

MASTER SERVICES AGREEMENT

Route Three Life Health Disability Inc.

See if your health plan needs us - in 30 seconds: <https://denominatoraudit.com>

This Master Services Agreement ("Agreement") is entered into by and between Route Three Life Health Disability Inc. ("Route Three") and [Employer Name] ("Employer"), effective as of [Effective Date].

See section 3 for our services menu.

Recitals

- Route Three helps self-funded employers evaluate, redesign, transition, and operate health plan structures built around direct contracting, transparent pricing, payment certainty, and aligned vendor architecture, including models associated with Cost Plus Wellness.
- Employer desires to engage Route Three to diagnose cost leakage, redesign health plan structures, coordinate implementation, and/or provide embedded executive-level health plan operating support.
- The parties intend for this Agreement to establish the general legal terms under which one or more Statements of Work may be issued.

1. Definitions

1.1 "Services" means the diagnostic, strategic, implementation, execution support, coordination, transition management, embedded operating support, and other services described in this Agreement and any applicable SOW.

1.2 "Plan" means Employer's self-funded health benefit plan or plans to which the Services relate.

1.3 "SOW" means a Statement of Work executed by the parties that describes the specific Services, deliverables, assumptions, timing, fees, and other commercial terms for an engagement.

1.4 "Third-Party Vendors" means any third party engaged by Employer in connection with the Plan, including TPAs, front-end TPAs, TPA overlays, stop-loss carriers, PBMs, PPOs, wrap networks, provider contracting entities, payment vendors, direct primary care vendors, direct contracting entities, and vendors associated with Cost Plus Wellness.

1.5 "Embedded Operator Support" means Route Three's fractional or embedded leadership function serving as Employer's strategic operator, implementation lead, and vendor-accountability point for the Plan, without acting as an insurer, claims adjudicator, or named fiduciary unless expressly agreed in writing and legally permissible.

1.6 "Administrative Services" means TPA, front-end TPA, TPA overlay, or related operational or administrative services only if expressly described in a separate written agreement, addendum, or SOW and legally permissible.

1.7 "PHI" means Protected Health Information as defined under HIPAA, 45 C.F.R. § 160.103, and includes electronic PHI ("ePHI") as defined under the HITECH Act.

1.8 "PII" means Personally Identifiable Information — any information that identifies or could reasonably be used to identify a specific individual, including name, Social Security number, date of birth, address, financial account information, or similar identifiers.

2. Engagement Framework

2.1 Employer engages Route Three to provide one or more Services in connection with the evaluation, redesign, transition, implementation, operation, and support of the Plan, including direct contracting and payment-certainty strategies associated with Cost Plus Wellness.

2.2 Each engagement shall be governed by a SOW. In the event of a conflict between this Agreement and an SOW, this Agreement controls unless the SOW expressly states otherwise. The parties acknowledge that SOWs may contain engagement-specific terms that modify general MSA provisions; all material deviations from this Agreement should be expressly identified in the applicable SOW.

2.3 The parties acknowledge that Route Three is being engaged not merely to provide theoretical advice, but to help convert approved strategy into executable operating decisions, implementation steps, and accountable vendor action, subject to Employer approval rights and the limitations of this Agreement.

3. Service Categories

3.1 Strategic Healthcare Cost Diagnostic

Route Three will conduct a structured analysis of current agreements, plan documents, payment flows, vendor relationships, plan architecture, and operating assumptions to identify, quantify, and prioritize financial leakage, structural constraints, unfavorable contractual provisions, misaligned incentives, and immediately actionable cost-reduction opportunities.

3.2 Transformation and Direct Contracting Execution

Route Three will design and execute movement from the Employer's current vendor stack and operating model into a more aligned structure, including direct contracting, transparent pricing, payment-certainty workflows, vendor replacement, implementation sequencing, operational design, and go-live management.

