WESTERN AREA SCHOOL ASSOCIATION

INTERGOVERNMENTAL COOPERATION AGREEMENT

WESTERN AREA SCHOOL ASSOCIATION

INTERGOVERNMENTAL COOPERATION AGREEMENT

This Agreement is made and entered into as of the 1st day of September 2026, by and among certain Illinois public school districts and other public agencies organized and existing under the constitution and laws of the State of Illinois and pursuant to the authority granted by the Illinois Intergovernmental Cooperation Act (5 ILCS §220/1, et.seq.).

RECITALS

A. The Illinois Intergovernmental Cooperation Act authorizes Illinois public school districts and other "Public Agencies" (therein defined as "any unit of local government as defined in the Illinois Constitution of 1970, any school district, any Public community college district, the State of Illinois, any agency of the State government or of the United States or of any other state, any political subdivision of another state, and any combination of the above pursuant to an intergovernmental agreement which included provisions for a governing body of the agency created by the Agreement") to enter into agreements to jointly insure and/or self-insure and expend their funds to protect, to the extent agreed, any such public school districts and other Public Agencies against liability or loss covered under such agreements.

B. The Participants (as hereinafter defined) desire to establish and maintain a joint insurance and/or self-insurance fund or program and to jointly purchase such insurance, excess insurance, reinsurance and claims adjusting, loss control, data processing and other services as they deem necessary or advisable for the development and administration of such a fund or program.

C. Each Participant intends to strictly limit its financial responsibility for the Benefits (as hereinafter defined) to the express terms, conditions and limitations of this Agreement.

D. This Agreement amends in its entirety and replaces the Western Area School Employee Benefits Trust originally effective September 1, 1984, and restated May 1, 2002, as amended (“Prior Agreement”).

AGREEMENT

In consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

1. Recitals. The recitals set forth above are an integral part of this Agreement and are hereby incorporated into it by reference.

2. Name. There is hereby created an unincorporated Association known as the Western Area School Association ("Association"). The principal offices of the

Association shall be at such location or locations as may be designated from time to time by the Executive Board.

3. Purpose. The Association has been formed for the purpose of establishing a joint insurance and/or self-insurance fund or program to provide for the defense and, when appropriate, payment of claims and losses for Benefits covered under this Agreement.

4. Participant Eligibility. Participants (also referred to herein individually as "Participant" or "Member" and collectively as "Participants" or "Members") shall consist of those Illinois public school districts and Public Agencies who have executed this Agreement, (unless and until such Member status is terminated as hereinafter provided), together with those Illinois public school districts and Public Agencies which are hereafter admitted as Members under the terms hereof. To be eligible as a new Participant in the Association, applicants must:

   (a) Application. File with the Executive Board or the Plan Administrator (as hereinafter defined) a completed application or request in the form prescribed by the Executive Board from time to time;

   (b) Review. Be determined by the Executive Board in its sole discretion, upon its review of the application and any further investigation deemed necessary or advisable, to be appropriate for membership in the Association;

   (c) Other Requirements. Satisfy such other requirements for Member status as the Executive Board may establish from time to time;

   (d) Approval. Be approved for Member status by the Board or Executive Board and, if necessary, the Association's excess insurance carriers;

   (e) Agreement. Execute, together with a duly-authorized officer of the Executive Board, an Association Participation Agreement, by which the Participant shall agree to be bound by the terms and conditions of this Agreement as amended from time to time;

   (f) Other Documents. Execute any and all other documents which the Executive Board may determine from time to time to be necessary or advisable in connection with Member status in the Association.

   (g) Approval of Governing Body. Have the Association Participation Agreement approved by the governing body of the Participant in accordance with 5 ILCS §220/5 and other applicable law or procedure and provide the Association with sufficient proof of same; and

(h) Consent to Legal Process. Agree and consent that it may be sued by the Association in any court having jurisdiction for any premiums, assessments, contribution, debts, penalties or other monies that are not paid to the Association on the due date thereof, including all reasonable attorney's fees and other related expenses incurred by the Association in the collection process through litigation or otherwise.

5. Term of Participation. Members are admitted to participate in the Association unless and until such Member's participation is terminated as herein provided.

6. Termination of Member's Participation. The following provisions shall apply to the termination of a Member's participation under this Agreement:

(a) Voluntary Termination. Participation of any Member may be terminated by the Member only as of midnight on September 30 of each year and only if the Member provides written notice to an Officer or the Plan Administrator at least 120 days prior to the date of termination. A written notice provided less than 120 days prior to September 30 shall automatically take effect on the next succeeding September 30. This 120-day written notice period shall be reduced to 60 days with respect to a reorganization of a Member by popular election which occurs within 120 days of September 30. A written notice to an Officer or the Plan Administrator cannot be withdrawn once delivered.

(b) Involuntary Termination. Participation of any Member of the Association may be terminated by an affirmative vote of at least two-thirds of all of the members of the Board in its sole discretion upon any of the following occurrences:

(i) failure to pay premiums, contributions, assessments or other debts that are due and payable within 30 days after the date notice specifying such delinquency is provided to the Participant;

(ii) failure to carry out the recommendations of the Executive Board concerning any loss control practices or programs 30 days after the date notice specifying such failure is provided to the Participant;

(iii) failure to meet any other requirement for continued participation in the Association which the Executive Board may determine from time to time to be necessary or advisable to preserve or increase the strength and stability of the Association.

