VALLEY SCHOOLS EMPLOYEE BENEFITS GROUP

MEMBERSHIP AGREEMENT

This MEMBERSHIP AGREEMENT ("Agreement") dated and effective as of July 1, 2026, (the "Effective Date") is made by and between Valley Schools Employee Benefits Group, an Arizona nonprofit corporation ("VSEBG") and the entity or organization set forth in the signature block below ("Member").

WHEREAS, VSEBG is a public entity pool formed pursuant to Arizona Revised Statutes §§ 11-952, 11952.01, and 15-382; and

WHEREAS, VSEBG desires to admit Member as a member of the VSEBG, and Member desires to become a member of VSEBG, all on the terms and conditions set forth in this Agreement; and

WHEREAS, Valley Schools Management Group is the Administrator of VSEBG, with the power and authority to bind VSEBG pursuant to A.R.S. § 11-952.01(H)(5);

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Representations and Warranties of Member. Member hereby represents and warrants to VSEBG that Member is either (a) a "public agency" as defined in A.R.S. § 11-951, or (b) a private, nonprofit education institution, as described in A.R.S. § 11-952.01(I). Member represents and warrants to VSEBG that Member has read and fully understands the terms and conditions set forth herein.

2. No Obligations to Pay Money or Provide Services Created. The Parties further acknowledge and agree that (a) nothing in this Agreement creates any obligation by either Party to the other to pay monies or to provide any insurance products, coverages or services, or to enter into an agreement or contract to do so, and (b) no such obligation shall exist unless and until the Parties mutually agree upon the insurance products and coverages, and/or services that VSEBG is to provide to Member, if any. A Member does not pay an annual membership fee to maintain membership with VSEBG.

3. Annual Contributions. Before the beginning of each fiscal year, VSEBG shall determine Member's contribution if any for that fiscal year to cover Member's financial

obligation to VSEBG. Member's financial obligation to VSEBG shall be determined based on the insurance products, coverages, and/or services that Member selects and that VSEBG agrees to provide to Member if any. VSEBG shall advise Member of its required estimated annual contribution and the timeline for payment prior to Member's commitment to purchase any insurance products, coverages, and/or services. Member shall pay the contribution agreed to in accordance with the timeline established by VSEBG. If, after the beginning of the fiscal year, the Member's estimated annual contribution has become inadequate to pay the Member's actual financial obligations for the products, coverages and/or services the Member has selected, VSEBG may require the Member to cover such inadequacy. Member shall only be responsible for the cost of the insurance products, coverages, and/or services selected by the Member.

4. Additional Contributions. If, after the beginning of the fiscal year, Member and VSEBG agree that VSEBG will provide Member with additional insurance products, coverages, and/or services, VSEBG may assess additional required estimated contributions on Member. VSEBG will advise Member of its required additional estimated contribution and the timeline for payment prior to Member's commitment to purchase additional products, coverages, and/or services. Member shall pay such additional estimated contribution in accordance with the timeline established by VSEBG. If, after the beginning of the fiscal year, the Member's estimated additional contribution has become inadequate to pay the Member's actual financial obligations, VSEBG may require the Member to cover such inadequacy. However, the Member shall only be responsible for the cost of the insurance products, coverages, and/or services selected by Member.

5. Dissolution of VSEBG. If VSEBG is dissolved by a unanimous vote of its permanent directors then in office, VSEBG shall provide Member with written notice of such dissolution no less than one hundred eighty (180) days before the end of the fiscal year at which time the dissolution is to be effective. Upon dissolution, VSEBG shall cause a final accounting to be performed, which shall determine whether (a) Member has any remaining financial obligations to VSEBG, in which case, Member shall pay VSEBG the amount determined to be owed, or (b) VSEBG owes a refund to Member, in which case VSEBG shall pay such amount to Member.

6. Termination of Membership. Member's membership in VSEBG may be terminated by either (i) the withdrawal of Member from VSEBG, in accordance with Section 6(a) below, or (ii) cancellation of Member's membership in VSEBG, in accordance with Section 6(b) below or the dissolution of VSEBG, in accordance with Section 5 above.

(a) Member may withdraw from VSEBG, effective at the end of VSEBG's then-current fiscal year (currently July 1 through June 30), if Member gives VSEBG the Member's intention to withdraw, in writing, no less than ninety (90) days before the end of such fiscal year.