3.3 Embedded Healthcare CEO / Strategic Operator

Route Three will provide ongoing executive-level operations management, including vendor accountability, plan-structure optimization, decision leadership, implementation oversight, financial and structural management, and participation in leadership and vendor meetings as Employer's embedded healthcare operator.

3.4 Nature of Services. Unless otherwise expressly agreed in writing, Route Three's Services are advisory plus execution support in nature and are intended to accelerate action, simplify decision-making, and coordinate implementation, but do not make Route Three the insurer, claims administrator, or named fiduciary of the Plan.

3.5 Personnel. Services may be performed by Ralph Weber and/or other Route Three personnel or subcontractors selected by Route Three. Route Three remains responsible for the performance of its personnel and approved subcontractors.

3.6 Subcontractor Obligations. Where Route Three engages subcontractors who will have access to Employer data, PHI, or PII, Route Three shall ensure that such subcontractors are bound by written confidentiality, data protection, and security obligations no less protective than those set forth in Section 9 of this Agreement. Route Three remains liable for the acts and omissions of its subcontractors with respect to Employer data, PHI, and PII.

4. Execution Role; Vendor Coordination; Limits

4.1 Where a SOW includes implementation or transition work, Route Three may serve as the central execution lead and coordination point among Employer, vendors, TPAs, PBMs, providers, stop-loss carriers, and other stakeholders, provided that the Employer retains final approval over material business, contractual, funding, and plan-design decisions unless expressly delegated in writing.

4.2 Route Three may participate in vendor meetings, issue escalation, workflow design, implementation tracking, and operational problem-solving. Such participation does not, by itself, create fiduciary status or administrative responsibility beyond what is expressly stated in the applicable SOW.

4.3 Unless and until separately engaged in writing and legally permitted, Route Three is not responsible for claims administration, eligibility administration, pre-authorization, adjudication, EOB issuance, payment of claims, or other functions typically performed by a TPA, insurer, or administrator.

4.4 Employer acknowledges that Route Three cannot guarantee that any third-party vendor, provider, or contracting party will accept particular pricing, contract terms, timelines, or participation levels.

5. Cost Plus Wellness and Related Models

5.1 Employer acknowledges that Cost Plus Wellness is a framework for direct contracting and transparent-pricing arrangements for self-funded employers and is not, by itself, an insurer or third-party administrator.

5.2 Operation of the Employer's Plan may require one or more additional parties, including a TPA, front-end TPA, TPA overlay, stop-loss carrier, PBM, payment vendor, network vendor, or other service providers.

5.3 Route Three may provide strategic, implementation, transition, and embedded operating support in connection with the Cost Plus Wellness framework and other direct-contracting models. Except as expressly stated in a separate written engagement, Route Three is not responsible for the acts, omissions, solvency, pricing, or compliance of Third-Party Vendors.

6. Employer Responsibilities

6.1 Employer shall provide timely access to complete and accurate data, contracts, plan documents, claim information, and personnel reasonably necessary for Route Three to perform the Services.

6.2 Employer shall designate one or more internal decision-makers with sufficient authority to review options, approve action items, and assist with vendor coordination.

6.3 Employer retains final responsibility for plan sponsorship, plan design, funding, contract execution, participant communications, and vendor selection, except to the extent a separate written engagement expressly delegates a specific lawful function to Route Three.

6.4 Employer shall obtain its own legal, tax, accounting, actuarial, and regulatory advice except to the extent Route Three is separately engaged to coordinate certain workstreams with Employer's outside advisors.

6.5 Employer shall review deliverables promptly and cooperate in good faith with implementation activities, including approvals, data validation, stakeholder participation, and issue resolution.

7. Fees and Payment

7.1 Fees shall be stated in the applicable SOW and may include fixed fees, milestone fees, monthly operating retainers, project-management fees, administrative-services fees where separately agreed, or blended arrangements.

7.2 Unless otherwise stated in a SOW, invoices are due within thirty (30) days of receipt.

7.3 Route Three may suspend Services for undisputed amounts that remain unpaid for more than thirty (30) days after written notice of delinquency.