(c) Automatic Termination. Participation of any Member shall automatically terminate upon such Member’s bankruptcy, insolvency, dissolution, or merger.

(d) Effective Date. Pursuant to Subparagraph 6(b), the participation of a Participant shall terminate as of the later of (i) the date the Board votes to terminate the Participant from participating in the Association or (ii) the termination date established by the Board.

(e) Liability Cutoff. No liability shall accrue to the Association or the Trust (as hereinafter defined) for any claim against or loss of an ex-Participant or such Participant's employees or former employees or their dependents due to claims incurred after the effective date of the termination of such ex-Participant's participation in the Association and prior to the effective date of any reinstatement as provided below.

(f) Reinstatement. An ex-Participant (whether its participation was voluntarily or involuntarily terminated) may be reinstated to participation in the Association only by filing an application and meeting all the requirements of a new Member as set forth herein, and by paying in full all such Participant's past due accounts, including costs of collection, if any.

(g) Termination Liability. In addition to the premiums, contributions, assessments or other debts or obligations set forth elsewhere herein, a terminated Member shall be liable to the Association or Trust for all claims for benefits paid or funded by the Association or Trust with respect to a self-funded Plan (as hereinafter defined) or other self-funded benefit which were incurred prior to the date of the Member's termination of its affiliation with the Association and which were paid or funded by the Association or Trust during the 12 month period immediately following such Member's termination. Claims paid or funded by the Association or Trust for this purpose shall not include amounts for which the Association or Trust receives reimbursement from another third party or insurance company with respect to the terminated Member.

A terminated Member shall pay the Trust one-twelfth (1/12) ("Payments") of the estimated incurred but not reported claim liability of a self-funded Plan or other self-funded benefit, as determined by the Association's actuary, Third Party Administrator, or other designated third party, for outstanding claims with respect to the terminated Member for the time period prior to the effective date of the termination. Such Payments shall be due at the end of each month following the termination for a period of 12 months. Within 30 days of the end of such 12-month period, the terminated Member shall pay the Association or Trust any shortfall between the total of the 12 monthly Payments made to the Association or Trust and the terminated Member's liability to the Association or Trust under the preceding paragraph. However, if the terminated Member's liability under the preceeding paragraph is less than the total of the 12 monthly Payments made to the Association or Trust by the terminated member, then the Association or Trust shall refund the difference to the terminated member within 30 days of the end of such 12-month period.

A terminated Member shall pay all fees and costs associated with the processing of claims under a self-funded Plan or other self-funded benefit associated with the terminated Member as assessed by the Plan or benefit's third-party administrator. Such fees and costs shall be paid by the terminated Member for each month by the end of the month the bill for such services is received by the terminated Member.

A terminated Member shall pay all special actuarial expenses incurred by the Association or Trust directly associated with the termination of the Member within 30 days of any request therefore.

A terminated Member shall pay all legal expenses incurred by the Association or Trust related to the termination of the member within 30 days of any request therefore, including legal expenses incurred for the collection of any amounts due hereunder.

Notwithstanding anything in this Paragraph 6 to the contrary, if a Member terminates its affiliation with the Association due to a reorganization involving the Member, the Member shall not be considered a terminated Member for purposes of this Paragraph 6 if the successor organization becomes a Member of the Employer effective immediately upon the conclusion of the reorganization.

A terminating Member shall not be entitled to any portion of the Association or Trust assets.

7. Trust. The Board may establish a trust to hold, invest, and disburse funds related to the performance of this Agreement. The trust so established shall be called the Western Area School Employee Benefits Trust ("Trust"). The Trust shall contain such terms as the Board deems in its sole discretion to be advisable and may be amended or terminated by the Board at any time. In addition, the Executive Board shall establish such separate accounts outside of the Trust to hold, invest, and disburse funds related to the performance of this Agreement as determined appropriate by the Board in its sole discretion.

In addition, the minimum terms of the Western Area School Employee Benefits Trust in effect on August 31, 2026, necessary to allow that trust to remain a tax-exempt trust under 26 USC §501(c)(9) shall remain in effect with the Association as the trustee thereof until such time all the assets of the trust are used to provide benefits allowed by such Code Section. All payments that qualify for tax exempt treatment under such Code §501(c)(9) shall be considered and paid first from these trust assets and then from other Association assets. This trust shall be deemed terminated when the trust assets are reduced to zero.

Thus, the trust assets are exempt from federal tax under both 26 USC §115 and 501(c)(9). Upon termination of this trust, the Association and/or Trust assets are exempt from federal tax under 26 USC §115.

8. Plan. The Board may establish a plan or plans to provide certain medical care benefits and other benefits for employees and former employees and their dependents as the Board determines in its sole discretion to be appropriate ("Benefits"). The plan or plans so established shall be called the Western Area School Benefits Health Plan ("Plan"). The Plan shall contain such terms as the Board determines in its sole discretion to be advisable and may be amended or terminated by the Board at any time.

