



**COMPANION LIFE INSURANCE COMPANY**  
1301 GERVAIS STREET, SUITE 900, COLUMBIA SC 29201  
P.O. Box 100102, Columbia, South Carolina 29202-3102  
803-753-1251

#### **Have a complaint or need help?**

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't you may lose your right to appeal.

#### **Companion Life Insurance Company**

To get information or file a complaint with your insurance company or HMO:

**Call: Compliance at 803-735-1251**

**Toll-free: 1-800-753-0404**

Email: [Compliance@companionlife.com](mailto:Compliance@companionlife.com)

Mail: Post Office Box 100105  
Columbia, SC 29203

#### **The Texas Department of Insurance**

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

Mail: MC 111-1A  
P.O. Box 149091  
Austin, TX 78714-9091

#### **¿Tiene una queja o necesita ayuda?**

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

#### **Companion Life Insurance Company**

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

**Llame a: Compliance al 803-735-1251**

**Teléfono gratuito: 1-800-753-0404**

Correo electrónico: [Compliance@companionlife.com](mailto:Compliance@companionlife.com)

Correo postal:  
Post Office Box 100105  
Columbia, SC 29203

#### **El Departamento de Seguros de Texas**

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Correo electrónico: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

Dirección postal: MC 111-1A  
P.O. Box 149091  
Austin, TX 78714-9091



# Companion Life

**Companion Life Insurance Company  
Post Office Box 100102  
Columbia, South Carolina 29202  
(803) 735-1251**

Companion Life Insurance Company, Columbia, South Carolina agrees to pay aggregate and specific excess loss insurance benefits under the provisions of this Contract to the Contractholder listed in the Schedule for Excess Loss Insurance.

## **READ THIS CONTRACT CAREFULLY**

This Contract is legally binding between the Contractholder and Companion Life Insurance Company ("Company"). The consideration for this Contract includes, but is not limited to, the application and the payment of premiums as provided hereinafter.

## **AGREEMENT**

The Company will pay the Aggregate Benefit and/or Specific Benefits provided in this Contract. Payment is subject to the conditions, limitations and exceptions of this Contract.

The Contractholder agrees to pay premiums when due and to comply with the Contract provisions.

This Contract takes effect on the Effective Date shown in the Schedule, which will be the date of issue, and terminates at the end of the Contract Period shown in the Schedule unless it is renewed. All periods indicated in this Contract begin and end at 12:01 A.M. standard time at the Contractholder's office.

This Contract is governed by the laws of the state of Texas, shown in the Schedule.

IN WITNESS WHEREOF Companion Life Insurance Company has caused this Contract to be executed by its President at Columbia, South Carolina.

**J. Anderson Folsom**  
President

## **Contract Providing Aggregate and Specific Excess Loss Insurance Nonparticipating**

For service or questions about this Contract, please address any inquiries to ISU, a division of Companion Life Insurance Company, 10199 Southside Blvd, Suite 205, Jacksonville, FL 32256 or call 904-281-2151.

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

## **TABLE OF CONTENTS**

COVER PAGE .....	1
TABLE OF CONTENTS.....	3
SCHEDULE FOR EXCESS LOSS INSURANCE .....	4
SECTION I - DEFINITIONS.....	7
SECTION II - BENEFITS.....	11
SECTION III - LIMITATIONS .....	14
SECTION IV - CLAIMS PROVISIONS .....	16
SECTION V - CONTRACT TERMINATION.....	18
SECTION VI - GENERAL PROVISIONS.....	19

## COMPANION LIFE INSURANCE COMPANY SCHEDULE FOR EXCESS LOSS INSURANCE

1. Contract Number: CLI 51,007
2. Contractholder: Edinburg Consolidated Independent School District
3. Address: 411 North 8th Avenue  
City: Edinburg State: Texas Zip Code: 78541
4. Subsidiary or affiliated companies (companies under common control through stock ownership, contract, or otherwise) to be included (list legal name and addresses):
5. Name and address of Designated Administrator:  
  
Blue Cross Blue Shield of Texas – PO Box 660044, Dallas, TX, 75266
6. Effective Date: 01/01/2025
7. Estimated Initial Enrollment (will be used as the Number of Covered Units during the first Contract Month):

Employee Only	2,964
Family	1,218

## 8. GENERAL SCHEDULE OPTIONS:

- (a) Contract Period: 01/01/2025 through 12/31/2025
- (b) Disabled Persons: ☒ are ☐ are not covered.  
Retired Employees: ☐ are ☒ are not covered.
- (c) Aggregate Benefit: ☐ Yes ☒ No

Aggregate Contract Basis: Employee Benefit Plan Expenses must be Incurred from: N/A through N/A, and Paid from: N/A through N/A.

Aggregate Eligible Claim Payments include:

- |                                      |   |
|--------------------------------------|---|
| <input type="checkbox"/> Medical     | <input type="checkbox"/> Prescription Drugs         |
| <input type="checkbox"/> Dental Care | <input type="checkbox"/> Weekly (Disability) Income |
| <input type="checkbox"/> Vision Care | <input type="checkbox"/> Other                      |

Aggregate Monthly Factor per Covered Person:

Aggregate Payable Percentage (excess of Aggregate Deductible): N/A  
Maximum Eligible Claim Expense Per Covered Person: N/A  
Minimum Aggregate Deductible: N/A  
Maximum Aggregate Benefit (excess of Aggregate Deductible): N/A

Monthly Aggregate Accommodation: ☐ Yes ☒ No

Aggregate Terminal Liability: ☐ Yes ☒ No

(d) Specific Benefit: ☒ Yes ☐ No

Specific Contract Basis: Employee Benefit Plan expenses must be:

Incurred from: 01/01/2025 through 12/31/2025.

Paid from: 01/01/2025 through 03/31/2026.

Claims Incurred prior to the Contract Effective Date are limited to: N/A

Specific Eligible Claim Payments include:

☒ Medical ☒ Prescription Drugs  
☐ Dental Care ☐ Weekly (Disability) Income  
☐ Vision Care ☐ Other

Specific Deductible (per Covered Person): \$350,000

Specific Deductible for the following Covered Person(s) will apply:

Roxanne Eckhardt \$600,000

Katherine Valdez \$450,000

Aggregating Specific Deductible: ☒ Yes ☐ No

Aggregating Specific Deductible: \$165,000

Specific Payable Percentage (excess of Deductible): 100%

Maximum Specific Benefit (per Covered Person in excess of Specific Deductible): Unlimited

Simultaneous Specific Reimbursement: ☒ Yes ☐ No

9. **PREMIUMS:**

(a) Specific Premium Per Month:


Specific Terminal Liability:

Minimum Monthly Specific Premium:

N/A

10. **SPECIAL RISK LIMITATIONS:**

Contract will be based upon the current Employee benefits as defined in the Employee Benefit Plan by reference or by attachment, except as noted below:

Specific:


Aggregate:

## I. DEFINITIONS

**Administrator** means an organization that processes insurance claims or certain aspects of the Employee Benefit Plan for the Contractholder.

**Agent**, when referring to the Contractholder, means the Contractholder's representative, including but not limited to its designated Agent, broker, or Administrator.

**Aggregate Accommodation** means an advance of the Aggregate Benefit during the Contract Period.

**Aggregate Benefit** means the amount that the Company agrees to pay the Contractholder after the end of the Contract Period for Eligible Claims Paid by the Contractholder as set forth in the Schedule and pursuant to the terms, conditions and limitations of this Contract.

