COMMUNITY EYE CARE, LLC
4944 Parkway Plaza, Suite 200
Charlotte, NC 28217

CLIENT VISION CARE POLICY

Client Name	**Catawba County Schools**
Policy Number	**CATCOSCH01 - Catawba County Schools - Comprehensive - 10 Month JJ** **CATCOSCH02 - Catawba County Schools - Comprehensive - 10 Month JA** **CATCOSCH03 - Catawba County Schools - Materials - 10 Month JJ** **CATCOSCH04 - Catawba County Schools - Materials - 10 Month JA**
State of Delivery	**NORTH CAROLINA**
Effective Date	**August 1, 2025**
Policy Period	**36 MONTHS**

Karen Calhoun

Karen Calhoun, General Manager

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ATTACHMENTS

I.
TERM, RENEWAL AND TERMINATION

1.01. **Term**: This Policy shall commence on the Effective Date noted on the front page of this Policy, and shall remain in effect for the Policy Period, also noted on the front page of this Policy.

1.02. **Renewal**:

(a) CEC shall issue written renewal notice to the Client at least sixty (60) days before the end of the Policy Term and this Policy shall be automatically renewed for an additional period of time and at premium rate(s) specified in such notice. Such renewal shall take effect, without any lapse in coverage, on the first calendar day following the last day of the Policy Term described herein. Client may refuse renewal by notifying CEC in writing at least forty-five (45) days prior to renewal.

1.03. **Termination**:

(a) This Policy may be terminated by either the Client or CEC upon expiration of a Policy Period as set forth in paragraph 1.02. If this Policy is terminated by CEC, a notice of non-renewal shall be given to the contract holder forty-five (45) days prior to termination.

(b) This Policy may also be terminated by CEC upon forty-five (45) days written notice, if Client fails to:

(i) Pay premiums by the dates defined in paragraph 3.04.

(ii) Report a material change in accordance with paragraph 3.03.

(c) If Client terminates this Policy as of any date other than the end of the Policy Period, such termination will be treated by CEC as a breach by Client.

(d) If this Policy is terminated under paragraph 1.03(b) or (c), coverage is terminated and CEC is released from all obligations of this Policy, effective as of the termination date (except for preexisting obligations specifically set forth in Section 1.03 (e), below). Client will remain liable to CEC for the lesser amount of any deficit incurred by CEC or the remaining payments which Client would have paid for the full term of this Policy. A deficit incurred by CEC will be calculated by subtracting the cost of incurred and outstanding claims, as calculated on an incurred date basis with a claim run-out not to exceed six months from the date of termination, from the net premiums received by CEC from Client over the current term. Net premiums shall mean premiums paid by Client minus any applicable retention amounts

and/or broker commissions. Client shall also be responsible for any legal and/or collection fees incurred by CEC to collect amounts due under this Policy.

(e) If this Policy is terminated for any cause as stated in this section 1.03, CEC is not required to pay for services provided after such termination date, except for any outstanding, unexpired benefit that is authorized before termination, or any other claim obligations that arose prior to termination.

II.
OBLIGATIONS OF CEC

2.01. **Coverage of Covered Person**: CEC will enroll for coverage, as directed by Client, each eligible Enrollee and his/her Eligible Dependents (if dependent coverage is provided), all of whom shall be referred to upon enrollment as "Covered Persons." To institute coverage, CEC may require Client to complete, sign and forward to CEC a Client Application along with information regarding Enrollees and Eligible Dependents, and all applicable premiums. Employees shall be added as Covered Persons no later than ninety (90) days after their first day of employment.

Following the enrollment of the Covered Persons, CEC will provide Client with an Evidence of Coverage for distribution to Covered Persons by Client. Such Evidence of Coverage and Member Benefit Summaries will summarize the terms and conditions set forth in this Policy.