7.4 If the parties elect to include a shared-savings component, the methodology, baseline, exclusions, timing, and payment mechanics must be stated expressly in the applicable SOW.

8. Non-Fiduciary Status; No Claims or Plan Asset Control

8.1 Route Three is not a fiduciary of the Plan unless a separate written instrument expressly states otherwise and such role is legally permissible.

8.2 Without limiting the foregoing, Route Three does not, under this Agreement alone, determine participant eligibility, adjudicate claims, hold or control plan assets, issue EOBs, approve care, or exercise discretionary authority over plan management or plan assets.

8.3 If Employer asks Route Three to coordinate implementation or operating activities, such coordination is deemed ministerial, advisory, project-management, or embedded executive support in nature unless otherwise expressly delegated in writing and legally permissible.

9. Compliance; Professional Advice; Confidentiality; Data; PHI/PII

9.1 Each party shall comply with laws applicable to that party's performance under this Agreement.

9.2 Route Three does not provide legal, tax, accounting, medical, or investment advice. Employer should obtain such advice from their own qualified advisors.

9.3 Employer data remains Employer's property. Route Three retains ownership of its templates, models, calculators, methods, workflows, pricing logic, training materials, and know-how. Deliverables created specifically for Employer during an engagement (including reports, analyses, and recommendations) shall be licensed to Employer on a perpetual, royalty-free, non-exclusive basis for Employer's internal use, even where such deliverables incorporate Route Three's proprietary methodologies.

9.4 HIPAA/HITECH Compliance. To the extent either party is a "covered entity" or "business associate" as defined under HIPAA, that party shall comply with all applicable requirements of HIPAA, the HITECH Act, and their implementing regulations, including 45 C.F.R. Parts 160 and 164. Route Three acknowledges that in performing Services it may operate as a business associate of Employer and shall conduct itself accordingly with respect to any PHI received or created in connection with those Services.

9.5 Business Associate Agreement. If the Services require Route Three to access, use, create, receive, maintain, or transmit PHI on behalf of Employer, the parties shall execute a mutually acceptable Business Associate Agreement ("BAA") before such access is initiated or expanded. Employer shall be responsible for initiating the BAA process no later than ten (10) days prior to the commencement of any Services involving PHI. No Services involving PHI shall commence until a BAA is fully executed.

9.6 Minimum Necessary Standard. Until a BAA is executed, Employer shall make reasonable efforts to limit any disclosure of PHI or PII to Route Three to the minimum necessary for Route Three to perform the applicable Services. Route Three shall use or disclose any PHI or PII received solely for the purposes set forth in this Agreement or the applicable SOW.

9.7 PII Handling. Each party shall implement reasonable administrative, technical, and physical safeguards to protect PII against unauthorized access, use, disclosure, alteration, or destruction. Route Three shall not use PII received in connection with the Services for any purpose other than performance of the Services.

9.8 Security Incident and Breach Notification. Each party shall notify the other promptly - and in no event later than forty-eight (48) hours after discovery of a confirmed or reasonably suspected Security Incident - of any actual or reasonably suspected unauthorized access, use, disclosure, modification, or destruction of PHI or PII. Notification shall include a description of the incident, the categories and approximate volume of PHI or PII involved, and the steps taken or planned to address the incident. The parties shall cooperate in good faith to investigate, remediate, and make required notifications to regulators and affected individuals in accordance with applicable law, including HIPAA's Breach Notification Rule (45 C.F.R. Part 164, Subpart D) and any applicable state breach notification statutes, including Texas Business & Commerce Code § 521.

9.9 Survival of Data Obligations. The obligations in Sections 9.4 through 9.10 shall survive termination or expiration of this Agreement.

9.10 Confidentiality. Each party shall keep the other party's non-public information confidential and use it only for purposes of this Agreement. Employer shall not disclose Route Three's proprietary methodologies, calculators, workflows, pricing architecture, or internal deliverable structure to third parties except as required by law or with Route Three's written consent.