**Aggregate Contract Basis** identifies the dates during which Employee Benefit Plan expenses must be Incurred and must be Paid to be considered eligible for reimbursement as Aggregate Benefits.

**Aggregate Deductible Per Month** means the Aggregate Monthly Factor shown in the Schedule multiplied by the Number of Covered Units.

**Aggregate Deductible** means the sum of each Aggregate Deductible Per Month for each month during the Contract Period or fraction thereof.

**Aggregate Monthly Factor** means the factor shown in the Schedule.

**Aggregating Specific Deductible** means the amount in addition to the Specific Deductible the Contractholder must satisfy before Specific Eligible Claim Payments are reimbursable under this Contract. The Aggregating Specific Deductible Amount is satisfied by applying any Eligible Claim Payments that exceed the Specific Deductible for any Specific Benefit claim. The Aggregating Specific Deductible amount does not apply towards the satisfaction of the Aggregate Deductible.

**Aggregate Terminal Liability** is a provision allowing a Contractholder who is converting to fully insured coverage the option to extend the Aggregate Benefit for a defined period following the termination of the Contract.

**Approved Clinical Trials** means the definition as set forth in Section II. Benefits or as determined by a Medical Director.

**Continuation Beneficiary** is a Covered Unit which elects to extend its group health coverage under the Employee Benefit Plan entitled under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

**Contract** means the entire agreement between the Contractholder and the Company, specifically including the Contract application, this Contract form, the Contract amendments and/or riders (if any), and a copy of the Contractholder's Employee Benefit Plan.

**Contract Month** means a period measured from the Effective Date of this Contract, while this Contract is in force. Each new Contract Month will begin on a day which corresponds to the Effective Date. If there is no such day in any applicable month, then the last day of the month will be used.

**Contract Period** is stated in the Schedule.



**Contractholder** is named in the Schedule.

**Covered Person** refers to each person, individually, who is a Covered Unit, or, in the case of a Dependent, a member of a Covered Unit. In no event will coverage for a Dependent become effective before the Effective Date of coverage of the Plan Participant under the Employee Benefit Plan.

**Covered Unit** for purposes of calculation of the premiums and the Aggregate Deductible Per Month, means a Plan Participant, a Plan Participant with Dependents, or such other defined unit as agreed upon between the Company and the Contractholder, provided such Plan Participant, Dependents or such other defined unit is covered under the Employee Benefit Plan.

**Dependent** means a person who is defined as a Dependent under the Employee Benefit Plan.

**Disabled Person** is a Plan Participant not actively at work or, in the case of a Dependent or Continuation Beneficiary, is by disability unable to perform his or her normal functions of a person of like sex and age on the Effective Date of this Contract or the date such person becomes eligible for coverage under the Employee Benefit Plan.

**Effective Date** means, for this Contract, the date shown in the Schedule, which will be the date of issue, and terminates on the end of the Contract Period shown in the Schedule.

**Eligible Claim Payments** means expenses of the Employee Benefit Plan qualifying for coverage under the terms and conditions of this Contract.

**Employee** means a person who is defined as an Employee under the Employee Benefit Plan.

**Employee Benefit Plan** means the master plan document of the Contractholder in effect on the Effective Date of this Contract to provide medical expense benefits to the Contractholder's covered Plan Participants and Dependents of such Plan Participants, a copy of which is by reference or by attachment to and made a part of this Contract.

**Incurred** refers to the date on which a covered medical service was rendered, the date disability benefit payments become due, or a covered medical purchase was made for a Covered Person under the Employee Benefit Plan.

**Manager** means an organization that processes all or certain administrative functions on behalf of Companion Life Insurance Company.

**Maximum Aggregate Benefit** means the amount set forth in the Schedule as the maximum total Aggregate Benefit payable under the terms, conditions and limitations of this Contract during the Contract Period.

**Maximum Eligible Claim Expense Per Covered Person** as it relates to aggregate coverage, means the maximum dollar value of claims Paid on any one Covered Person that can apply toward satisfaction of an Aggregate Deductible, or that can apply toward the calculation of the Aggregate Benefit for a Contract Period.

**Maximum Specific Benefit** means the amount set forth in the Schedule for Excess Loss Insurance that is the maximum total Specific Benefit payable per Covered Person in excess of the Specific Deductible under the terms, conditions and limitations of this Contract for claims Incurred and/or Paid under the Employee Benefit Plan and in accordance with the Specific Contract Basis, as specified in the Schedule.

The Maximum Specific Benefit is further limited to the Employee Benefit Plan annual limit minus the Specific Deductible.

In the context of the definition of Maximum Specific Benefit, references to Employee Benefit Plan include all predecessors and successors of the particular plan in effect on the Contract Effective Date.

**Medical Director** is a professional such as a physician who is employed by an Administrator, insurance company or health plan to provide guidance and leadership in the delivery of medical care for a Covered Person.

**Minimum Aggregate Deductible** means the lowest possible Aggregate Deductible applicable to the Contract Period or fraction thereof. This amount is set forth in the Schedule.

**Number of Covered Units** means the total Number of Covered Units existing in any Contract Month.

**Paid** means that funds are actually disbursed by the Contractholder or his Agent. Payment of a claim is the unconditional and direct payment of a claim to a Covered Person or their health care providers. Payment will be deemed made on the date that both (1) the payor directly tenders payment by mailing (or otherwise delivering) a draft or check, and (2) the account upon which the payment is drawn contains, and continues to contain, sufficient funds to permit the check or draft to be honored.

Should the account upon which payment is drawn not contain sufficient funds to cover all outstanding checks and drafts on the account, then the Company may consider, in its sole discretion, any particular checks or drafts as not having been Paid, but only to the total amount representing the difference between the funds in the account and the total of outstanding checks and drafts.

**Patient Care Services** means the definition as set forth in Section II. Benefits or as determined by the Medical Director of the Employee Benefit Plan.

**Payable Percentage** means the percentage payable as shown in the Schedule. The calculation of Specific Benefits may be subject to a different Payable Percentage than the calculation of Aggregate Benefits.

**Plan Participant** means an Employee, a Dependent or any other person who is eligible and who is covered under the Employee Benefit Plan. No Plan Participant may be covered by this Contract prior to the date his or her coverage is effective under the Employee Benefit Plan or after the date his or her coverage under the Employee Benefit Plan ends.

**Proof of Loss** is the form authorized by the Company to be used for the submission of claims or expected claims as well as the supporting documentation reasonably necessary for the Company's independent evaluation of the legitimacy and extent of the claim. Claims for expenses not specifically identified in previously submitted Proofs of Loss must be accompanied by separate Proofs of Loss.

**Runoff Period** is the period of time which the eligible claims for the Policy may be Paid, provided they were Incurred during the Policy period. The paid through dates in General Schedule Options are subject to Runoff Period.

**Schedule** means the Schedule for Excess Loss Insurance.

**Specific Benefit** means the amount the Company will pay to the Contractholder for Eligible Claims Paid by the Contractholder over and above the Contractholder's Specific Deductible per Covered Person, and pursuant to the terms, conditions and limitations of this Contract.

**Specific Contract Basis** identifies the dates during which Employee Benefit Plan expenses must be Incurred and must be Paid to be considered eligible for reimbursement as Specific Benefits.

**Specific Deductible** means the per Covered Person deductible as shown in the Schedule.

**Specific Terminal Liability** is a provision allowing a Contractholder who is converting to fully insured coverage the option to extend the Specific Benefit for a defined period following the termination of the Contract.