9. Participants' Costs. The annual contribution cost of the Benefits and expenses provided under this Agreement, the Trust or prior trust, and the Plan from time to time shall be determined and apportioned among the Participants by the Executive Board in its sole discretion. Contribution rates and discounts, if any, shall take into account such factors as the Executive Board, in its sole discretion, deems appropriate, including, but not limited to, the following: the claims experience, future benefits, investment income, and the costs and expenses of the Association as a whole. The annual contribution may be expressed as a monthly contribution per person or per family or in such other manner as determined by the Executive Board.

10. Annual Contribution Payment. Each Participant shall pay the portion of its annual contribution, as determined above, with respect to each month on or before the 15^{th} day of the preceding month based on the Participant's expected census on the 1^{st} day of the month for which the payment is made. The Participant's expected census shall be represented by the census provided by the Plan Administrator with the monthly billing statement, adjusted by the Participant for all known census changes effective on or by the 1^{st} day of the month for which payment is made and which are not already reflected in the census provided. Each Participant may require its employees, former employees, or their dependents to pay so much of the annual or monthly contribution required for coverage under the Plan as the Participant determines appropriate in its sole discretion.

11. Special Assessments. Whenever the Executive Board determines, in its sole discretion, by means of audit, annual certified financial statements, actuarial opinion, or otherwise that the assets of the Association are insufficient to meet the Associations liabilities, then the Executive Board shall assess each Participant and each terminated or ex-Participant that was a Participant during the Fiscal Year in which the events or occurrences giving rise to such assessment occurred, the

amount necessary (in the aggregate) to correct the deficiency. Participants and ex-Participants shall be assessed pro rata based upon their most recent gross annual contributions, provided that in no event shall the annual total of any Participant's or ex-Participants assessment exceed l0% of such Participant's or ex-Participant's most recent gross annual contribution to the Association. In the event of the inability of one or more Participants or ex-Participants, by reason of insolvency or otherwise, to pay such assessments, the Executive Board shall assess the other Participants and ex-Participants for such unpaid amounts. Notwithstanding the foregoing, a Participant's or ex-Participant's liability under this paragraph for assessments shall be limited to the term of such Participant's participation in the Association and the 3-year period commencing with the Close of the Fiscal Year during which a Participant's or ex-Participant's participation was terminated.

12. <u>Dividends</u>. The following provisions shall apply to the declaration and payment of dividends under this Agreement:

(a) <u>Declaration</u>. If at any time the combined assets of the Association are determined by the Executive Board to have a value in excess of the actuarially required reserves of the Association as determined by the Plan Administrator, the Executive Board may, in its sole discretion, declare a dividend of any part or all of such excess amount payable or credited to the account of Participants.

(b) <u>Eligibility</u>. Dividends, if any, shall be declared to Participants in good standing as of the stated effective date of the dividend. Ex-Participants shall not be eligible to receive dividends.

(c) <u>Allocation</u>. When considering the amount, if any, of a declared dividend to be paid or credited to the account of any particular Participant, the Executive Board may, in its sole discretion, take into account, among other things, the following:

(i) the length of participation of a Participant in the Association; and

(ii) the total contributions paid by the Participant over its participation term.

13. <u>Executive Board Duties</u>. It shall be the responsibility and duty of the Executive Board:

(a) <u>Plan Administrator</u>. To employ and set rates of compensation (for compensation not directly provided through the Third-Party Administrator) of the Plan Administrator who shall, as set forth herein, be responsible for the Association’s general administration;

(b) Third Party Administrator. To employ and set rates of compensation for an independent Third-Party Administrator who shall, as set forth herein, be responsible for the Association's claims administration and risk data reporting for self-funded Benefits;

(c) Trust Accountant. To employ and set rates of compensation for an independent Trust Accountant who, at the direction of the Executive Board and its Treasurer (if appointed or elected), shall be responsible for the Associations financial matters, including the collection of Participants' current and delinquent accounts, premiums, contributions, assessments and penalties, along with the Associations financial records, books of account, statements and reports;

(d) Collections. To direct the Plan Administrator and the Trust Accountant in the collection of delinquent amounts resulting from any unpaid premiums, assessments or penalties;

(e) Insurance. With the advice, assistance and direction of the Plan Administrator, to obtain insurance, excess liability insurance coverage and reinsurance, both specific and aggregate, from coverages provided under this Agreement from time to time, along with errors and omissions and directors and officers liability coverage for the Association and its Executive Board, Board, and officers, with insurance companies acceptable to the Executive Board, in amounts, if any, considered adequate to cover the liabilities of the Association and its Executive Board, Board, and officers, and to keep and maintain such insurance coverage in full force and in effect at all times;

(f) Fidelity Bonds. To obtain, at the Association's expense, fidelity bond coverage for each person or entity who has any responsibility for finances of the Association, in an amount, if any, considered sufficient to protect the Association against the loss, misappropriation or misuse of any assets of the Association;

(g) Audits. At least annually, to cause its books and accounts, including those of the Plan Administrator and Third-Party Administrator, as respects the Association, to be audited by an independent accounting firm if appropriate, to comply with the requirements of state and federal law with respect to such audits and to make the results of such audits available to each Participant;

(h) Accounts. To open and maintain such accounts, and to establish such controls, as the Executive Board deems necessary or advisable for the operation of the Association in accordance with generally accepted financial, accounting and investment guidelines and principles;

(i) Board Meetings. To organize 3 Board Meetings between September 1 and June 1 of each school year;

(j) Appeals. To review and make judgement upon all appeals for Benefits unless that authority has been delegated or is the responsibility of another person or entity; and

(k) Additional Duties. To conduct all routine business matters and take such other actions as it deems necessary or advisable to the accomplishment of the purposes of this Agreement.

