

SERVICES AGREEMENT

This Agreement for Services ("Agreement") is made the 21st day of February 2023 ("Effective Date") between Town of Prosper ("Client"), and Holmes Murphy & Associates, LLC ("Holmes Murphy"), either or both of which entities may be referred to individually or collectively as "Party" or "Parties", respectively.

WHEREAS Holmes Murphy provides consulting and brokerage services to clients in the field of health and welfare benefits; therefore, Client hereby engages in the services of Holmes Murphy, and in consideration of the promises herein contained.

NOW, THEREFORE, the Parties hereby agree as follows:

I. SCOPE OF SERVICES

Holmes Murphy will provide professional services in the area of health and welfare benefits as outlined in the Exhibit A attached hereto and hereby incorporated into this Agreement. Holmes Murphy is not responsible for services offered by a third party regardless of whether the third party was recommended by Holmes Murphy in their capacity as Broker of Record.

II. SERVICES FEES

Compensation for medical and dental consulting is outlined in Exhibit A. Compensation for non-medical/dental benefit coverages are paid by the vendor to Holmes Murphy. National Carrier bonus payments may be paid to Holmes Murphy based on national volume not specific to Client and those funds are directed to corporate initiatives.

In addition to the consulting fee, Holmes Murphy is eligible to receive commissions from insurance companies and vendors whose products are utilized by Client. Client will authorize the fees Client pays for these products. Holmes Murphy must disclose in writing the amount of any such commissions received.

Client will not incur any additional monthly fees after the Agreement is terminated as provided in Section III, however Holmes Murphy may still receive commissions from insurance companies following termination of this Agreement. Notwithstanding the foregoing, regardless of termination, in addition to payment of commissions, fees and other amounts due under this Agreement, Client is responsible for payment of any sales and use tax due on or with respect to commissions, fees and other amounts payable this Agreement. Client will pay applicable sales or use tax to Holmes Murphy or the proper tax authority as required by law.

III. TERM

This Agreement will begin on April 1, 2023 and will continue for a period of one (1) year thereafter (Initial Term). This Agreement will automatically renew for additional one year terms (each, a Renewal Term). The Initial Term and Renewal Term are collectively referred to herein as the Term. This Agreement may be terminated at any time and for any reason by either Party by providing ninety (90) days prior written notice to the other Party. In the event Client is transitioning health and welfare benefit services to another provider upon termination, Holmes Murphy shall use all reasonable efforts to share information and coordinate such transition with the new provider in a professional and workmanlike manner.

IV. INDEMNIFICATION

To the extent authorized by Texas law, each Party ("Indemnitor") hereby agrees to indemnify, defend and hold harmless the other Party ("Indemnitee"), including the Indemnitee's subsidiaries and affiliates and their respective officers, directors, employees, agents, successors and assigns, from and against any and all losses, claims, demands, actions, costs, liabilities, damages, and expenses (including but not limited to reasonable attorney fees) arising out of or related to (i) the Indemnitor's performance or failure to perform any of its obligations under this Agreement, or (ii) any other negligent act or failure to act on the part of Indemnitor. In no event will either Party be liable for any special, incidental, punitive, indirect or consequential damages whatsoever arising out of the services, even if the party has been advised of that possibility. Notwithstanding the foregoing, Holmes Murphy's total liability under this section shall not exceed the sum of fees paid by Client or commissions received (excluding any insurance premiums) over the previous twelve (12) months.

V. REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants to the other Party that: (i) it is duly authorized and licensed to do business and carry out its obligations under this Agreement; (ii) the making of this Agreement does not violate any law, regulation or agreement to which it is a party; (iii) in fulfilling its obligations pursuant to this Agreement, it will comply with all applicable federal, state and local laws or regulations; (iv) it has full power and authority to enter into this Agreement and the execution, delivery and performance of this Agreement has been authorized by all necessary corporate action; (v) it has obtained all third party consents required to enter into this Agreement and neither the execution, delivery or performance of this Agreement will conflict with or constitute a breach of its certificate of incorporation, charter or by-laws; (vi) it has had the opportunity to read this Agreement, has voluntarily entered into this Agreement, and is fully aware of its terms and conditions. The representations and warranties of this Section shall survive the termination of this Agreement.

VI. CONFIDENTIALITY

Holmes Murphy acknowledges that during the term of this Agreement, it will have access to or may come in to possession of various confidential materials of Client, including without limitation: employee information including name, address, social security number or any other personally identifiable information; contact information; account information; financial information; and security and operational procedures and information. Holmes Murphy agrees that it will not divulge any confidential material to any third party without Client's prior written consent, provided, however, Holmes Murphy shall be permitted to divulge confidential material to third parties that are utilized to provide the services to Client. Holmes Murphy further agrees that all confidential material shall be and remain the property of Client. All such information in tangible form, including all tools and equipment, shall be returned to Client promptly upon written request or the termination of the Agreement, and shall not thereafter be retained or used in any form or manner by Holmes Murphy. Notwithstanding the foregoing, subject to its obligations of confidentiality, Holmes Murphy may retain one copy of documents containing confidential information necessary for archival purposes and to defend its work product. This undertaking shall survive any termination of this Agreement.