## **II. BENEFITS**

The Company will pay, subject to the terms, conditions and limitations of this Contract, the following benefits, if shown in the Schedule.

### **1. Aggregate**

The Aggregate Benefit for the Contract Period, or fraction thereof, is the total of the Eligible Claim Payments, on an Incurred and/or Paid basis as shown in the Aggregate Contract Basis of the Schedule:

- (a) less the Aggregate Deductible or Minimum Aggregate Deductible, whichever is greater;
- (b) less the amount of the claims Paid by the Contractholder in excess of the Maximum Eligible Claim Expense Per Covered Person as shown in the Schedule;
- (c) less amounts paid in the Aggregating Specific Deductible;
- (d) less amounts recovered, refunded, or rebated from other sources; and
- (e) multiplied by the Aggregate Payable Percentage.

Aggregate Benefits are not payable until after the end of the Paid basis shown in the Aggregate Contract Basis of the Schedule. If this Contract should terminate prior to the end of the Contract Period, the Company shall not be liable for Aggregate Benefits for expenses Incurred or Paid by the Contractholder after the termination date.

In no event will the Aggregate Benefit exceed the Maximum Aggregate Benefit shown in the Schedule.

### **2. Specific**

The Specific Benefit with regard to each Covered Person, is the total of the Eligible Claim Payments, on an Incurred and/or Paid basis as shown in the Specific Contract Basis of the Schedule:

- (a) less the Specific Deductible;
- (b) less amounts recovered, refunded, or rebated from other sources;
- (c) multiplied by the Specific Payable Percentage; and
- (d) less the Aggregating Specific Deductible.

The Contractholder shall not be entitled to any Specific Benefit unless and until the Contractholder has actually Paid the full amount of the Specific Deductible as set forth in the Schedule for the Covered Person(s) for which the Specific Benefit is sought. The Contractholder shall only be entitled to a Specific Benefit up to the amount actually Paid by the Contractholder over and above the Specific Deductible and inclusive of any Aggregating Specific Deductible.

If this Contract should terminate prior to the end of the Contract Period, the Company shall not be liable for Specific Benefits for expenses Incurred or Paid by the Contractholder after the termination date.

In no event will the Specific Benefit with regard to any Covered Person exceed the Maximum Specific Benefit shown in the Schedule.

### **Approved Clinical Trials**

This Contract will reimburse Eligible Claim Payments, in excess of the greater of the Aggregate

Deductible or the Minimum Aggregate Deductible and Specific Deductible, for Patient Care Services furnished in connection with participation in Approved Clinical Trials as defined below:

An Approved Clinical Trial is defined as a clinical trial that meets all the following conditions:

1. the clinical trial is conducted for the prevention, detection, or treatment of cancer or another disease or condition likely to lead to death unless the course of the disease or condition is interrupted;
2. the clinical trial has been peer reviewed and is approved by at least one of the following:
  - a. the United States National Institutes of Health;
  - b. the Centers for Disease Control and Prevention;
  - c. the Agency for Health Care Research and Quality;
  - d. the Centers for Medicare & Medicaid Services;
  - e. a cooperative group or center of the National Institutes of Health;
  - f. a qualified nongovernmental research entity identified in guidelines issued by the National Institutes of Health for center support grants;
  - g. the United States Department of Defense, Department of Energy or Veterans Affairs; or
  - h. is federally funded, or is either:
    1. conducted under an investigational new drug application (IND) reviewed by the Food and Drug Administration; or
    2. a drug trial that is exempt from the IND application requirements.
3. the facility and personnel conducting the clinical trial are capable of doing so by virtue of their experience and training and treat a sufficient volume of patients to maintain that expertise;
4. the Covered Person meets the patient selection criteria enunciated in the study protocol for participation in the clinical trial;
5. the Covered Person has provided informed consent for participation in the clinical trial in a manner that is consistent with current legal and ethical standards; and
6. the clinical trial must have a therapeutic intent and must, to some extent, assess the effect of the intervention on the Covered Person.

### **Patient Care Services**

Patient Care Services are defined as health care items or services that are furnished to the Covered Person in an Approved Clinical Trial, which is consistent with the usual and customary standard of care for someone with the Covered Person's diagnosis, is consistent with the study protocol for the clinical trial, and would be covered if the Covered Person did not participate in the Approved Clinical Trial.

Patient Care Services must be determined to be eligible under the Contractholder's Employee Benefit Plan.

Patient Care Services do not include any of the following:

1. an FDA approved drug or device shall be a Patient Care Service only to the extent that the drug or device is not paid for by the manufacturer, the distributor or the provider of the drug or device;
2. non-health care services that the Covered Person may be required to receive as a result of being enrolled in the Approved Clinical Trial;
3. costs associated with managing the research associated with the Approved Clinical Trial, or
4. costs that would not be covered for non-investigational treatments;
5. any item, service or cost that is reimbursed or otherwise furnished by the sponsor of the Approved Clinical Trial; or

6.the costs of services, which are not provided as part of the Approved Clinical Trial's stated protocol, or other similarly intended guidelines.

#### **Additional Provisions**

The Company may require a copy of the Approved Clinical Trial's study protocol before determining if any benefits are payable.

Contract benefits paid shall not create any legal presumption that the Company has recommended, directed, endorsed or required any Covered Person's participation in the Approved Clinical Trial.

Contract benefits paid shall be subject to all terms and conditions of the Contractholder's Employee Benefit Plan.

### III. LIMITATIONS

1. This Contract will not pay the Contractholder for any loss or expense caused by or resulting from any of the following:
  - (a) expenses Incurred while the Employee Benefit Plan is not in force with respect to the Covered Person;
  - (b) expenses resulting from weekly (disability) income, dental, vision or any prescription card service, unless shown in the Schedule;
  - (c) liability assumed by the Contractholder under any contract or service agreement other than the Employee Benefit Plan;
  - (d) expenses as the result of extra-contractual damages; compensatory damages; or punitive damages;
  - (e) expenses resulting from or arising out of services which are billed in excess of the general level of charges being made by other providers of services in the locality where the service is rendered;
  - (f) expenses for benefits for accidental bodily injury or sickness arising out of or in the course of any occupation for wage or profit, or for which the Employee and Dependent would be entitled to or required by law to be covered by benefits under any Worker's Compensation, U. S. Longshoremen and Harbor Worker's or other occupational disease legislation or contract, whether or not such contract is actually in force;
  - (g) expenses which (1) are not accepted as standard medical treatment for the illness, disease or injury being treated by physicians practicing the suitable medical specialty; (2) are the subject of scientific or medical research or study to determine the item's effectiveness and safety; (3) have not been granted, at the time services were rendered, any required approval by a federal or state governmental agency, including without limitation, the Federal Department of Health and Human Services, Food and Drug Administration, or any comparable state governmental agency, and the Federal Health Care Finance Administration as approved for reimbursement under Medicare Title XVIII; or (4) are performed subject to the Covered Person's informed consent under a treatment protocol that explains the treatment or procedure as being conducted under a human subject study or experiment.
  - (h) cost of the administration of claim payments or expense of litigation with individual claimants;
  - (i) expenses for benefits to any Covered Person with coverage under any other plan, including Medicare, which, when combined with the benefits payable by such other plan, would cause the total to exceed 100% of the Covered Person's actual expenses;
  - (j) payments under the Employee Benefit Plan arising out of or caused by or contributed to or in consequence of war, hostilities (whether war be declared or not), invasion or civil war.
2. If the Schedule shows Disabled Persons are not covered, no benefits will be Paid under this Contract for expenses Incurred or Paid under the Employee Benefit Plan for a Disabled Person until:
  - (a) a Plan Participant, returns to active, full-time employment for at least one (1) full working day; or
  - (b) a Dependent or Continuation Beneficiary, is able to perform the normal functions of a person of like sex and age.
3. Plan Participants who have previously enrolled and continue to cover their eligible Dependents under the Employee Benefit Plan will be eligible to enroll their newborn children under this Contract on the date of the child's birth. Employees who have not previously

enrolled for Dependent coverage will be eligible for newborn child coverage as defined within the Employee Benefit Plan.