14. Executive Board Powers. The Executive Board, as representatives of the Board, shall have all powers requisite to the accomplishment of the purposes of this Agreement, including, without being limited to, the following powers:

(a) Employment. To employ agents, employees and independent contractors as deemed necessary or advisable to carry out its duties as set forth in this Agreement;

(b) Lease or Purchase. To lease real property and to purchase or lease equipment, machinery or personal property as deemed necessary or advisable to accomplish the purposes of this Agreement;

(c) Contracts. To make and enter into contracts as deemed necessary or advisable to accomplish the purposes of this Agreement, including without being limited to:

(i) Claims management and administration services including the defense of and settlement of claims;

(ii) Data processing services for the accounting and claims reporting needs of the Participants;

(iii) Independent audit by a public accounting firm;

(iv) Independent actuary services;

(v) Investment consultation; and

(vi) Additional services and activities as deemed necessary or advisable to accomplish the purposes of this Agreement.

15. Participants' Obligations. Each Participant agrees to abide by any resolutions, rules, and regulations which are promulgated by the Executive Board or Board for

the administration of the Association, which shall include, but not be limited to, the following:

(a) Cooperation. Each Participant shall cooperate with the Association and, upon the request of the Board, Executive Board, Plan Administrator, Third-Party Administrator or their duly authorized agents or representatives shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and otherwise cooperate in the conduct of suits, hearings or proceedings.

(b) Payment. Each Participant shall make prompt payment of all contributions, premiums and assessments as required under this Agreement. Any late payments shall bear interest until paid at an annual rate equal to the lesser of 10% or the highest rate allowed by Illinois law.

(c) Consent to Legal Process. Each Participant agrees and consents that it may be sued by the Association in any court having jurisdiction for any premiums, assessments, contribution, debts, penalties or other monies that are not paid to the Association on the due date thereof, including all reasonable attorney's fees and other related expenses incurred by the Association in the collection process through litigation or otherwise.

16. Plan Administrator. The following services shall be provided by the Plan Administrator, its agents or employees:

(a) Establishment of a rating structure to determine the amount and timing of Participant contributions.

(b) Procurement of insurance, excess insurance coverage, both specific and aggregate and other insurance type products as deemed appropriate by the Executive Board.

(c) Billing, collection and auditing of current and delinquent premium contributions, assessments and penalties (unless a separate Trust Accountant is retained by the Board or Executive Board).

(d) Direct the trustee of the Trust or bank custodian to transfer funds or otherwise pay any obligations of the Association, Trust, prior trust, or Plan or to arrange for the payment of such obligations from Association assets held outside of a trust.

(e) Employment of outside legal and financial counsel for and on behalf of the Association.

(f) Attendance at the annual meeting of Board and at all regular and special meetings of the Executive Board and the Board.

(g) Monitor and manage the day-to-day activities of the Association, Plan, and Trust.

(h) Conduct, direct, and manage the marketing activities of the Association.

(i) Evaluation of the need to establish reserves for claims, if necessary.

(j) Such other duties and responsibilities as the Executive Board may from time-to-time delegate to the Plan Administrator and agreed to by the Plan Administrator. The current Plan Administrator is HUB International Midwest Limited.

17. Third-Party Administrator. The Third Party Administrator, its agents or employees shall provide the following services with respect to any self-funded benefits including but not limited to:

(a) Claims Administration.

(i) Investigation, adjustment, adjudication, and payment where appropriate of claims covered under this Agreement.

(ii) Supervision of medical treatment of injured claimants, if necessary.

(iii) Negotiation of settlements with claimants.

(iv) Participation in the selection and assistance in the supervision of attorneys retained to defend formal claims.

(v) Audit of medical, hospital and miscellaneous expenses prior to making payments, if necessary.

(vi) Monitoring of claims for subrogation.

(vii) Preparation of regular reports detailing claims and payments.

(viii) Preparation of reports required by excess insurers.

(ix) Preparation and filing of reports required by applicable governmental agencies.

(b) General Administration.

(i) The Third-Party Administrator and Association shall enter into an Administrative Services Agreement.

(ii) Such other duties and responsibilities as the Executive Board may from time to time, delegate to the Third-Party Administrator and agreed to by the Third-Party Administrator.

18. Board of Directors. The following provisions shall apply to the Board of Directors ("Board") under this Agreement.

(a) Appointment. Each Participant shall appoint from time to time a senior official of such entity with overall authority and control of the entity as the representative ("Board Member") of the Participant to the Association as set forth below:

The only authorized representative of each Participant at meetings of the Board shall be as follows:

(i) All K-12 schools shall be represented by the Superintendent. When the Superintendent is unable to attend the only authorized substitutes would be the Assistant Superintendent or a building Principal.