2.02. **Administration of Plan Benefits**: Through CEC Preferred Providers or Out-of-Network Providers CEC shall provide Covered Persons such Plan Benefits listed in the Schedule of Benefits (Exhibit A(s) and when purchased by Client, the Additional Benefit Rider (Schedule C(s)) attached hereto, subject to any limitations, exclusions, or Copayments therein stated. CEC Preferred Providers have agreed to accept payments for services with no additional billing to the Covered Person other than Copayments, applicable tax, co-insurance and any amounts for non-covered services and/or materials. Notwithstanding any other provision, no references to services shall be operative unless and to the extent that services are specifically set forth in the Schedule of Benefits, and when purchased by Client, the Additional Benefit Rider.

A Benefit Authorization must be obtained before a Covered Person can use Plan Benefits from a CEC Preferred Provider. When a Covered Person seeks Plan Benefits from a CEC Preferred Provider, the Covered Person must schedule an appointment and identify himself/herself as a CEC Covered Person so the CEC Preferred Provider can obtain a Benefit Authorization from CEC. CEC shall provide a Benefit Authorization to the CEC Preferred Provider to authorize the administration of Plan Benefits to the Covered Person. Each Benefit Authorization will contain an expiration date and must be used by the Covered Person to obtain Plan Benefits prior to the date the Benefit Authorization expires. CEC shall issue Benefit Authorizations in accordance with the latest eligibility information furnished by Client and the Covered Person's past service utilization, if any. Any Benefit Authorization so issued by CEC shall constitute a certification to the CEC Preferred Provider that payment will be made to CEC Preferred Provider, irrespective of a later loss of eligibility of the Covered Person, as long as Plan Benefits are utilized prior to the Benefit Authorization expiration date.

CEC shall pay or deny claims for Plan Benefits provided to Covered Persons, less any applicable Copayment, immediately but no later than 30 business days of receipt of a completed claim.

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2.03. Out-of-Network Provider Services: When Covered Persons elect to utilize the services of an Out-of-Network Provider, benefit payments for services from such Out-of-Network Provider will be determined according to the Plan's Out-of-Network benefit fee schedule if Open Access Provider reimbursement is available. **COVERED PERSONS MAY BE LIABLE FOR MORE THAN THE COPAYMENT**. The Out-of-Network Provider may bill Covered Persons for that Provider's standard rates, regardless of the amount of CEC's Plan Benefits. If Covered Person is eligible for and obtains Plan Benefits from an Out-of-Network Provider, Covered Person remains liable for the provider's full fee. Covered Person will be reimbursed by CEC in accordance with the Out-of-Network Provider reimbursement schedule shown on the attached Schedule of Benefits (Exhibit A (s)) and Additional Benefit Rider (Schedule C(s)) (if purchased by Client), less any applicable Copayments.

2.04. Information to Covered Persons: Upon request, CEC shall make available to Covered Persons necessary information describing Plan Benefits and instructions for use. A copy of this Policy shall be provided to Client and will be made available at the offices of CEC for any Covered Persons. Covered Persons may obtain information on CEC's Preferred Providers through CEC's website at www.cecvision.com, CEC's Customer Care toll-free number (1-888-254-4290), or by written request. If Client supplies email addresses of Covered Persons to CEC, CEC may use the email addresses to communicate information to Covered Persons about their vision benefits.

2.05. Preservation of Confidentiality: CEC shall hold in strict confidence all Confidential Matters and exercise its best efforts to prevent any of its employees, CEC Preferred Providers, or agents, from disclosing any Confidential Matter, except to the extent that such disclosure is permitted or required under 45 CFR Part 160, 162 and 164 ("HIPAA Privacy Rule") and in accordance with applicable law.

2.06. Urgent Vision Care When vision care is necessary for Urgent Conditions, Covered Persons are not covered by CEC for such services and should contact a physician under Covered Persons' medical insurance plan for care.

For situations of a non-medical nature, such as lost, broken or stolen glasses, Covered Person should call CEC's Customer Care toll-free number (1-888-254-4290) for assistance. Reimbursement and eligibility are subject to the terms of this Policy.

2.07. Coordination of Benefits: CEC will not coordinate Plan Benefits payable under this Policy with any other private or government insurance plan, including any other plan administrated by CEC

III

OBLIGATIONS OF CLIENT

3.01. Identification of Eligible Enrollees: An Enrollee is eligible for coverage under this Policy if he/she satisfies the enrollment criteria specified by the Client, and in accordance with applicable state and federal law. Client shall provide CEC with required eligibility information, in a mutually agreed upon timeframe, format and medium, to identify all Enrollees who are eligible for coverage under this Policy.