4. Retired Plan Participants and their Dependents, who are eligible under the Employee Benefit Plan, will be eligible for coverage under this Contract only if so indicated in the Schedule.



#### IV. CLAIMS PROVISIONS

1. **Payment of Claim:** All benefits as they become payable under this Contract will be Paid to the Contractholder. All expenses as they become payable under the Employee Benefit Plan shall be Paid by the Contractholder. The Company shall pay claims within a reasonable time after receiving fully executed Proofs of Loss and the documentation reasonably necessary to evaluate the eligibility and extent of the claim. Any Proof of Loss provided to the Company or its authorized representative later than 12 months after the end of the Contract Basis as stated in the Schedule will not be reimbursable under this Contract.
2. **Warranty:** Upon presentation of Proof of Loss to the Company for Aggregate Benefits and/or Specific Benefits, the Contractholder warrants that all monies necessary to pay for services and supplies have been paid to the respective providers of medical services or supplies to which the claim for reimbursement relates.
3. **Notice of Claim:** The Contractholder shall give written notice of claims to the Company on the Company's customary notice (Proof of Loss form), within 30 days of the date the Contractholder becomes aware of the existence of facts which would reasonably suggest the possibility that benefits will be incurred which are covered by this Contract and which will result in at least \$100,000 or 50% of the Specific Deductible, whichever is less, or that the Covered Person has been diagnosed with or treated for any of the conditions listed in the Contractholder Disclosure Statement. If it was not reasonably possible to give written proof in the time required, the Company will not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the expiration of the end of the Contract Period.

The Contractholder shall submit within 30 days after each calendar month a monthly paid claim report for all Eligible Claims Payments.

4. **Independent Review Organization Extension:**

The paid through date, as specified in the Schedule, may be extended 12 months for claims Incurred under the Contractholder's Employee Benefit Plan during the Contract Period for which Incurred claims were denied by the Contractholder or its designated Administrator. This extension is based on the following terms:

- a. the extension shall apply to Incurred claims that have exceeded the Specific Deductible under the Specific Benefit and the portion of the claim that accrues towards the Aggregate Deductible;
- b. a state or federally authorized Independent Review Organization has performed an Independent External Review ("IER"), under which process has been found to be acceptable under the Patient Protection and Affordable Care Act of 2010, and it's implementing regulations;
- c. this extension applies only to those IER decisions which are binding on the Employee Benefit Plan;
- d. the Contractholder or its designated Administrator has notified the Company or its designated Manager that a claim has breached the Specific Deductible, but is being denied by the Contractholder;
- e. the Contractholder or its designated Administrator notifies the Company or its Manager of any decision by the Employee or Dependent to pursue the IER process;
- f. the Independent Review Organization overturns the original denial and the decision to overturn is not due to an error made by the Contractholder or its designated Administrator; and

- g. the Independent Review Organization Extension will be null and void if the Excess of Loss Contract is terminated for any reason prior to the natural expiration as defined by the Contract Period in the Schedule.

5. **Legal Action:**

No action at law or in equity shall be brought to recover on this Contract prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this Contract. No such action shall be brought after the expiration of three years from Proof of Loss.

6. **Runoff Period:** The company will provide a reasonable period for the claims that were Incurred prior to the end of the contract period. However, any Runoff Period will not apply if this Policy terminates prior to the end of the contract period.

## **V. CONTRACT TERMINATION**

This Contract and all benefits hereunder will terminate upon the earliest of the following dates:

1. the termination date specified in writing by the Contractholder provided that the Company is notified not less than 31 days in advance of the termination date;
2. the end of any period for which premiums were paid and subsequent premiums are not paid;
3. the end of the Contract Period;
4. the date of termination of the Employee Benefit Plan;
5. the date of cancellation of the administrative agreement between the Contractholder and the designated Administrator, unless the Company has, prior to such cancellation, consented in writing to the Contractholder's designation of a successor Administrator; or
6. this Contract will automatically terminate if the Contractholder does not pay claims or make available funds to pay claims as required by this Contract.

## VI. GENERAL PROVISIONS

1. **Liability:** The Company will have neither the right nor the obligation under this Contract to directly pay any Covered Person or provider of professional or medical services for any benefit which the Contractholder has agreed to provide under the terms of the Employee Benefit Plan. The Company's sole liability hereunder is to the Contractholder, subject to the terms, conditions and limitations of this Contract. Nothing in this Contract shall be construed to permit a Covered Person to have a direct right of action against the Company.
2. **Payment of Premiums:** Each Premium for this Contract is payable on or before its due date as set forth in the Schedule to the Company or to its authorized representative. Payment of a premium will not maintain this Contract in force beyond the period for which such premium is paid, except as otherwise stated in the Grace Period.

If the Effective Date of this Contract is other than the first day of a calendar month, premiums payable under this Contract are due and payable on the first of each calendar month.

3. **Grace Period:** A grace period of 31 days will be allowed for the payment of each premium after the first premium. Should a premium otherwise due not be paid during the Grace Period, this Contract will terminate without further notice retroactive to the date for which premiums were last paid. The liability of the Company will be limited to claims Paid by the Contractholder prior to the date of termination. There will be no refund of any premium shown in the Schedule.
4. **Entire Contract:** This Contract form as issued to the Contractholder, together with the Contractholder's application, Contract amendments and/or riders (if any), and a copy of the Contractholder's Employee Benefit Plan, constitute the Entire Contract. The Company has relied upon the underwriting information provided by the Contractholder or the Contractholder's Agent, in the issuance of this Contract. Should subsequent information become known which, if known prior to issuance of this Contract, would affect the rates, deductibles, terms or conditions for coverage hereunder, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Contractholder.

Any statements made by the Contractholder will be considered a representation and not a warranty. No statements shall be used to void insurance, reduce benefits, or deny a claim unless such statements included in an application which has been made a part of this policy.

5. **Concealment, Fraud:** This entire Contract will be void if, whether before or after a claim or loss, the Contractholder or its Agent has concealed or misrepresented any material fact or circumstance concerning this Contract or the subject thereof, including any claim thereunder or in any case of fraud by the Contractholder or its Agent relating thereto.
6. **Clerical Error:** Clerical Error, whether by the Contractholder or by the Company, in keeping any records pertaining to the coverage, will not invalidate coverage otherwise validly in force nor continue coverage otherwise validly terminated.
7. **Audits:** The Company will have the right: (1) to inspect and audit all records and procedures of the Contractholder and designated Administrator; and (2) to require, upon request, proof of records satisfactory to the Company that payment has been made to the Covered Person or the provider of such services or benefits which are the basis for any claim by the Contractholder hereunder.