(ii) A Regional Office of Education shall be represented by the elected office holder. When the elected office holder is unable to attend the only substitute would be his primary assistant.

(iii) The West Central Illinois Special Education Cooperative shall be represented by its Director. When the Director is unable to attend the only substitute would be the Assistant Director.

(iv) In all other circumstances not described above, a Participant may only be represented by the individual with overall authority and control of the Participant or that individual's primary assistant.

No other person may represent the Participant at meetings of the Board.

(b) Annual Meeting. The annual meeting of the Board shall be held each year at such time and place as the Executive Board may designate for the purpose of electing Executive Board members and for such other business as may properly be brought before the meeting. The Board shall have ultimate authority and control of the Association and may overrule the

Executive Board. However, actions of the Executive Board shall be final unless modified or reversed by the Board.

(c) Election of Executive Board. At their annual meeting the Board shall elect from among themselves an Executive Board consisting of the number of Board Members specified in Paragraph 19(b) hereof.

(d) Special Meeting. Special meetings of the Board may be called by either the Chairman of the Executive Board, the Executive Board, or not less than 40% of the Board Members.

(e) Notice of Meeting. Notice stating the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally, by email, or by mail, by or at the direction of the person or persons calling the meeting to each Board Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Board Member at his or her address as it appears on the records of the Association, with postage thereon prepaid. The attendance of a Board Member at any meeting shall constitute a waiver of notice of such meeting, except where a Board Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. When a meeting is adjourned to another time or place, notice of the adjourned meeting need not be given if the time and place thereof are announced, at the meeting at which the adjournment is taken.

(f) Fixing Record Date. For the purpose of determining the Board Members entitled to notice of or to vote at any meeting of the Board, the date on which notice of the meeting is mailed shall be the record date for such determination of Board Members. A determination of Board Members shall apply to any adjournment of the meeting.

(g) Quorum. 50% of the Board Members entitled to vote on a matter, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of the Board. Withdrawal of Board Members from any meeting shall not cause failure of a duly constituted quorum at that meeting. If less than a majority of the Board Members are represented at said meeting, a majority of the Board Members so represented may adjourn the meeting at any time without further notice.

(h) Manner of Acting. The affirmative vote of a two-thirds majority of the Board Members represented at a meeting as set forth in Paragraph 18(j) at which a quorum is present shall be the act of the Board, unless the vote of a greater number is required by this Agreement or law. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.

(i) Proxies. Each Board Member may appoint a proxy to vote or otherwise act for him or her by signing an appointment form and delivering it to the person so appointed, but no such proxy shall be valid after 3 months from the date of its execution, unless otherwise provided in the proxy.

(j) Voting. Each Board Member shall be entitled to one vote in each matter submitted to vote at a meeting of the Board. Each Board Member may vote either in person or by proxy as provided herein.

(k) Vacancies. Vacancies to the position of Board Member shall be filled by an appointment from the affected Participant as set forth in Paragraph 18(a).

(l) Informal Action. Any action required to be or which may be taken at a meeting of the Board may be taken without a meeting and without a vote, if a consent in writing setting forth the action so taken shall be signed (i) if 5 days prior notice of the proposed action is given to all of the Board Members entitled to vote with respect to the subject matter thereof, by not less than the minimum number of Board Members that would be necessary to authorize or take such action at a meeting at which all Board Members entitled to vote thereon were present and voting, or (ii) by all of the Board Members entitled to vote with respect to the subject matter thereof. Prompt notice of the taking of the informal action without a meeting by less than unanimous written consent shall be given to those Board Members who have not consented in writing.

(m) Voting by Ballot. Voting on any question or in any election may be by voice unless the presiding officer shall order or any Board Member shall demand that voting be by ballot.

(n) Presiding Officers. Meetings of the Board shall be presided over by the Chairman of the Executive Board or his designee. The Secretary of the Executive Board shall act as secretary of the meeting.

(o) Compensation and Expenses. The Board Members shall serve without compensation, but, by resolution of the Board, the Board Members may be paid their expenses, if any of attendance at each meeting of the Board Members to the extent permitted by law.

(p) Presumption of Assent. A Board Member who is present at a meeting of the Board at which action on any Association matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Board Member who voted in favor of such action.

(q) Attendance at Meeting. A Board Member's attendance at a meeting may be in person or by teleconference or other electronic conferencing methods approved by the Board.

(r) Rules. The Board may promulgate its own rules and regulations as it deems necessary in order to conduct business and carry on its functions as required under the Agreement.

19. Executive Board. The following provisions shall apply to Executive Board members under this Agreement;

(a) General Powers. The business of the Association shall be managed by or under the direction of its Executive Board, subject to the Board.

(b) Number/Tenure/Qualifications. The number of Executive Board members shall be the lesser of the number of Participants or 10. Except as noted below, each Executive Board member shall be elected by the Board and shall hold office until the third annual meeting of Board following his most recent election, or until his successor shall have been elected and qualified, which ever is longer; provided that the Executive Board members' terms shall be staggered so that approximately one-third of the Executive Board members are elected each year. The number of Executive Board members may be increased or decreased from time to time by the amendment of this Agreement, but no decrease shall have the effect of shortening the term of any incumbent Executive Board member.