3.02. Retroactive Eligibility Terminations: Retroactive eligibility changes are limited to the month in which notification is received by CEC, plus two prior months. CEC may refuse retroactive termination of a Covered Person if Plan Benefits have been obtained by, or authorized for, the Covered Person after the effective date of the requested termination.

3.03. Change of Client Composition: Client's percentage of Enrollees covered under the Policy as well as Client's contribution and eligibility requirements are factors used to determine rates and are considered material to CEC's obligations under this Policy. During the term of this Policy and in accordance with section 1.03, Client must provide CEC with written notification of any changes that will significantly impact utilization of the benefits and such changes must be agreed upon by CEC. Nothing in this section shall limit Client's ability to add Enrollees or Eligible Dependents under the terms of this Policy. For purposes of this paragraph, Client may not reduce membership by more than fifty percent (50%) over a twenty-four (24) month period without CEC's written consent.

3.04. Payment of Premiums: Upon receipt of CEC's billing statement, Client shall remit to CEC the premiums as set forth in Exhibit B. The premiums set forth in Exhibit B shall remain in effect for the term of this Policy, , unless the Client requests a change in the Schedule of Benefits provided any such change is mutually agreed upon in writing by CEC. CEC will provide at least forty-five (45) days written notice to Client prior to a premium increase. Premiums are based on at least twelve (12) months experience. Client premium payments are due upon receipt of CEC's billing statement and shall become delinquent after thirty-one (31) days. If the premium payment remains unpaid the coverage may be canceled, and the Client will be responsible for payment for all Plan Benefits provided to Covered Persons. Client shall also be responsible for any legal and/or collection fees incurred by CEC to collect amounts due under this Policy.

3.05. Distribution of Required Materials: Client shall provide to Enrollees any materials required by any regulatory authority, within the timeframe required under applicable law.

3.06. Communication Materials: Communication materials created by Client which relate to this Vision Care Policy may be submitted to CEC for review and approval. CEC's review of such materials

shall be limited to approving the accuracy of Plan Benefits and shall not encompass or constitute certification that Client's materials meet any applicable legal or regulatory requirements including, but not limited to, ERISA requirements. In the event of any dispute between the communication materials and this Policy, the provisions of this Policy shall prevail.

IV

.CONFIDENTIALITY AND MUTUAL NON-DISCLOSURE COVENANTS

CEC and Client have delivered, or will deliver, upon execution and delivery of this Policy, certain information about the properties and operations of their respective businesses. CEC and Client, therefore, agree as follows:

4.01. Definition of Confidential Information. For purposes of this Policy, "Confidential Information" means any data and/or information, in any form, disclosed by the disclosing Party ("Discloser") to the receiving Party ("Recipient") either before or after the Effective Date, which relates to Discloser and/or its Affiliates, and solely by way of illustration and not in limitation shall include the following information: (i) current or future product(s), services, methodologies, plans, designs, costs, prices, customer or doctor names and addresses, finances or financial information (including budgets), marketing plans or strategies (including e-commerce development plans), business plans, matters, opportunities or offerings, equipment and other purchase matters, strategic matters, research, development, know-how and/or personnel, (ii) is identified as confidential at the time of disclosure, (iii) given the nature of the information disclosed and the circumstances surrounding its disclosure, reasonably ought to be treated as Confidential Information by a person in the same industry as Discloser, or (iv) by law must be protected as Confidential Information. Recipient acknowledges that the Confidential Information is proprietary to Discloser and has been developed and obtained through great efforts by Discloser. Confidential Information shall not, however, include information that (A) at the time of disclosure is, or subsequently becomes, available to the public or the industry through no fault or breach on the part of Recipient; (B) Recipient can demonstrate to have had rightfully in its possession prior to disclosure by Discloser; (C) is independently developed by Recipient without the use of any Confidential Information; or (D) Recipient rightfully obtains from a third party who has the right to transfer or disclose it. Confidential Information shall also be deemed to include any and all confidential information defined as Confidential Matters hereunder, the treatment of which shall be as set forth in paragraph 2.05 of this Policy.