8. **Notice of Appeal:** Any objection, notice of legal action, or complaint received on a claim process by the Contractholder or the Administrator, and on which it reasonably appears a benefit will be payable to the Contractholder under this Contract shall be brought to the immediate attention of the Company or its Manager.
9. **Changes:** Only the President of the Company or their designee has the authority to alter this Contract, or to waive any of the Company's rights and then only in writing. No such alteration of this Contract shall be valid unless endorsed on or attached to this Contract. No Agent, broker, or Administrator has the authority to alter this Contract or to waive any of its provisions.
10. **Notice:** For the purpose of any notice required from the Company under the provisions of this Contract, notice to the Contractholder's designated Administrator shall be considered notice to the Contractholder.
11. **Amendments to the Employee Benefit Plan:** The Employee Benefit Plan shall not be changed while this Contract is in force without the prior written consent of the Company. Notice of any amendment to the Employee Benefit Plan must be given to the Company or its authorized representative at least 30 days prior to the Effective Date of the amendment. The Company will have the sole option to accept the amendment to the Employee Benefit Plan, and if accepted, the Company reserves the right to revise the rates, deductibles, terms or conditions of this Contract as of the Effective Date of the amendment. If such amendment is not agreed to in writing, the Company will be liable to pay benefits as if the Employee Benefit Plan was not changed.
12. **Responsibilities of the Contractholder's Designated Administrator:** Without waiving any of its rights under this Contract, and without making the designated Administrator a party to this Contract, the Company agrees to recognize the designated Administrator with respect to the normal administration of the Contractholder's Plan subject to:
  - (a) the Administrator being responsible on behalf of the Contractholder for auditing, calculating and processing all claims eligible under the Employee Benefit Plan within a reasonable period of time, preparing periodic reports as required by the Company and maintaining and making available to the Company at all times such information as the Company may reasonably require for proof of payment of the claims(s) by the Contractholder;
  - (b) the Administrator performing such other duties as may be reasonably required by the Company, including but not limited to, maintaining an accurate record of eligible Covered Persons of the Contractholder;
  - (c) the Company will not be responsible for any compensation owed to the designated Administrator for functions performed in relation to this Contract unless those charges are considered an Eligible Claims Expense; and
  - (d) this Contract will not be deemed to make the Company a party to any agreement between the Contractholder and the designated Administrator.
13. **Hold Harmless:**
  - (a) The Contractholder agrees to indemnify and hold the Company harmless for any legal expenses incurred, reasonable settlements made, or judgment(s) awarded, arising out of any dispute involving a Plan Participant or former Plan Participant of the Contractholder's Employee Benefit Plan provided such legal expenses, settlements, or judgment(s) were not incurred as a result of the sole negligence or intentional wrongful acts of the Company.

The Company, following any notification of its being, or likely to be, named as a defendant on any action concerning the aforementioned dispute will, within a reasonable time, in writing, notify the Contractholder of the dispute. The Company will cooperate with the Contractholder in matters pertaining to the dispute, however, such cooperation with the Contractholder will not waive the right of the Company to solely defend or settle any action in a manner it deems prudent.

- (b) The Contractholder shall be responsible for any state premium taxes incurred with respect to funds paid to or by the Contractholder under the Employee Benefit Plan. Taxes incurred with respect to premiums paid for this Contract will be the responsibility of the Company.
- 14. **Offset:** The Company will be entitled to offset claim reimbursements to the Contractholder against premiums due and unpaid by the Contractholder.
- 15. **Assignments:** The Contractholder shall not assign this Contract or any of its rights under this Contract without the prior written consent of the Company President or designee, and any assignment without prior written consent shall be void.
- 16. **Subrogation:** The Contractholder shall prosecute any and all valid claims that the Contractholder may have against third parties arising out of any occurrence resulting in a loss payment by the Contractholder and to account for any amounts recovered. Should the Contractholder fail to prosecute any valid claims against third parties and the Company thereupon becomes liable to make payments to the Contractholder under the terms and conditions of this Contract, then the Company shall assume all the Contractholder's rights to prosecute any valid claims against third parties, and the Contractholder will be responsible for any reasonable legal expenses incurred in the course of the prosecution.
- 17. **Recoveries:** The Company shall be entitled to recover first up to its full share of reimbursed claims before the Contractholder shares in any amount so recovered whether by way of subrogation or otherwise.
- 18. **Arbitration:** Any controversy or claim arising out of or relating to this Contract, or the breach thereof, may be settled by arbitration in accordance with the rules of the American Arbitration Association, with the express stipulation that the arbitrator(s) shall strictly abide by the terms of this Contract and shall strictly apply rules of law applicable thereto. The arbitration will occur in the county where the Policyholder is located. All matters shall be decided by a panel of three (3) arbitrators. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. This provision shall survive the termination or expiration of this Contract. The parties hereto may alter any of the terms of this provision only by express written agreement, although such alteration may be before or after any rights or obligations arise under this provision.
- 19. **Insolvency:** The insolvency, bankruptcy, financial impairment, receivership, voluntary plan of arrangement with creditors, or dissolution of the Contractholder or the Contractholder's designated Administrator shall not impose upon the Company any liability other than the liability defined in this Contract. In particular, the insolvency of the Contractholder shall not make the Company liable to the creditors of the Contractholder, including Covered Persons.
- 20. **Severability Clause:** Any clause deemed void, voidable, invalid, or otherwise unenforceable, whether or not such a provision is contrary to public contract, shall not render any of the remaining provisions of this Contract invalid.

21. **Renewal:** Renewal is not automatic but is available if permitted by the Company. Renewal may be subject to new premium rates, new underwriting terms, and new Contract terms. The Company will provide a notice 60 days prior to renewal date. If the Contractholder accepts the new terms and rates which are included in the notice, the Policy will be renewed.
22. **Group Specifications - Changes:** The Company reserves the right to revise rates, deductibles, terms or conditions of this Contract on any of the following dates:
- (a) When the Contractholder adds or deletes a subsidiary or affiliate;
  - (b) When there is a change in the geographical area in which the Contractholder is located;
  - (c) When there is a change in the nature of business in which the Contractholder is engaged; or
  - (d) When there is an increase or decrease in the Number of Covered Units which exceeds 15% in any one month or 30% over any period of three consecutive months.



**Companion Life Insurance Company**  
**Post Office Box 100102**  
**Columbia, South Carolina 29202**  
**(803) 735-1251**

**APPLICATION  
 FOR  
 AGGREGATE AND SPECIFIC EXCESS LOSS INSURANCE**

Application is hereby made to the Companion Life Insurance Company ("Company") for Excess Loss Insurance. This Application must be accepted and approved by the Company or its authorized representative prior to any Contract being in existence.

1. Full Legal Name of Applicant:

Edinburg Consolidated Independent School District

2. Address:

411 North 8th Avenue City: Edinburg State: TX Zip Code: 78541

3. If Employee Benefit Plans of subsidiary or affiliated companies (companies under common control through stock ownership, contract, or otherwise) are to be included, list legal name and addresses of such companies:

\_\_\_\_\_  
 \_\_\_\_\_

4. Enter the full name of Your Employee Benefit Plan(s) - (A copy of such Employee Benefit Plan(s) must be attached.)

Edinburg CISD Employee Benefits Plan

5. Name and address of Designated Administrator:

Blue Cross Blue Shield of Texas – PO Box 660044, Dallas, TX, 75266

6. Effective Date: January 1, 2025

7. Estimated Initial Enrollment (will be used as the Number of Covered Units during the first Contract Month):

Employee Only	2,964
Family	1,218



**8. GENERAL SCHEDULE OPTIONS:**

(a) Contract Period: 01/01/2025 to: 12/31/2025

(b) Disabled Persons ☒ are ☐ are not covered.  
Retired Employees ☐ are ☒ are not covered.(c) Aggregate Benefit ☐ Yes ☒ NoAggregate Contract Basis: Employee Benefit Plan Expenses must be:  
Incurred from N/A through N/A, and  
Paid from N/A through N/A.