The Executive Board shall be made up of 10 Executive Board members. 7 members elected by the Board, plus the Board Chairman, Secretary and the Plan Administrator, who will be an ex-official member of this committee. Board Chairman and Secretary would hold the same offices on the Executive Board.

For the purpose of the selection of the Executive Board, the Participants will be divided into three groups. The groupings will generally follow the

Regional Office of Education ("ROE") service area. A new Participant will join the grouping closest to the new Participant as determined by the Board. 2 individuals will represent each grouping. One at large representative would represent the entire Board.

Grouping of Executive Board members shall be as set forth on Addendum A attached hereto and incorporated herein by reference. Addendum A may be amended from time to time by action of the Board.

The Board Chairman will call for elections prior to the expiration of each Executive Board member's term of office, at a board meeting, no earlier than 120 days prior to the expiration of each member's term of office. Each grouping will caucus individually and elect their representative. Following the election of these representatives, one at large representative from the entire Board will be elected.

Newly elected Executive Board members shall take office at the next Executive Board meeting following their confirmation of election by the Board. Terms shall be for 3 years with the terms of at least 2 members expiring annually in accordance with the schedule adopted by the Board. The Executive Board shall fill vacancies, from the designated area for representation, until the next meeting of the Board at which time a special caucus or election will be held to fill the vacancy.

(c) Regular Meetings. The first regular quarterly meeting of the Executive Board shall be held each year at such time and place as the Executive Board may designate. The Executive Board may provide, by resolution, the time and place for holding of additional regular quarterly meetings without other notice than such resolution.

(d) Special Meetings. Special meetings of the Executive Board may be called by either the Chairman of the Executive Board, the Executive Board or not less than 40% of the Executive Board members.

(e) Notice of Special Meetings. Notice stating the place, date and hour of any special meeting shall be delivered not less than 10 or more than 60 days before the date of the meeting, either personally, by email, or by mail, by or at the direction of the person or persons calling the meeting, to each Executive Board member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Executive Board member at his or her address as it appears on the records of the Association, with postage thereon prepaid. The attendance of an Executive Board member at any meeting shall constitute a waiver of notice of such meeting, except where an Executive Board member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. When a meeting is adjourned to another time or place, notice of the adjourned meeting need not be given if the time and place thereof are announced at the meeting at which the adjournment is taken. Neither the business to be transacted at, nor the purpose of, any regular at special meeting of the Executive Board need be specified in the notice or waiver of notice of such meeting.

(f) Quorum. 50% of the Executive Board members fixed by this Agreement, represented in person or by proxy, shall constitute a quorum for transaction of business at any meeting of the Executive Board. Withdrawal of Executive Board members from any meeting shall not cause failure of a duly constituted quorum at that meeting. If less than a majority of such number of Executive Board members are represented at said meeting, a majority of the Executive Board members so represented may adjourn the meeting at any time without further notice.

(g) Manner of Acting. The affirmative vote of a two-thirds majority of the Executive Board members present at a meeting at which a quorum is present shall be the act of the Executive Board, unless the vote of a greater number is required by this Agreement or law. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.

(h) Proxies. Each Executive Board member may appoint a proxy to vote or otherwise act for him or her by signing an appointment form and delivering it to the person so appointed, but no such proxy shall be valid after three months from the date of its execution, unless otherwise provided in the proxy.

(i) Voting. Each Executive Board member shall be entitled to one vote in each matter submitted to vote at a meeting of the Executive Board. Each Executive Board member may vote either in person or by proxy as provided herein.

(j) Resignation and Removal. Any Executive Board member may resign at any time upon notice to the Executive Board. An Executive Board member may be removed, with or without cause, by a majority of Board if the notice of the meeting names the Executive Board member or Executive Board members to be removed at said meeting.

(k) Informal Action. Any action required to be or which may be taken at a meeting of the Executive Board may be taken without a meeting and without a vote, if a consent in writing setting forth the action so taken shall be signed (i) if 5 days' prior notice of the proposed action is given to all of the Executive Board members entitled to vote with respect to the subject matter thereof, by not less than the minimum number of Executive Board members that would be necessary to authorize or take such action at a meeting at which all Executive Board members entitled to vote thereon were present and voting, or (ii) by all of the Executive Board members entitled to vote with respect to the subject matter thereof. Prompt notice of the taking of the informal action without a meeting by less than unanimous written consent shall be given to those Executive Board members who have not consented in writing.

(l) Voting By Ballot. Voting on any question or in any election may be by voice unless the presiding officer shall order or any Elective Board member shall demand that voting be by ballot.

(m) Compensation and Expenses. The Executive Board shall serve without compensation, but, by resolution of the Executive Board, the Executive board members may be paid their expenses, if any, of attendance at each meeting of the Executive Board or Board to the extent permitted by law.

(n) Presumption of Assent. An Executive Board member who is present at a meeting of the Executive Board at which action on any Association matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to an Executive Board member who voted in favor of such action.

(o) Committees. The Executive Board may create one or more committees of 2 or more Executive Board members to exercise appropriate authority of the Executive Board. Any such committee may meet and transact business in the same manner as the Executive Board.