4.02. Non-Disclosure and Non-Use of Confidential Information. Recipient shall not, directly or indirectly, without the prior written approval of Discloser in each instance or unless otherwise expressly permitted herein, use for its own benefit, publish or otherwise disclose to others, or authorize the use by others for their benefit, or to the detriment of Discloser, any of Discloser's Confidential Information.

Recipient shall carefully restrict access to Discloser's Confidential Information to only those of its and its Affiliates' officers, directors, employees, agents and representatives (collectively, "Representatives") who (i) clearly require such access in order to enable to perform their respective obligations under this Policy (ii) who are bound by confidentiality obligations that protect third party information which are at least as restrictive and protective as those contained in this Policy, and (iii) are not (or do not work for) direct competitors of Discloser. Recipient shall not use, copy, distribute and/or remove any of Discloser's Confidential Information from Recipient's premises except to the extent necessary or appropriate to carry out its respective obligations under the Policy, without the prior consent of Discloser. Recipient and its Representatives will employ all security measures used for their own proprietary information of similar nature. Recipient agrees to advise and require its Representatives of their obligations to keep such information confidential and shall each be liable for any acts and omissions of their Representatives related thereto.

4.03. **Return or Destruction of Confidential Information.** The Receiving Party, including its Personnel, its employees and/or agents shall upon request of Discloser (i) immediately return to Discloser's designated representative any and all documents or other information and materials in whatever form which contain Discloser's Confidential Information, or as permitted by Discloser, (ii) destroy all copies thereof, and certify to Discloser in writing that all copies of such documents or other information and materials have been destroyed; provided, however, that the Receiving Party may retain one set of such documents and other information and materials for archival purposes only, subject to the continuing confidentiality and security obligations set forth under this Policy. Recipient may disclose Discloser's Confidential Information if and to the extent required by a judicial or governmental request, requirement or order; provided that Recipient will take reasonable steps to give Discloser sufficient prior notice (to the extent that sufficient time is available) of such request, requirement or order for Discloser to contest, limit and/or protect such disclosure.

4.04. **Injunctive Relief.** The parties understand and acknowledge that any disclosure or misappropriation of any Confidential Information in violation of this Policy may cause irreparable harm, for which monetary damages alone may not be an adequate remedy and, therefore, agrees that Discloser shall have the right to apply to a court of competent jurisdiction for an order immediately restraining any such further disclosure or misappropriation and for other equitable relief, without objection and without the requirement of posting a bond or other form of security. Such right of each Party is in addition to the remedies otherwise available under this Policy or otherwise at law or equity.

4.05. **Survival:** The obligations laid down in this Section 4 shall continue and survive beyond the termination of this Policy.

V
OBLIGATIONS OF COVERED PERSONS UNDER THE POLICY

5.01. **General**: This Policy provides coverage for Client's Enrollees. If Client offers dependent coverage, this Policy will also cover Enrollees' Eligible Dependents. This Policy may be amended or terminated by agreement between CEC and Client without the consent or concurrence of Covered Persons. This Policy with any and all Exhibits and/or attachments constitutes the entire obligation of CEC to Covered Persons.

5.02. **Copayments for Services Received**: Any Copayments required under this Policy shall be the personal responsible of the Covered Person receiving Plan Benefits. Copayments are to be paid at the time services are rendered or materials ordered. Amounts which exceed Plan allowances, annual maximum benefits or any other stated Plan limitations are not considered Copayments but are also the responsibility of the Covered Person.

5.03. **Obtaining Services from CEC Preferred Providers**: To utilize Plan Benefits, Covered Persons must select a CEC Preferred Provider, schedule an appointment and inform the doctor's office that they are Covered Persons of CEC. The CEC Preferred Provider will contact CEC to obtain a Benefit Authorization. If a Covered Person receives Plan Benefits from a CEC Preferred Provider without a Benefit Authorization, any services or materials received from the doctor will be treated as benefits from an Out-of-Network Provider. If a Covered Person is having problems locating a CEC Preferred Provider in their area, they should call CEC customer care for assistance.