Aggregate Eligible Claim Payments include:

<input type="checkbox"/> Medical	<input type="checkbox"/> Prescription Card Service
<input type="checkbox"/> Dental Care	<input type="checkbox"/> Weekly (Disability) Income
<input type="checkbox"/> Vision Care	<input type="checkbox"/> Other

Aggregate Monthly Factor

Aggregate Payable Percentage (excess of Deductible):	N/A
Maximum Eligible Claim Expense Per Covered Person:	N/A
Minimum Aggregate Deductible:	N/A
Maximum Aggregate Benefit (excess of Deductible):	N/A

Monthly Aggregate Accommodation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Aggregate Terminal Liability	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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(d) Specific Benefit	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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Specific Contract Basis: Employee Benefit Plan expenses must be:

Incurred from: 01/01/2025 through 12/31/2025.

Paid from: 01/01/2025 through 03/31/2026.

Claims Incurred prior to the Contract Effective Date are Limited to: N/A

Specific Eligible Claim Payments include:	<input checked="" type="checkbox"/> Medical	<input checked="" type="checkbox"/> Prescription Drugs
	<input type="checkbox"/> Dental Care	<input type="checkbox"/> Weekly (Disability) Income
	<input type="checkbox"/> Vision Care	<input type="checkbox"/> Other

Specific Deductible (per Covered Person): \$350,000

Specific Deductible for the following Covered Person(s) will apply:

Roxanne Eckhardt \$600,000

Katherine Valdez \$450,000

Aggregating Specific Deductible	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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Aggregating Specific Deductible	\$165,000
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Specific Payable Percentage (excess of Deductible): 100%

Maximum Specific Benefit (per Covered Person in excess of

Specific Deductible):

Unlimited

(e) Simultaneous Specific Reimbursement

☒ Yes

☐ No

9. **PREMIUMS:**

(a) Specific Premium Per Month:



Specific Terminal Liability:

Minimum Monthly Specific Premium:

N/A

10. **SPECIAL RISK LIMITATIONS:**

Contract will be based upon the current Employee benefits as defined in the Employee Benefit Plan by reference or by attachment, except as noted below:

Specific:



Aggregate:



**11. IT IS UNDERSTOOD AND AGREED, AS CONDITIONS PRECEDENT TO THE APPROVAL OF THIS APPLICATION, THAT:**

- (a) All documentation requested by the Company must be submitted prior to any approval of this Application and must be received by the Company within 90 days of the requested Effective Date.
- (b) If the Schedule shows Disabled Persons are not covered, no benefits will be Paid under the Contract for expenses Incurred or Paid under the Employee Benefit Plan for a Disabled Person until:
  - (1) an Employee, returns to active, full-time employment for at least one full working day; or
  - (2) a Dependent or Continuation Beneficiary, is able to perform the normal functions of a person of like sex and age.
- (c) Issuance of the Contract is in reliance upon the information provided by the applicant or its Agent. Should subsequent information become known which, if known prior to issuance of the Contract, would have affected the rates, deductibles, terms or conditions for coverage, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Covered Person.
- (d) The Contract, if issued, may be void, if whether before or after a claim or loss, any material fact or circumstance was concealed or misrepresented on behalf of the applicant, or if the applicant or its Agent, committed fraud.
- (e) Receipt of a premium and its deposit in connection with the application shall not constitute an acceptance of liability. In the event that Companion Life Insurance Company disapproves this application, its sole obligation shall be to refund such sum to the applicant.
- (f) If a Contract is issued and later rescinded, the sum of all benefits Paid will be deducted from the sum of all premiums paid. If the result is positive, such amount will be Paid by the Company to the applicant. If the result is negative, such amount will be Paid by the applicant to the Company.
- (g) The initial premium will be Paid on or before the Effective Date, and subsequent premiums are due no later than the first day of each calendar month during the Contract Period.
- (h) Applicant acknowledges that the Contract which is the subject of this application is a reimbursement Contract. Applicant must first pay claims before submitting them for reimbursement.
- (i) Oral statements not expressly incorporated herein are not part of this Contract. Only the President or Executive Officer of the Company may make changes to the Contract form or endorsement and/or riders on behalf of the Company. All changes to this Contract must be in writing and attached to this Contract.
- (j) NEITHER THIS APPLICATION NOR THE TERMS OF THIS APPLICATION MAY BE ALTERED.

In making this application, the applicant represents that, to the best of its knowledge and belief, such information accurately reflects the true facts and that the undersigned has authority to bind the applicant to the proposed Contract. Accordingly, this application will be a part of the Contract if accepted by the Company or its authorized representative.

Dated at: 11:55 am this 12<sup>th</sup> day of December, 2024

Witness: Dustin Goza Applicant: Edinburg Consolidated Independent School District

Tax ID #: 74-6000715

By: [Signature]  
(Officer/Partner)

Title: Superintendent of Schools

Licensed Resident Agent Name: Nathan Reuter

Agent Signature: [Signature: Nathan Reuter]  
DocuSigned by:  
343454B4C7DA435...

State License Number: 8386597

Company Issued Number: N/A

Address: 2300 Windy Ridge Pkwy, Suite 695S

City: Atlanta State: GA Zip: 30339

Social Security or Tax ID # 30-0914520

### ACCEPTANCE

Accepted on behalf of the Company, this 13th day of February, 2025

By: [Signature: Kenneth A. Kelly]

Title: Sr. Vice President of Underwriting

Contract No.: CLI 51,007 Effective Date: 01/01/2025

**FRAUD WARNING NOTICES:** (If the Applicant lives in a state where one of the fraud warning notices apply, please review the notice that applies to your state.)

**General Fraud Warning:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.



Companion Life Insurance Company  
Post Office Box 100102  
Columbia, South Carolina 29202  
(803) 735-1251

## **SIMULTANEOUS SPECIFIC REIMBURSEMENT AMENDMENT**

**Contract No.:** CLI 51,007  
**Contract Effective Date:** January 1, 2025  
**Contractholder:** Edinburg Consolidated Independent School District  
**Amendment Effective Date:** January 1, 2025

This Amendment modifies the Contract identified above.

This Amendment amends the Contract so that:

**Section II. BENEFITS**, Item 2. **Specific** is deleted in its entirety and replaced with the following:

### **2. Specific**

The Specific Benefit for each Covered Person, is the total of the Eligible Claim Payments, on an Incurred and / or Paid basis as shown in the Specific Contract Basis of the Schedule:

- (a) less the Specific Deductible;
- (b) less the Aggregating Specific Deductible;
- (b) less amounts recovered, refunded, or rebated from other sources;
- (c) multiplied by the Specific Payable Percentage.

The Company will simultaneously reimburse Specific Benefits to the Contractholder for all Eligible Claim Payments submitted to the Company or its Manager no later than fourteen days after the end of the final payment date as set forth in the Schedule's Specific Contract Basis, which exceed the Specific Deductible at the time of actual payment by the Contractholder. To receive the Simultaneous Specific Reimbursement, the Contractholder must have Paid the full amount of the Specific Deductible and all premiums listed in the Schedule must be Paid current to date. The Contractholder shall only be entitled to a Simultaneous Specific Reimbursement up to the amount submitted by the Contractholder over and above the Specific Deductible.

The Company will also reimburse Eligible Claim Payments submitted later than fourteen days after the end of the final payment date as set forth in the Schedule's Specific Contract Basis, if the Eligible Claim Payments have been Paid in full by the Contractholder.

