulations implementing the medical records privacy provisions of HIPAA, on or before the date when those regulations become applicable.

K. PLAN SPONSOR AGREEMENT. The Plan Sponsor Agreement authorizes the Claims Processor to provide certain administrative services on behalf of the Employer in connection with the Plan including initiating an ACH or Wire Transfer from the Employer to the Bank Account for payment of services provided under the Plan and is incorporated by reference into this Agreement.



**SCHEDULE E**  
**FUNDING POLICY**

**A. Plan Expenses**

All Plan expenses for claims payment will be paid from an Allegeant LLC (“Claims Processor”) bank account established at Wells Fargo for the benefit of participating Employers in the Client’s Plan, AKA collectively as (“AssuredExcellence”). Checks will be drawn on this account by the Claims Processor as claims are submitted by AEP under the Plan and the Employer will be responsible for funding the bank account promptly.

**B. Financial Integrity**

The Employer agrees in the Plan Sponsor Agreement to ensure the financial integrity of the bank account by guaranteeing sufficient funds to pay all expenses.

**C. Administrative Fees to be paid to Allegeant**

For all bundles with a Base Cost <\$60k the reimbursement is 3% of the BASE COST.

For bundles with a Base Cost >=\$60k the reimbursement is 2.5% of the BASE COST with a cap of \$2500.

The details of the bundles and Plan expenses are incorporated by reference to Exhibits A, B and AA of the AssuredExcellence Third Party Administrator Agreement between the Client and the Employer.



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**EXHIBIT I**

**Funding Request**

**AP Benefit Advisors AssuredExcellence Program**

Please initiate an ACH Credit in the amount of \$\_\_\_\_\_ to Wells Fargo Bank NA, ABA Transit Number #121000248 to the account of Allegeant - FBO – Assured Partners, #\_\_-\_\_\_\_ for claim benefit payment on \_\_-\_\_-\_\_\_\_.

Claims Request for AssuredExcellence Providers \$\_\_\_\_\_

Grand Total \$\_\_\_\_\_

Funds must be transferred into the Wells Fargo Bank Account within 3 banking days.

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**Pre-Check Processing Report**

Funding Request Performed on \_\_-\_\_-\_\_\_\_

**AP Benefit Advsiors Claims Account\_**

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Pay to	SVC. Date	Claim Status	Patient ID	Provider ID	Claim#	Batch/Seq	Paid Amount
Johns Hopkins Medicine	xx/x/xxxx	Payable	xxxxxxxx-01	xxxxxxxx	xxxxxx	xxxx/xxx	\$xxxxxx.xx