5.04. **Out-of-Network Provider Benefits**: If required by state law, or if purchased by Client, this Policy provides Plan Benefits for services and materials received from Out-of-Network Providers. Covered Persons or Out-of-Network Providers may submit requests for reimbursement to CEC. CEC will pay available Plan Benefits to Covered Persons. CEC may deny any claims received after three hundred sixty-five (365) calendar days from the date services are rendered and/or materials provided.

CEC

4944 Parkway Plaza Blvd.
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Charlotte, NC 28217

5.05. Complaints and Grievances: Complaints and grievances may be submitted by Covered Persons to CEC in writing, by telephone, online or through Covered Persons' CEC Preferred Providers, as explained in the Evidence of Coverage for this Policy. CEC will resolve all complaints and grievances within thirty (30) calendar days following receipt unless special circumstances require an extension of time. Where such extension is required, CEC will resolve all complaints and grievances as soon as possible, but not later than one hundred twenty (120) calendar days after receipt. If CEC determines that a complaint or grievance cannot be resolved within thirty (30) calendar days, it will notify Covered Person of the expected resolution date. CEC will notify Covered Person in writing of the final resolution of all complaints and grievances.

5.06. Claim Denial Appeals: If a claim is denied in whole or in part, under the terms of this Policy, a request may be submitted to CEC by Covered Person or Covered Person's authorized representative for a full review of the denial. Covered Person may designate any person, including their provider, as their authorized representative. References in this section to "Covered Person" include Covered Person's authorized representative, where applicable.

a) Initial Appeal: All requests for review must be made within one hundred eighty (180) calendar days following denial of a claim. The Covered Person may review, during normal business hours, any documents held by CEC pertinent to the denial. The Covered Person may also submit written comments or supporting documentation concerning the claim to assist in CEC's review. CEC's response to the initial appeal, including specific reasons for the decision, shall be communicated to the Covered Person within thirty (30) calendar days after receipt of the request for the appeal.

b) Second Level Appeal: If Covered Person disagrees with the response to the initial appeal of the denied claim, Covered Person has the right to a second level appeal. A request for a second level appeal must be submitted to CEC within sixty (60) calendar days after receipt of CEC's response to the initial appeal. CEC shall communicate its final determination to Covered Person within thirty (30) calendar days from receipt of the request, or as required by any applicable state or federal laws or regulations. CEC's communication to the Covered Person shall include the specific reasons for the determination.

c) Other Remedies: When Covered Person has completed the appeals stated herein, additional voluntary alternative dispute resolution options may be available, including mediation or arbitration. Additional information is available from the U. S. Department of Labor or the insurance

regulatory agency for Covered Persons' state of residency. Additionally, under the provisions of ERISA (Section 502(a) (1) (B) [29 U.S.C. 1132(a) (1) (B)], Covered Person has the right to bring a civil action when all available levels of reviews, including the appeal process, have been completed. ERISA remedies may apply in those instances where the claims were not approved in whole or in part as the result of appeals under this Policy and Covered Person disagrees with the outcome of such appeals.

5.07. Time of Action: No action in law or in equity shall be brought to recover on this Policy prior to the Covered Person exhausting his/her rights under this Policy and/or prior to the expiration of sixty (60) calendar days after the claim and any applicable documentation has been filed with CEC. No such action shall be brought after the expiration of three years after the time written proof is required to be furnished.

5.08. Insurance Fraud: Any person who, with the intent to injure, defraud, or deceive an insurer or an insurance claimant, presents or causes to be presented a written or oral statement, including computer-generated documents as part of, in support of, or in opposition to, a claim for payment or other benefit pursuant to an insurance policy, knowing that the statement contains false or misleading information concerning any fact or matter material to the claim, or assists, abets, solicits, or conspires with another person to prepare or make any written or oral statement that is intended to be presented to an insurer or insurance claimant in connection with, in support of, or in opposition to, a claim for payment or other benefit pursuant to an insurance policy, knowing that the statement contains false or misleading information concerning a fact or matter material to the claim is guilty of a Class H felony.