If the Contract should terminate prior to the end of the Contract Period, the Company shall not be liable for Specific Benefits for expenses Incurred or Paid by the Contractholder after the termination date.

In no event will the Specific Benefit with regard to any Covered Person exceed the Maximum Specific Benefit shown in the Schedule.

The Simultaneous Specific Reimbursement benefit is only available to the Contractholder for claims incurred within the Contract Period and Paid by the end of the Runoff Period.

Except as stated in this Amendment, nothing contained herein shall be deemed to alter or affect any of the provisions of the Contract.

Renewal of this Amendment is not automatic but is available if permitted by the Company.

A handwritten signature in dark ink, appearing to read "J. Anderson Folsom", is centered on the page. The signature is written in a cursive, flowing style.

**J. Anderson Folsom**  
President

Companion Life Insurance Company  
Post Office Box 100102  
Columbia, South Carolina 29202  
(803) 735-1251

**GENE THERAPY and RETHYMIC TREATMENT ENDORSEMENT**

**Contract No.:** CLI 51,007  
**Contract Effective Date:** January 1, 2025  
**Contractholder:** Edinburg Consolidated Independent School District  
**Endorsement Effective Date:** January 1, 2025

This Endorsement modifies the Contract identified above.

It is hereby understood and agreed that the following items are incorporated into the Contract.

**Gene Therapy and Rethymic Treatment**

This Contract will reimburse Eligible Claim Payments, in excess of the Aggregate Deductible or the Minimum Aggregate Deductible, whichever is greater and the Specific Deductible, for Gene Therapy and Rethymic Treatment approved by the Food and Drug Administration (FDA). This includes new Gene Therapies approved for complex conditions and expanded age ranges approved by the FDA after the Endorsement Effective Date.

For Gene Therapy and Rethymic Treatment covered under this Endorsement, the expense for the Product will be considered an Eligible Claim Payment. The professional and facility charges associated with the administration of the Gene Therapy and Rethymic Treatment will be covered according to the Employee Benefit Plan.

If the Contractholder elects to continue the Specific Benefit by applying for a new Contract ("Successor Contract") with the Company that becomes effective immediately following expiration of the existing Contract on or before the existing Contract's expiration date, the Company guarantees that a Successor Contract will contain no additional Special Limitations and no additional higher Specific Deductibles as a result of Gene Therapy or Rethymic Treatment for Covered Persons to whom no Special Limitations or higher Specific Deductible as a result of Gene Therapy or Rethymic Treatment apply under the Contract. If a Special Limitation or higher Specific Deductible as a result of Gene Therapy or Rethymic Treatment applies to a Covered Person under the Contract it may also apply to the Covered Person under a Successor Contract. Covered Persons may receive a Special Limitation or higher Specific Deductibles for the Successor Contract as a result of other known health conditions unless otherwise exempted by the Specific Benefit Rate Stabilization Rider.

This guarantee will not apply to a Covered Person if the Company determines that:

- (a) the Contractholder failed to disclose information, as required by the terms of the Contract, about that Covered Person; and
- (b) the Company would, had they known that information, have imposed a Special Limitation or a higher Specific Deductible as a result of Gene Therapy or Rethymic Treatment applicable to that Covered Person absent the provisions of this Endorsement.

The Covered Persons Gene Therapy or Rethymic Treatment will not directly impact the Contractholder renewal rate.

If there is other Gene Therapy or Rethymic Treatment coverage in place at the time of this Contract, the Company will pay secondary to the other program.



## **DEFINITIONS**

**Gene Therapy** means a treatment or product used to modify or manipulate the expression of a gene or to alter the biological properties of living cells for therapeutic use. Gene Therapy not approved by the FDA, used to treat conditions not approved by the FDA, or used on Covered Persons not in the demographic group approved by the FDA are not covered under this Endorsement.

**Product** means the Gene Therapy and Rethymic Treatment which is administered to the patient. It does not include the administration of the therapy.

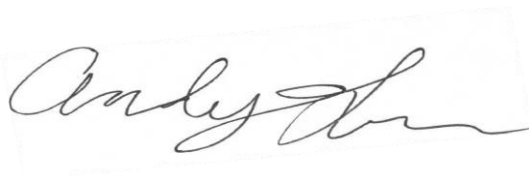
**Rethymic Treatment** means tissue-based treatment of pediatric patients with congenital athymia. Treatments not approved by the FDA, used to treat conditions not approved by the FDA, or used on Covered Persons not in the demographic group approved by the FDA are not covered under this Endorsement. The approval of Rethymic Treatment for a Covered Person requires notification to the Company at least two weeks prior to the Covered Person receiving the Rethymic Treatment.

Except as stated in this Endorsement, nothing contained herein shall be deemed to alter or affect any of the provisions of the Contract.

In the event of a conflict between the terms and conditions of this Endorsement and the Contract, this Endorsement will prevail.

This Endorsement does not waive any Contract exclusions or limitations, or other defenses or Contract rights provided the Company under the Contract by reference or to which it is attached. This Endorsement does not waive any rights afforded the Company by any state or federal law.

This Endorsement is made part of the Contract to which it is attached.

A handwritten signature in black ink, appearing to read "J. Anderson Folsom", is written over a light gray rectangular background.

J. Anderson Folsom  
President



Companion Life Insurance Company  
Post Office Box 100102  
Columbia, South Carolina 29202  
(803) 735-1251

### **LIMITED EXCLUSIONS RIDER**

**Contract No.:** CLI 51,007  
**Contract Effective Date:** January 1, 2025  
**Contractholder:** Edinburg Consolidated Independent School District  
**Rider Effective Date:** January 1, 2025

This Rider modifies the Contract identified above.

The Company hereby agrees to accept as Eligible Claim Payments all Employee Benefit Plan benefit(s) Paid by the Contractholder, provided that such benefits are:

1. Paid in accordance with the terms of the Employee Benefit Plan;
2. Incurred and Paid within the Contract Basis as defined in the Schedule;
3. Paid under a covered benefit provided by the Contract, as defined in the Schedule, and;
4. Not the result of any of the following:
  - a. payment not in strict compliance with the terms and conditions of the Employee Benefit Plan or in excess of the amount allowable under the Employee Benefit Plan;
  - b. payment arising out of or caused by or contributed to or in consequence of war, hostilities (whether war be declared or not), invasion or civil war;
  - c. payment by the Contractholder of expenses related to or resulting from any litigation concerning the Employee Benefit Plan, including, but not limited to, attorneys' fees and costs, extra-contractual damages, compensatory damages and punitive damages;
  - d. expenses associated with the administration of the Employee Benefit Plan including, but not limited to, Administrator fees, PPO access fees, PBM administration fees, medical review and consultant fees, unless otherwise covered under the Contract; or
  - e. expenses for a transplant(s) if the Employee Benefit Plan has a separate insurance policy that includes coverage for transplants.

Written notice of any material change to the Employee Benefit Plan must be provided to the Company as shown in the Amendments to the Employee Benefit Plan provision of the Contract. If the Company does not accept, in writing, the changes made to the Employee Benefit Plan, the Company will apply the terms and conditions of the Plan that existed prior to any such change.

In the event of a conflict between the terms and conditions of this Rider and the Contract, this Rider will prevail.

Payment of premium on or after the effective date of the Rider shall constitute acceptance by the Contractholder of the modifications contained herein.

Except as stated in this Rider, nothing contained herein shall be deemed to alter or affect any of the provisions of the Contract.