(p) Attendance at Meeting. An Executive Board member's attendance at a meeting may be in person or by teleconference or other electronic conferencing methods approved by the Board.

(q) Ten or Fewer Participants. The Board and Executive Board shall be combined when the number of Participants is less than or equal to 10.

20. Officers. The following shall apply to officers of the Association under this Agreement:

(a) Officers. The initial officers of the Association shall be a Chairman, Vice-Chairman, and Secretary and such other officers (each of whom must be Board Members) as may be elected or appointed by the Executive Board. Any two or more offices may be held by the same person.

(b) Election and Term of Office. The officers of the Association shall be elected annually by the Executive Board at the first meeting of the Executive Board held after each annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Executive Board. Each officer shall hold office until his successor shall have been elected and qualified.

(c) Resignation and Removal. Any officer may resign at any time upon notice to the Executive Board. Any officer may be removed by the Executive Board whenever in its judgment the best interests of the Association would be served thereby.

(d) Chairman. The Chairman shall preside at all meetings of the Executive Board and Board and perform the usual duties of the Chairman. The Chairman alone or together with such other officer or officers as the Executive Board may designate by resolution, may sign any contract or other instrument which the Executive Board has authorized to be executed and, in general, the Chairman shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Executive Board from time to time.

(e) Vice Chairman. In the absence of the Chairman, or in the event of his or her inability or refusal to act, the Vice Chairman (if elected or appointed) shall perform the duties of the Chairman. In the absence of the Vice Chairman, or in the event of his or her inability or refusal to act, the Secretary shall perform the duties of the Chairman.

(f) Treasurer. The Treasurer if elected or appointed shall: (i) be responsible for all funds and securities of the Association; (ii) see that accurate records are kept of all receipts and o disbursements; (iii) verify that all deposits are made in the name of the Association and that all securities and other valuable assets are in the name of the Association in such depositories as designated by the Executive Board; (iv) oversee disbursement of claim funds, expenses of operating the Association and other disbursements as ordered by the Executive Board making sure proper vouchers have been issued; and (v) render to the Executive Board, at each regular meeting and whenever requested by it, an account of the financial condition of the Association.

(g) Secretary. The Secretary shall; (i) attend all meetings of the Executive Board and Board; (ii) give all notices required by this Agreement, resolution of the Executive Board or law; and (iii) perform such other duties as may be delegated to him or her by the Executive Board.

(h) Other Officers. Other officers elected or appointed by the Executive Board shall perform such duties as may be prescribed by the Executive Board from time to time.

21. Limitation of Participant Liability. Except to the extent of the limited contributions to be paid to the Association in accordance with the terms hereof, no Participant shall be responsible for any claims against any other Participant. This Agreement limits liability of its Participants to those claims and losses which are within the scope of the coverages provided herein and does not create as between Participants any relationship of surety, indemnification or responsibility for the debts of or claims against any Participant.

22. Exculpation. The Board and Executive Board shall use ordinary care and reasonable diligence in the exercise of their authority and in the performance of their duties under this Agreement. They shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action made, taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through reasonably prudent investment of Association funds. No Board Member or Executive Board member shall be liable for any action taken or omitted by any other Board Member or Executive Board member. No Board Member or Executive Board member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties hereunder except as required by this Agreement or by law. The Association shall defend, indemnify and hold harmless any Board Member or Executive Board member for actions taken by the Board Member or Executive Board member within the scope of his or her authority.

23. Fiscal Year. The Fiscal Year of the Association shall begin on the 1st day of September and shall end on the 31st day of August of the next year.

24. Notice. Any notice required by this Agreement shall be in writing and shall be sufficient if delivered personally or by depositing the same in the United States mail, addressed to the person to be notified at his or her address as it appears on the records of the Association, with postage thereon prepaid; provided that any notice, pursuant to Paragraph 6 hereof that is mailed shall be set by certified or registered mail, return receipt requested. If mailed, notice shall be deemed to have been given on the date of mailing.

25. Amendment. This Agreement may be amended, altered, changed, added to or repealed at any regular or special meeting of the Board by an affirmative vote of at least two-thirds of all of the members of the Board. Any proposed alteration, change, addition, amendment or repeal of this Agreement shall be mailed to each Board member not less than 10 days before such meeting; provided that an Executive Board member's vote or written consent in favor of any such alteration, change, addition, amendment or repeal shall constitute a waiver of notice of such proposed action. Each Board Member shall be furnished with a copy of any changes made to this Agreement.

26. No Assignment. No Participant may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third-party beneficiary of any Participant shall have any right, claim, or title to any part, share, interest, funds, premiums or assets of the Association, Trust, or Plan.

27. Severability. Should any portion, term, condition or provision of this Agreement be determined by a court of competent jurisdiction to be invalid under any law of the State of Illinois or be otherwise rendered unenforceable or ineffectual, file validity of the remaining portions, terms, conditions and provisions shall not be affected thereby.

28. Complete Agreement. The foregoing constitutes the full and complete Agreement of the parties hereto. There are no oral understandings or agreements not set forth in writing herein.