VI

CONTINUATION OF COVERAGE

6.01. **COBRA**: If, and only to the extent, COBRA applies to the parties to this Policy, CEC shall make the required COBRA continuation coverage available to Covered Persons in accordance with the provisions of COBRA.

6.02. **Replacement Coverage**: CEC reserves the right to offer replacement CEC coverage to individuals whose previous CEC coverage has terminated or is subject to termination. Any such offer of replacement coverage shall be separate and distinct from, and not in lieu of, any COBRA-required offer of continuation coverage.

VII
DISPUTE RESOLUTION

7.01. Dispute Resolution: CEC and Client agree that all disputes arising out of or relating to this Policy shall be resolved, wherever possible, through mediation. When such negotiation is not successful, both parties agree to try in good faith to settle disputes by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures. All efforts shall be made by both parties to avoid arbitration, litigation, or other dispute resolution procedures. **You should be aware and understand that you may be giving up certain rights to have your dispute settled in and by a court of law, unless the law in your state provides for judicial review of arbitration proceedings.**

7.02. Choice of Law: If any matter arises in connection with this Policy which becomes the subject of arbitration or legal process, the law of the State of Delivery of this Policy shall be the applicable law.

VIII
NOTICES

8.01. Notices: Any notices required under this Policy to either Client or CEC shall be in written format. Notices sent to the Client will be sent to the address or email address shown on the Client's Application unless otherwise directed by Client. Notices to CEC shall be sent to the address shown on the front page of this Policy. Notwithstanding the above, any notices may be hand-delivered by either party to an appropriate representative of the other party. The party effecting hand-delivery bears the burden to prove delivery was made, if questioned.

IX

STANDARD PROVISIONS

9.01. **Entire Agreement**: This Policy, the Client Application, Employee Application, the Evidence of Coverage, and all Exhibits and attachments hereto, constitute the entire agreement of the parties and supersede any prior understandings and agreements between them, either written or oral. Any change or amendment to this Policy must be mutually agreed upon by both CEC and Client. No agent has the authority to change this Policy or waive any of its provisions. Communication materials prepared by Client for distribution to Enrollees do not constitute a part of this Policy.

9.02. **Indemnity**: CEC agrees to indemnify, defend and hold harmless Client, its shareholders, directors, officers, agents, employees, successors and assigns from and against any and all liability, claim, loss, injury, cause of action and expense (including defense costs and legal fees) of any nature whatsoever arising from the failure of CEC, its officers, agents or employees, to perform any of the activities, duties or responsibilities specified herein. Client agrees to indemnify, defend and hold harmless CEC, its members, shareholders, directors, officers, agents, employees, successors and assigns from and against any and all liability, claim, loss, injury, cause of action and expense (including defense costs and legal fees) of any nature whatsoever arising or resulting from the failure of Client, its officers, agents or employees to perform any of the duties or responsibilities specified herein.

9.03. **Liability**: CEC arranges for the provision of vision care services and materials through agreements with CEC Preferred Providers. CEC Preferred Providers are independent contractors and are responsible for exercising independent judgment. CEC does not itself directly furnish vision care services or supply materials. Under no circumstances shall CEC or Client be liable to each other for the negligence, wrongful acts or omissions of any doctor, non-CEC owned laboratory, or any other person or organization performing services or supplying materials in connection with this Policy.

9.04. **Assignment**: Neither this Policy nor any of the rights or obligations of either of the parties hereto may be assigned or transferred without the prior written consent of both parties hereto, except as expressly authorized herein.

9.05. **Severability**: Should any provision of this Policy be declared invalid, the remaining provisions shall remain in full force and effect.

9.06. **Governing Law:** This Policy shall be governed by and construed in accordance with applicable federal and state law. Any provision that is in conflict with, or not in conformance with, applicable federal or state statutes or regulations is hereby amended to conform with the requirements of such statutes or regulation, now or hereafter existing.

9.07. **Gender**: All pronouns used herein are deemed to refer to the masculine, feminine, neuter, singular, or plural, as the identity (ies) of the person(s) may require.

9.08. **Equal Opportunity**: CEC is an Equal Opportunity and Affirmative Action employer.