(b) Member's membership in VSEBG may be cancelled, effective at the end of VSEBG's then–current fiscal year, if (i) the permanent directors of the VSEBG then in office unanimously vote to cancel Member's membership, and (ii) after such vote is taken, VSEBG gives Member a written notice of cancellation of its membership no less than one hundred eighty (180) days before the end of the fiscal year. Member's membership may be cancelled, regardless of whether it is under suspension at the time of cancellation, or has previously been suspended pursuant to Section 8 below.

(c) Upon termination of Member's membership in VSEBG and after all claims and expenses are concluded, settled or paid, VSEBG shall cause a final accounting to be performed, which shall determine whether (i) Member has remaining financial obligations to VSEBG, in which case, Member shall pay VSEBG the amount determined to be owed, or (ii) VSEBG owes a refund to Member, in which case VSEBG shall pay such amount to Member. Unless VSEBG determines otherwise, Member shall not be eligible for readmission as a member of VSEBG until a minimum of three (3) years after the date of Member's termination.

7. Liability upon Termination. The termination of Member's membership in VSEBG, whether by withdrawal or cancellation, shall not extinguish any financial obligation of Member to VSEBG for payment of annual contributions and additional contributions incurred prior to Member's termination.

8. Suspension. If Member fails timely to make any required contribution of funds, whether an annual contribution or an additional contribution, VSEBG may give Member a written notice describing such failure and setting forth a period during which Member must cure such failure. If Member fails to cure the failure within the prescribed period (or fails to make and timely complete alternative arrangements that are acceptable to VSEBG in VSEBG's sole and absolute discretion), VSEBG may suspend coverage to Member's beneficiaries, and/or services to Member, in whole or in part, effective upon written notice to Member, in which case Member shall be deemed to not be in good standing.

9. Status of Member; Limitations on Member's Power, Authority, Rights, and Privileges. The Parties agree that, effective as of the Effective Date, Member has become a member of VSEBG within the meaning set forth in A.R.S. § 11-952.01. Member understands, acknowledges, and agrees that (a) Member is not a member of VSEBG for purposes of the Arizona Nonprofit Corporation Act (A.R.S. § 10-3101 et seq.), and (b) Member's rights, privileges, duties, and obligations as a member of VSEBG are and shall be solely as defined and set forth in this Agreement and in A.R.S. § 11-952.01.

10. Termination of Agreement. This Agreement shall automatically terminate immediately upon termination of Member's membership in VSEBG (whether by withdrawal, by cancellation, or by dissolution), as set forth in Sections 5 and 6 above. The provisions of Sections 6(c), 7, 8, 9, 10, 11, and 12 shall survive the termination of this Agreement.

11. Notices. Any notice or other communication required or permitted to be given by this Agreement shall be in writing and shall be deemed given and received when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid), or (b) received or rejected by the addressee, if sent by certified mail, return receipt requested, in each case to the address, and marked to the attention of, the designated person or entity (by name or title). Notices or other communications given to Member shall be addressed to Member at the address set forth below Member's signature block below. Notices or other communications given to VSEBG shall be addressed as follows:

    Valley Schools Employee Benefits Group
    3050 W. Agua Fria Freeway, Suite 250
    Phoenix, AZ 85027
    Attn: VSEBG Administrator

    Either Party may change its address for receipt of notices and other communications by providing notice to the other Party in accordance with this Section 11.

12. Miscellaneous. The laws of the State of Arizona shall govern the performance and construction of this Agreement. The Member may not assign this Agreement or any rights of obligations hereunder. This Agreement may be executed in multiple counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instruction. The Recitals hereto are hereby incorporated into and made a part of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed or caused this Agreement to be executed as of the date first above written.

"VSEBG"

VALLEY SCHOOLS EMPLOYEE BENEFITS GROUP, an Arizona

Nonprofit Corporation

By: VALLEY SCHOOLS MANAGEMENT GROUP, an Arizona nonprofit corporation, its Administrator

By:_____
Tom Boone, its Chairman & CEO

"MEMBER"

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT

By:_____
Signature

_____
Printed name

_____
Title

Notices to be sent to:

Name: _____

Address: _____

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