VII. ASSIGNMENT

This Agreement shall be binding upon, and shall inure to the benefit of the Parties, their administrators, executors, personal representatives, and successors.

VIII. NOTICES

Notices will be effective under this Agreement when in writing and delivered by next-day delivery service (with proof of delivery) or mailed by certified or registered mail, return receipt requested, to the appropriate Party below, with a copy to each Party's respective General Counsel,

Attn: General Counsel
Holmes Murphy & Associates, LLC
2727 Grand Prairie Parkway
Waukee, IA 50263

Jay Carter, Purchasing Manager
Town of Prosper
Town Hall, 3rd Floor
250 W. First Street, PO Box 307
Prosper, TX 75078

or to the person and at the address designated in the future. Notices shall be deemed given on the date delivered or date of attempted delivery, if service is refused.

IX. SEVERABILITY

In the event any one or more of the provisions of this Agreement is held to be unenforceable or invalid under applicable law: (i) such unenforceability or invalidity shall not affect any other provision of this Agreement; (ii) this Agreement shall be construed as if said unenforceable or invalid provision had not been contained herein; and (iii) the Parties shall negotiate in good faith to replace the unenforceable or invalid provision by such as has the effect nearest to that of the provision being replaced.

X. CAPTIONS

The captions used in this Agreement are for convenience of reference only and are not to be used in interpreting the obligations of the Parties under this Agreement.

XI. INDEPENDENT CONTRACTORS

Nothing contained in this Agreement shall create any association, partnership, joint venture or principal/agent relationship between Client and Holmes Murphy, it being understood that the Parties are, with respect to each other, independent contractors, and neither Party shall have an authority to bind the other in any way.

XII. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the substantive laws of the State of Iowa, without regard to its conflict of law rules.

XIII. WAIVER

The failure to exercise any right under this Agreement shall not be deemed to be a waiver of such right, and shall not affect the right to enforce each and every right hereof. The waiver of any breach of any term, provision, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent, actionable breach.

XIV. ENTIRE AGREEMENT

This Agreement and the Exhibits attached hereto constitute the entire understanding between the Parties concerning the subject matter hereof and supersede all prior discussions, agreements and representations, whether oral or written. This Agreement or any part or provision hereof shall not be deemed waived, amended, or modified by either Party unless such waiver, amendment or modification is in writing and executed by authorized representatives of both Parties.

XV. COUNTERPART EXECUTION

This Agreement may be executed in multiple counterparts, including emailed or telecopied facsimile, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

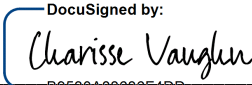
In Witness Whereof, the Parties have caused their duly authorized representatives to execute this Agreement as of the day and year first above written.

AGREED:

Client: Town of Prosper

Holmes Murphy & Associates, LLC

By: _____

DocuSigned by:
By:  _____
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Name: _____

Name: Charisse Vaughn

Date: _____

Date: 2/21/2023

Title: _____

Title: Senior Vice President

Exhibit A – Scope of Services

1. Client management and Consulting Services

- Facilitate initial client onboarding: Core Beliefs Exercise
- Develop an annual set of milestones/project plans and deliverables based on scope of service offered.
- Provide all guidance on all aspects of the employee benefit portfolio including plan design and contribution strategies.
- Conduct semi-annual strategic meetings.
- Facilitate pre-renewal strategic meetings to discuss objectives, expected financial impacts, and desired outcomes.
- Manage and oversee day-to-day interactions with client vendor partners.
- Provide HR team support for management of benefit plans and programs.
- Provide nationally and regionally validated sources for benchmarking related to health and welfare programs.
- Provide general education and consulting.

2. Marketing Services (New Clients/Renewals)

- Facilitate the Request for Proposal (RFP) process requesting proposals, pricing, and specific benefit detail for insurance products to which we are appointed. In scope services encompass general insurance products and administration of insurance products only.
- Evaluate provider networks which include provider discounts, access, service level, and potential disruption to the Town.
- Conduct vendor negotiations and oversee finalist presentations.

3. Employee Communication Services

- Develop enrollment communication calendar and timeline.
- Create enrollment communications using our proprietary templates to educate and engage employees. These items can include postcards, posters, announcement emails, newsletters, benefits enrollment guides, and required notices. To meet deadlines, a maximum of two edits is requested. If multiple iterations are required, an additional fee may apply.
- Prepare, strategize, and facilitate virtual Open Enrollment meetings.
- Evaluate and provide feedback on communication tools and materials included in carrier contracts, such as plan selection tools, wellness newsletters, etc.
- Provide templates for monthly employee benefits and wellness newsletters/emails.
- Create and administer benefit satisfaction surveys.