9.09. **Time Limit on Certain Defenses**: After two years from the date of issue or reinstatement of this Policy no misstatements made by the applicant in the application for such Policy shall be used to void the Policy or deny a claim for loss incurred commencing after the expiration of such two-year period.

9.10 **Grace Period**: A grace period of 10 days will be granted for the payment of each premium falling due after the first premium, during which grace period the Policy shall continue in force.

9.11 **Reinstatement**: If any renewal premium be not paid within the time granted the insured for payment, a subsequent acceptance of premium by CEC or by any agent duly authorized by CEC to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the Policy; provided, however, that if CEC or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by CEC, or, lacking such approval, upon the forty-fifth day following the date of such conditional receipt unless CEC has previously notified the insured in writing of its disapproval of such application. The reinstated Policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date. In all other respects CEC and the insured shall have the same rights thereunder as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed heron or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.

9.12 **Notice of Claim**: Written notice of claim must be given to CEC within 20 days after the occurrence or commencement of any loss covered by the Policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured or the beneficiary to CEC at 3333 Quality Drive, Rancho Cordova, CA 95670, or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to CEC.

913 **Time of Payment of Claims:** Indemnities payable under this Policy will be paid immediately upon receipt of a valid claim.

9.14 **Claim Forms**: CEC, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this

policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

9.15 Payment of Claims: If any amounts payable for Plan Benefits under this Policy shall be payable to the estate of the Policyholder, or to a Policyholder or beneficiary who is a minor or otherwise not competent to give a valid release, CEC may pay such amounts to any relative by blood or connection by marriage of the Policyholder or beneficiary who is deemed by CEC to be equitably entitled thereto. Any payment made by CEC in good faith pursuant to this provision shall fully discharge CEC to the extent of such payment.

9.16 Proofs of Loss: Written proof of loss must be furnished to CEC at its said office in the case of a claim for loss for which this policy provides any periodic payment contingent upon continuing loss within 180 days after the termination of the period for which CEC is liable and in case of a claim for any other loss within 180 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the insured, later than one year from the time proof is otherwise required.

9.17 Physical Examinations and Autopsy: The insurer at its own expense shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death where it is not forbidden by law.

9.18 Legal Actions: No action at law or in equity shall be brought to recover on this policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

9.19 Change of Beneficiary: Unless the insured makes an irrevocable designation of beneficiary, the right to change of beneficiary is reserved to the insured and the consent of the beneficiary or beneficiaries shall not be requisite to surrender or assignment of this policy or to any change of beneficiary or beneficiaries, or to any other changes in this policy.

9.20 Fiduciary Notice: Under North Carolina General Statute Section 58-50-40, no person, employer, principal, agent, trustee, or third party administrator, who is responsible for the payment of group health or life insurance or group health premiums, shall: (1) cause the cancellation or nonrenewal of group health or life insurance , hospital, medical, or dental service corporation plan, multiple employer welfare arrangement, or group health plan coverages and the consequential loss of the coverages of the persons insured, by willfully failing to pay those premiums in accordance with the terms of the insurance or plan

contract, and (2) willfully fail to deliver, at least 45 days before the termination of those coverages, to all persons covered by the group policy a written notice of the person's intention to stop payment of premiums. This written notice must also contain a notice to all persons covered by the group policy of their rights to health insurance conversion policies under Article 53 of chapter 58 of the general statutes and their rights to purchase individual policies under the Federal Health Insurance Portability and Accountability Act under article 68 of chapter 58 of the General Statutes. Violation of this law is a felony. Any person violating this law is also subject to a court order requiring the person to compensate persons insured for expenses or losses incurred as a result of the termination of the insurance.

X.

DEFINITIONS

The key terms in this Policy are defined:

10.01. BENEFIT AUTHORIZATION: A process used to confirm eligibility of an individual named as a Covered Person of CEC, and identifying those Plan Benefits to which Covered Person is entitled.

10.02. CLIENT: An employer or other entity which contracts with CEC to provide coverage under this Policy for its Enrollees and their Eligible Dependents.

10.03 CLIENT APPLICATION: The form signed by an authorized representative of the Client to apply for Enrollee coverage under this Policy.