Renewal of this Rider is not automatic but is available if permitted by the Company.

A handwritten signature in black ink, appearing to read 'J. Anderson Folsom', written over a light gray rectangular background.

**J. Anderson Folsom**  
President

## NOTICE OF PRIVACY PRACTICES

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THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

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### Our Privacy Promise

We understand the importance of handling your medical information with care. We are committed to protecting the privacy of your medical information. State and federal laws require us to make sure that your medical information is kept private. Federal law requires that we provide you with this Notice of Privacy Practices, which describes our legal duties and privacy practices with respect to your medical information and your legal rights with respect to our use and disclosure of your medical information. We are required by law to follow the terms of the Notice currently in effect. This Notice is effective September 23, 2013, and will remain in effect until it is changed or replaced.

We reserve the right to change our privacy practices and the terms of this notice at any time, as long as the law allows. These changes will be effective for all medical information that we keep, including medical information we created or received before we made the changes. When we make a material change to our privacy practices, we will provide a copy of a new notice (or information about the changes to our privacy practices and how to obtain a new notice) in a mailing to members who are covered under our health plans at that time.

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### Uses and Disclosures of Medical Information

#### Treatment, Payment, Health Care Operations

We may use and disclose your medical information for purposes of treatment, payment and health care operations.

**Treatment:** We may disclose your medical information to a physician or other health care professional to help him or her provide your treatment.

**Payment:** We may use or disclose your medical information for these and other activities related to payment:

- Paying claims from physicians, hospitals and other health care providers.
- Obtaining premiums.
- Issuing explanations of benefits to the named insured.
- Providing information to health care professionals or other entities that are bound by the federal Privacy Rules for their payment activities.

**Health Care Operations:** We may use or disclose your medical information in the normal course of conducting health care operations, including such activities as:

- Quality assessment and improvement activities.
- Reviewing the qualifications of health care professionals.
- Compliance and detection of fraud and abuse.
- Underwriting, enrollment and other activities related to creating, renewing or replacing a plan of benefits. We may not, however, use or disclose genetic information for underwriting purposes.
- Providing information to another entity bound by the federal Privacy Rules for its health care operations, in limited circumstances.

### **You and Your Family and Friends**

We may use and disclose your medical information to communicate with you for purposes of customer service or to provide you with information you request. We may disclose your medical information to a family member, friend or other person to the extent necessary for him or her to assist with your health care or payment for your health care. Before we disclose your medical information to that person, we will give you a chance to object to us doing so. If you are not available, or if you are incapacitated or in an emergency situation, we may, in the exercise of our professional judgment, determine whether the disclosure would be in your best interest. We may also use or disclose your medical information to notify (or help notify, including identifying and locating) a family member, a personal representative or other person responsible for your care of your location, general condition or death.

### **Your Employer or Organization Sponsoring Your Group Health Plan**

We may disclose summary information and enrollment information to your employer (or other plan sponsor). Summary information is a summary of the claims history, claims expenses or types of claims that members of your group health plan have filed. The summary information will not include demographic information about you or others in the group health plan, but your employer or plan sponsor may be able to identify individuals from the summary information provided.

### **Disaster Relief**

We may use or disclose your medical information to a public or private entity authorized by law or by its charter to assist in disaster relief efforts.

### **Public Benefit**

We may use or disclose our members' medical information as authorized by law for the following purposes that are in the public interest or benefit:

- As required by law.
- For public health activities, including disease and vital statistics reporting, child abuse reporting, FDA oversight, and to employers regarding work-related illness or injury.
- To report adult abuse, neglect or domestic violence.
- To health oversight agencies.
- In response to court and administrative orders and other lawful processes.
- To law enforcement officials in response to subpoenas and other lawful processes concerning crime victims, suspicious deaths, crimes on our premises, reporting crimes in emergencies and to identify or locate a suspect or other person.
- To coroners, medical examiners and funeral directors.
- To organ procurement organizations.
- To avert a serious threat to health or safety.
- In connection with certain research activities.
- To the military and to federal officials for lawful intelligence, counterintelligence and national security activities.
- To correctional institutions regarding inmates.
- As authorized by state workers' compensation laws.

### **Your Authorization**

We may not use or disclose your medical information without your written authorization, except as described in this notice. You may give us written authorization to use your medical information or to disclose it to anyone for any purpose. If you give us authorization, you may revoke it at any time by notifying us of your revocation in writing. Your revocation will not affect any use or disclosure permitted by the authorization while it was in effect. We need your written authorization to use or disclose psychotherapy notes, except in limited circumstances such as when a disclosure is required by law. We also must obtain your written authorization to sell your medical information to a third party or, in most circumstances, to send you communications about products and services. We do not need your written authorization, however, to send you communications about health-related products or services, as long as the products or services are associated with your coverage or are offered by us.

## **Individual Rights**

You have certain rights with respect to the medical information we maintain about you. To exercise any of these rights or to obtain more information about these rights (including any applicable fees), contact us using the information listed at the end of this notice.

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### **Access**

You have the right to inspect or receive a paper or electronic copy of your medical information, with some exceptions. To inspect or receive your medical information, you must submit the request in writing. If you request to receive a copy of your records, we are allowed to charge a reasonable, cost-based fee.

### **Disclosure Accounting**

You have the right to request, in writing, a record of instances in which we (or our business associates) disclosed your medical information for purposes other than treatment, payment, health care operations, and as allowed by law. We will provide you with a record of such disclosures for up to the previous six years. If you request a record of disclosures more than once in a 12-month period, we may charge you a reasonable, cost-based fee for each additional request.

### **Restriction**

You have the right to request, in writing, that we place additional restrictions on our use or disclosure of your medical information. By law, we are not required to agree to these additional restrictions, but if we do, we will abide by our agreement (except in an emergency). Any agreement to additional restrictions will be made in writing and signed by a person authorized to make such an agreement for us.

### **Confidential Communications**

You have the right to request, in writing, that we communicate with you about your medical information by other means, or to another location. We are not required to agree to your request unless you state that you could be in danger if we do not communicate to you in confidence. In that case, we must accommodate your request if it is reasonable, if it specifies the other means or location, and if it permits us to continue to collect premiums and pay claims under your health plan. We will not be bound to your request unless our agreement is in writing.

Even if we agree to communicate with you in confidence, an explanation of benefits we issue to the named insured for health care services the named insured (or others covered by the health plan) received might contain sufficient information (such as deductible and out-of-pocket amounts) to reveal that you obtained health care services for which we paid.

### **Amendment**

You have the right to request, in writing, that we amend your medical information. Your request must explain why we should amend the information. We may deny your request if we did not create the information you want amended and the person or entity that did create it is available, or we may deny your request for certain other reasons. If we deny your request, we will send you a written explanation.

### **Notice of Breach**

We are required to notify affected individuals following a breach of unsecured medical information.

**Electronic Notice**

You may request a written copy of this notice at any time or download it from our website.

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**Privacy Questions and Complaints**

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If you want more information about our privacy practices, or if you have questions or concerns, please contact us using the information below.

If you believe we may have violated your privacy rights, you may submit a complaint to us using the contact information listed below. You also may submit a written complaint to the U.S. Department of Health and Human Services. We will provide you with that address upon request.

We support your right to the privacy of your medical information. We will not retaliate in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human Services.

**Contact Information**

Attn: Privacy Officer  
I 20 East @ Alpine Road (AX-E01)  
Columbia, SC 29219

(803) 264-7258 (telephone)  
(803) 264-7257 (fax)