29. Effective Date. This Agreement shall take effect on September 1, 2026, with respect to the Fiscal Year commencing September 1, 2026.

30. Termination. This Agreement may be terminated at any annual or special meeting of the Board by an affirmative vote of at least two-thirds of all of the Board Members. Remaining assets after the payment of all claims and expenses and establishment of necessary reserves shall be distributed as a dividend in accordance with the terms hereto.

31. Governing Law. This Agreement shall be interpreted in accordance with and be enforceable pursuant to the laws of the State of Illinois.

32. Headings. The paragraph headings contained herein are for the convenience of the parties only and are not intended to define or limit the contents of said paragraphs.

33. Pronouns. All pronouns used in this Agreement shall be deemed to include masculine, feminine and neuter and the plural shall be deemed to include the singular and the singular the plural whenever necessary or appropriately to effect the intent of this Agreement.

34. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute a single instrument.

35. Binding Effect. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the proper assigns and successors of the parties, including, without limitation, the successors to the signatory officials of the Participant named below.

36. Rights and Remedies Upon Termination. The termination of this Agreement for any reason shall not affect any right or remedy existing hereunder prior to the effective date of termination hereof.

IN WITNESS WHEREOF, the Participants have caused this Agreement to be executed on the dates set forth below:

CENTRAL COMMUNITY UNIT SCHOOL DISTRICT #3

By:___________________________________

Its:___________________________________

Date:__________________________________

PIKELAND COMMUNITY UNIT SCHOOL DISTRICT #10

By:___________________________________

Its:___________________________________

Date:__________________________________

DALLAS ELEMENTARY SCHOOL DISTRICT #327

By:___________________________________

Its:___________________________________

Date:__________________________________

PLEASANT HILL COMMUNITY UNIT SCHOOL DISTRICT #3

By:___________________________________

Its:___________________________________

Date:__________________________________

COMMUNITY UNIT SCHOOL DISTRICT #3 FULTON COUNTY

By:___________________________________

Its:___________________________________

Date:___________________________________

HAVANA COMMUNITY UNIT SCHOOL DISTRICT #126

By:___________________________________

Its:___________________________________

Date:___________________________________

ILLINI WEST COMMUNITY UNIT SCHOOL DISTRICT 307

By:___________________________________

Its:___________________________________

Date:___________________________________

LA HARPE COMMUNITY SCHOOL DISTRICT #347

By:___________________________________

Its:___________________________________

Date:___________________________________

LIBERTY COMMUNITY UNIT SCHOOL DISTRICT #2

By:___________________________________

Its:___________________________________

Date:___________________________________

REGIONAL OFFICE OF EDUCATION #1

By:___________________________________

Its:___________________________________

Date:___________________________________

REGIONAL OFFICE OF EDUCATION #26

By:___________________________________

Its:___________________________________

Date:___________________________________

REGIONAL OFFICE OF EDUCATION #33

By:___________________________________

Its:___________________________________

Date:___________________________________

SOUTHEASTERN COMMUNITY UNIT SCHOOL DISTRICT #337

By:___________________________________

Its:___________________________________

Date:___________________________________

SPOON RIVER VALLEY COMMUNITY UNIT DISTRICT #4

By:___________________________________

Its:___________________________________

Date:___________________________________

MENDON COMMUNITY UNIT SCHOOL DISTRICT #4

By:___________________________________

Its:___________________________________

Date:_________________________________

MIDWEST CENTRAL COMMUNITY UNIT SCHOOL DISTRICT #191

By:___________________________________

Its:___________________________________

Date:_________________________________

PAYSON COMMUNITY UNIT SCHOOL DISTRICT #1

By:___________________________________

Its:___________________________________

Date:_________________________________

VIT COMMUNITY UNIT SCHOOL DISTRICT #2

By:___________________________________

Its:___________________________________

Date:_________________________________

WEST CENTRAL ILLINOIS SPECIAL EDUCATION COOPERATIVE (WCISEC)

By:___________________________________

Its:___________________________________

Date:_________________________________

WEST PRAIRIE COMMUNITY UNIT SCHOOL DISTRICT #103

By:___________________________________

Its:___________________________________

Date:_________________________________

WESTERN AREA CAREER SYSTEM #265

By:___________________________________

Its:___________________________________

Date:_________________________________

526-44.2

ADDENDUM A

GROUPING OF PARTICIPATING MEMBERS BY ROE AREA

Group A
Central Community Unit School District #3
Liberty Community Unit School District #2
Mendon Community Unit School District #4
Payson Community Unit School District #1
Pikeland Community Unit School District #10
Pleasant Hill Community Unit School District #3
Regional Office of Education #1, Quincy

Group B
Dallas Elementary School District #327
La Harpe Community School District #347
Illini West High School District #307
Regional Office of Education #26, Macomb
Regional Office of Education #33, Galesburg
Southeastern Community Unit School District #337
West Central Illinois Special Education Cooperative (WCISEC)
West Prairie Community Unit School District #103
Western Area Career System #265

Group C
Community Unit School District #3 Fulton County
Havana Community Unit School District #126
Midwest Central Community Unit School District #191
Spoon River Valley Community Unit District #4
VIT Community Unit School District #2