4. Compliance Services

- Generate a proprietary Compliance Scorecard, which provides insight into areas that may need further attention.
- Develop a plan of action to address any Compliance Scorecard items of concern.
- Provide access to in-house compliance resources for routine questions and inquiries.
- Provide on-going webinar and in-person education opportunities.
- Provide access to online benefits and human resources portal containing compliance tools and resources.
- Provide timely updates on compliance-related alerts via email.
- Prepare compliance required notices in electronic format.
- Recommend and assist with the implementation of vendor partners that facilitate compliance-related administration such as Leave of Absence administration, and ACA (Affordable Care Act) requirements. The costs of these services are not included in our scope of services.

5. Financial/Reporting/Data Analysis

- Collect carrier and vendor claims, utilization, and cost data to provide financial reporting and analysis. Self-funded clients will receive this financial reporting monthly.
- Prepare routine evaluations of the financial performance of benefit programs for which Holmes Murphy has been appointed.
- Develop budgets using Holmes Murphy proprietary and actuarially validated budget and modeling tools, including and analysis of contribution strategies and plan design strategies.
- Assist in risk levels and provide stop loss modeling when appropriate.
- Proprietary Clinical Learning and Understanding Engine (CLUE) reporting when minimum employee lives, and revenue are met.

6. Pharmacy Strategy Consulting

- Consult on evaluation and marketing of carve-out pharmacy solutions.
- Facilitate formulary & prescription disruption analysis.
- Represent client through negotiation of discounts off AWP, Rebates, Administrative fees, performance guarantees, and overall contract improvements.
- Assist with new PBM installation/implementation support.
- Review PBM contracts, policies, Summary Plan Descriptions (SPDs), and Summary of Benefit Coverage (SBC's) for accuracy and consistency with the terms of the coverage sold.

7. Clinical/Wellbeing Services

- Consult on evaluation, implementation, and management of clinical and wellbeing solutions to meet client benefit portfolio goals.
- Develop, with client team, a Disease-Specific Battle Plan to address current and future member health risks based on utilization and disease states.
- Manage and oversee day-to-day interactions with client's clinical and wellbeing vendor partners.

8. Additional Services not in scope

- Language translation, printing, postage, and document delivery expenses.
- Custom employee communication materials, including stock video libraries, custom videos, microsites, benefit apps, enrollment decision support tools, etc.
- Plan document and SPD creation.
- Compliance-related deliverables such as: Non-discrimination testing, ACA Section 6055 and 6056 reporting.
- Partner/vendor file feed charges.
- Employee compensation/total rewards statements.
- Consult on evaluation, implementation, and management of clinical and wellbeing solutions to meet client benefit portfolio goals.

9. Value-Added Services

- Clinical Plan review and Data Warehouse services through **Holmes Murphy's Clinical Learning and Understanding Engine (C.L.U.E.)**. We will compare the clinical and disease states of the Town's population in comparison to normative and best practice plans so that the Town can better understand where gaps currently exist, along with the recommended programs and strategies to close those gaps.
- **Texas Municipal Medical Plan Benchmark**. This benchmark includes 130 plans from 60 Texas Municipalities so that the Town can understand where your plans rank to other similar Employers that you are competing against for your talent. This will be provided to the Town at no additional cost.

10. Cost Control Services

- Holmes Murphy will review the existing programs and will provide detailed costs estimates associated with changes to the current benefit programs based on affordability and best-fit for your employees for the following programs: Tax-advantage programs, Innovative RX plan designs, Clinical Wellness Programs, Employee Nurse Programs, Value-based Plan Designs, Contractual Discount Analysis, and Funding Alternatives.

11. Quality Assurance

- Holmes Murphy will establish an agreed upon scope of services on an annual basis after discussion with the Town, its leaders, and our team. At the end of the plan year, we will produce a Stewardship Report that reviews the agreed upon scope of service and provide insights into the services delivered including financial savings and overall performance.
- The Holmes Murphy team assigned will internally utilize our Client Retention Tool to evaluate our ongoing service to the Town. This tool will allow the team to monitor project timelines, key deliverables, upcoming meetings, and deadlines.

12. Price Quote

We propose to provide the full scope of services as outlined in this proposal for a fee of:

Fee Description: Employee Benefit Consulting based on current size and headcount; a compensation amount of **\$50,000 plus standard commissions already built into select coverages.**

Fees that fall outside of the scope of services proposed include the following:

Printing costs associated with employee communication materials and fulfillment. (Note: Our communications team designs the materials customized to the Town and then furnishes the digital file for you to print in-house or through your own print provider if necessary)

Clinical data warehouse and analytics file feeds charges. (These charges are often one-time or as a pass-through charge to the Town's medical/pharmacy carriers.) These charges enable a carrier's EDI file feed to interface with our data warehouse and analytics platform.

Wrap Plan & Summary Plan Document creation, if needed and not funded by the Town's vendors.

Use of Benefit Technology Resources (BTR) for special projects and RFPs, if needed.

You have our commitment that in the event there are services needed that fall outside of our agreement, Holmes Murphy will never invoice you without first obtaining consent based upon an agreed upon fee. In this way, we avoid having any surprises that are not pre-approved.