

2024/25 EXCESS WORKERS' COMPENSATION PROGRAM
REINSURANCE AGREEMENT

This reinsurance agreement (the "Agreement") is made and entered into by and between PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (hereinafter referred to as "PRISM") and the AFFILIATE RISK CAPTIVE, a Utah non-profit captive insurance company (hereinafter referred to as the "Reinsurer").

The Reinsurer hereby reinsures PRISM to the extent and on the terms and conditions and subject to the exceptions, exclusions, and limitations hereinafter set forth and nothing hereinafter shall in any manner create any obligations or establish any rights against the Reinsurer in favor of any third parties or any persons not parties to this Agreement.

ARTICLE 1 - BUSINESS COVERED

The Reinsurer agrees to reimburse PRISM for amounts of loss which PRISM may pay as a result of losses occurring under either of PRISM's 2024/25 Excess Workers' Compensation Program Memorandums of Coverage on file with PRISM of which a sample is attached hereto and made part of this Agreement.

ARTICLE 2 - POLICY PERIOD

The period covered by this reinsurance Agreement is July 1, 2024 through July 1, 2025 as defined by the PRISM Excess Workers' Compensation Program Memorandums of Coverage.

ARTICLE 3 - LIMITS OF COVERAGE

The Reinsurer shall retain and be liable as follows:

1. CSURMA Primary Layer

\$125,000 per occurrence on the educational tower subject to a maximum aggregate limit of \$7,306,307 during the coverage period. The aggregate limits on the primary and pooled layers will be adjusted according to members' final reported payroll and any changes in membership.

2. Pooled layer

Core Tower I and II Pool Layer

The difference between the members retained limit and a maximum limit of \$5,000,000 per occurrence.

Educational Tower I Pool Layer:

The difference between the members retained limit and a maximum limit of \$2,500,000 per occurrence.

Educational Tower II Pool Layer:

The difference between the members retained limit and a maximum limit of \$750,000 per occurrence.

The reinsurer shall retain and be liable for a maximum aggregate limit of \$67,901,526 during the coverage period as respects to Core Tower I and II, and Educational

Towers I and II. The aggregate limits on the primary and pooled layers will be adjusted according to members' final reported payroll and any changes in membership.

3. \$5M Excess of Pooled Layer

Shall mean \$5,000,000 in the aggregate and shall be in excess of the Reinsured Retention. The Reinsurer shall have no obligation to pay any subject loss unless and until the underlying has been exhausted by the payment of subject losses by the Reinsured or any Original Insured. The aggregate limit will not be adjusted according to members' final reported payroll or any changes in membership.

ARTICLE 4 - COVERAGE FORMS

The coverage provided by this reinsurance Agreement shall be pursuant to the Excess Workers' Compensation Program Memorandums of Coverage, adopted by PRISM, and any changes in such Memorandums of Coverage shall be reported to the Reinsurer.

ARTICLE 5 - PREMIUM

PRISM shall pay to the Reinsurer a deposit premium of \$73,023,110. Of that, \$7,087,118 based on the participating members of the CSURMA Primary Layer, \$61,111,372 based on the participating members of the Core and Educational Towers Pooled Layer, and \$4,850,000 for the \$45M xs \$5M layer.

ARTICLE 6 - CLAIM SETTLEMENTS

All claim settlements made by PRISM, under the Excess Workers' Compensation Program Memorandums of Coverage reinsured hereunder, shall be binding upon the Reinsurer. Upon receipt of satisfactory proof of loss, the Reinsurer agrees to reimburse PRISM in accordance with this reinsurance Agreement.

ARTICLE 7 - CLAIM REIMBURSEMENTS

PRISM shall provide the Reinsurer with a report summarizing all claims with payments eligible for reimbursement pursuant to this reinsurance Agreement. Such report will be provided to the Reinsurer on a quarterly basis, or such other frequency as mutually agreed, and the Reinsurer shall make full payment to PRISM within 30 days of the receipt of the report.

ARTICLE 8 - COMMENCEMENT AND TERMINATION

This Agreement shall take effect as July 1, 2024 and may be terminated upon the mutual written consent of PRISM and the Reinsurer. In the event of cancellation by either party, the premium and the aggregate limit will be prorated for the period of coverage prior to the effective date of cancellation.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed this 1st day of July, 2024.

AFFILIATE RISK CAPTIVE (Reinsurer)

A handwritten signature in black ink that reads "Gina Dean". The signature is written in a cursive, flowing style.

Gina Dean
PRISM Chief Executive Officer