9.11 Data Return and Destruction. Upon expiration or termination of this Agreement, or upon Employer's written request, Route Three shall, within thirty (30) days: (a) return to Employer all Employer data, PHI, and PII in Route Three's possession in a commercially reasonable format; or (b) certifiably destroy such data if return is not practicable, and provide written certification of destruction to Employer. Route Three may retain one archival copy of data solely to the extent required by applicable law or regulation and shall notify Employer of any such retention. This obligation extends to data held by Route Three's subcontractors.

10. Indemnification; Warranties; Disclaimers

10.1 Each party shall indemnify the other from third-party claims arising from the indemnifying party's negligence, willful misconduct, or material breach of this Agreement, subject to customary notice and defense-control procedures. For the avoidance of doubt, indemnification obligations arising from data breach or unauthorized disclosure of PHI or PII shall not be subject to the aggregate liability cap in Section 11.1 and shall instead be subject only to the limitation in Section 11.3.

10.2 Standard of Care. Route Three warrants that it will perform the Services in a professional and workmanlike manner consistent with the standards generally observed in the employee benefits consulting industry. This warranty does not guarantee any particular financial, operational, regulatory, or vendor-participation outcome, which remains subject to Section 10.4.

10.3 Except as expressly stated in Section 10.2, Services are provided without further warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose.

10.4 Any projections, models, savings estimates, or implementation scenarios depend on the accuracy of Employer data, cooperation of Third-Party Vendors, market conditions, and actual plan experience.

11. Limitation of Liability

11.1 To the maximum extent permitted by law, Route Three's aggregate liability arising out of or related to this Agreement shall not exceed the fees paid to Route Three under this Agreement during the twelve (12) months preceding the event giving rise to the claim.

11.2 Neither party shall be liable for indirect, incidental, special, punitive, or consequential damages, including lost profits, lost savings, or business interruption, even if advised of the possibility of such damages. Notwithstanding the foregoing, this consequential damages exclusion shall not apply to claims arising from unauthorized disclosure of PHI or PII, or to a party's indemnification obligations under Section 10.1.

11.3 The aggregate liability cap in Section 11.1 shall not apply to claims arising from gross negligence, willful misconduct, breach of confidentiality obligations, or unauthorized disclosure of PHI or PII.

12. Term; Termination; Transition; Dispute Resolution; Governing Law

12.1 This Agreement begins on the Effective Date and continues until terminated under this Section.

12.2 Either party may terminate this Agreement on thirty (30) days' written notice. Either party may terminate for material breach not cured within fifteen (15) days after written notice.

12.3 Termination does not affect Employer's obligation to pay for Services performed and authorized expenses incurred through the effective date of termination.

12.4 Transition Assistance. Upon notice of termination by either party, Route Three shall provide reasonable transition assistance for a period of up to thirty (30) days following the effective termination date (or such longer period as the parties may agree in writing), including providing documentation of work in progress, vendor contact information, implementation status summaries, and reasonable cooperation with any successor service provider. Transition assistance shall be provided at Route Three's then-current rates unless termination is due to Route Three's material breach, in which case reasonable transition assistance shall be provided at no additional charge.

12.5 The parties shall first attempt to resolve disputes through executive-level negotiation and then non-binding mediation before pursuing litigation, unless emergency relief is required.

12.6 Survival. The following provisions shall survive termination or expiration of this Agreement: Section 7 (Fees and Payment, with respect to amounts accrued prior to termination), Section 9 (Confidentiality, Data, PHI/PII), Section 9.11 (Data Return and Destruction), Section 10.1 (Indemnification), Section 11 (Limitation of Liability), Section 12.5 (Dispute Resolution), Section 12.7 (Governing Law), and Section 13 (Miscellaneous). Any other provision that by its nature should survive termination shall also survive.

12.7 This Agreement is governed by the laws of the State of Texas, without regard to conflict-of-law principles.

12.8 Venue. Any legal action or proceeding arising out of or relating to this Agreement shall be brought exclusively in the state or federal courts of competent jurisdiction located in Harris County, Texas. Each party irrevocably submits to the personal jurisdiction of such courts and waives any objection to the laying of venue in such courts, including any claim that such courts are an inconvenient forum.

13. Miscellaneous

13.1 Route Three is an independent contractor and not an employee, joint venturer, or partner of Employer.

13.2 This Agreement, together with all SOWs and exhibits, constitutes the parties' entire agreement with respect to its subject matter.

13.3 Amendments must be in writing and signed by both parties.

13.4 Electronic signatures and counterparts are permitted and effective.

13.5 Notices shall be sent to the addresses listed in the signature block unless updated in writing.

14. Insurance

14.1 Route Three shall maintain, at its own expense and throughout the term of this Agreement, the following insurance coverages with carriers reasonably acceptable to Employer:

- Professional Liability (Errors & Omissions): Not less than \$1,000,000.00 per occurrence and \$1,000,000.00 in the aggregate.
- Cyber Liability / Technology Errors & Omissions: Not less than \$1,000,000.00 per occurrence and \$1,000,000.00 in the aggregate, covering unauthorized access, data breach, and network security events.
- Commercial General Liability: Not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate.

14.2 Upon request, Route Three shall provide Employer with certificates of insurance evidencing the above coverages. Route Three shall provide Employer with at least thirty (30) days' prior written notice of cancellation or material reduction in coverage.

15. Force Majeure

15.1 Neither party shall be liable for any failure or delay in performance under this Agreement to the extent such failure or delay is caused by circumstances beyond that party's reasonable control, including acts of God, natural disasters, pandemic or epidemic events declared by a governmental authority, war, terrorism, civil unrest, government orders or actions, or widespread telecommunications or internet failures (each, a "Force Majeure Event").

15.2 A party seeking to invoke this Section shall: (a) notify the other party in writing as soon as practicable after the Force Majeure Event occurs; (b) describe the nature, expected duration, and impact of the event; and (c) use commercially reasonable efforts to mitigate the impact and resume performance as soon as practicable.

15.3 Force Majeure does not excuse either party's payment obligations for Services already performed, or any obligation to protect Employer data, PHI, or PII.

Signatures

| EMPLOYER | ROUTE THREE LIFE HEALTH DISABILITY INC. |
|---------------------|---|
| Company Name: _____ | By: _____ |
| By: _____ | Name: _____ |
| Name: _____ | Title: _____ |
| Title: _____ | Date: _____ |
| Date: _____ | Address: _____ |
| Address: _____ | |

Exhibit A - Indicative Commercial Schedule

Use this exhibit only as a pricing framework. Final pricing, milestones, and shared-savings terms should be confirmed in the applicable Statement of Work.

| Employee Count | Diagnostic | Transformation | Embedded Operator | Diagnostic + Transformation | All Three |
|----------------|------------|----------------|-------------------|-----------------------------|------------|
| 5–50 | \$12,500 | \$20,000 | \$36,000/yr | \$29,250 | \$58,225 |
| 51–100 | \$20,000 | \$32,500 | \$54,000/yr | \$47,250 | \$90,525 |
| 101–250 | \$35,000 | \$50,000 | \$78,000/yr | \$76,500 | \$138,550 |
| 251–500 | \$60,000 | \$75,000 | \$108,000/yr | \$121,500 | \$206,550 |
| 501–1000 | \$85,000 | \$100,000 | \$156,000/yr | \$166,500 | \$289,850 |
| 1000+ | \$125,000* | \$150,000* | \$204,000/yr* | \$247,500* | \$407,150* |

- * 1000+ employee pricing should be adjusted for plan complexity, geographic spread, vendor mix, and implementation demands.
- Transformation and Embedded Operator engagements may also use milestone billing, a monthly operating retainer, or a shared-savings component.
- Shared-savings language should only be added after legal review and after the parties agree on methodology, baseline, exclusions, and timing.

Contact Route Three

cpw@routethree.com