10.04. COBRA: The Consolidated Omnibus Budget Reconciliation Act of 1985.

10.05. COMPLAINTS AND GRIEVANCES: Disagreements regarding access to care, quality of care, treatment or service.

10.06 CONFIDENTIAL MATTER: All confidential information concerning the medical, personal, financial or business affairs of Covered Persons acquired by CEC in the course of providing Plan Benefits hereunder.

10.07. COPAYMENTS: Those amounts required to be paid by or on behalf of a Covered Person for Plan Benefits which are not fully covered, and which are payable at the time services are rendered or materials ordered.

10.08. COVERED PERSON: An Enrollee or Eligible Dependent who meets Client's eligibility criteria and on whose behalf premiums have been paid to CEC, and who is covered under this Policy.

10.09. ELIGIBLE DEPENDENT: Any dependent of an Enrollee who meets the criteria for eligibility established by Client.

10.10. ENROLLEE: An employee or member of Client who meets the criteria for eligibility established by Client.

10.11. EVIDENCE OF COVERAGE ("EOC"): A summary of the provisions of this Policy, prepared by CEC and provided to Client for distribution to Enrollees by Client.

10.12 OUT-OF-NETWORK PROVIDER: Any optometrist, optician, ophthalmologist or other licensed and qualified vision care provider who has not contracted with CEC to provide vision care services and/or vision care materials to Covered Persons of CEC.

10.13. **PLAN or PLAN BENEFITS**: The vision care services and vision care materials which a Covered Person is entitled to receive by virtue of coverage under this Policy.

10.14. **POLICY PERIOD**: The length of time this Policy is in effect, as shown on the front page of this Policy.

10.15. **RENEWAL DATE**: The date when this Policy shall renew or terminate if proper notice is given.

10.16. **RETENTION**: CEC's administrative fee deducted from net premiums paid by Client.

10.17. **RISK PROGRAM**: A fully insured vision care plan whereby CEC will calculate a rate per Enrollee to cover the cost of claims incurred and administrative costs. Under the arrangement, CEC assumes the risk of utilization exceeding the rate per Enrollee over the full Policy Term.

10.18. **SCHEDULE OF BENEFITS:** The document, attached as Exhibit A to this Policy, which lists the vision care services and vision care materials which a Covered Person is entitled to receive under this Policy.

10.19. **SCHEDULE OF PREMIUMS:** The document, attached as Exhibit B to this Policy, which defines the payments a Client is obligated to pay to CEC on behalf of a Covered Person to entitle him/her to Plan Benefits.

10.20. **STATE OF DELIVERY:** The State in which this Policy is being issued, delivered or renewed.

10.21. **TERMINATION:** Cancellation of the Policy as stated in Article I.

10.22. **URGENT CONDITION**: A condition with sudden onset and acute symptoms which requires the Covered Person to obtain immediate care; or an unforeseen occurrence calling for immediate action.

10.23. **VISION CARE POLICY or POLICY**: The Policy issued by CEC to a Client, under which the Client's Enrollees or members, and their Eligible Dependents, are entitled to become Covered Persons of CEC and receive Plan Benefits in accordance with the terms of such Policy. The Policy includes any and all Exhibits and/or attachments thereto.

10.24. **CEC PREFERRED PROVIDER**: An optometrist, ophthalmologist or retail chain licensed and otherwise qualified to practice vision care and/or provide vision care materials who has contracted with CEC to provide Plan Benefits to Covered Persons of CEC.

EXHIBIT A

SCHEDULE OF BENEFITS

GENERAL

This Schedule of Benefits lists the vision care services and materials to which Covered Persons of Community Eye Care ("CEC") are entitled, subject to any Copayment and other conditions, limitations and/or exclusions stated herein, and forms a part of the Policy or Evidence of Coverage to which it is attached.

BENEFIT PERIOD: A twelve month period beginning on August 1st and ending on July 31st.

ELIGIBILITY

The following are Covered Persons under this Plan, pursuant to elgibility criteria established by Client:

- Enrollee
- Legal Spouse of Enrollee
- Domestic Partner
- Dependent Parent
- Any unmarried child of Enrollee, including a natural child from date of birth, legally adopted child from the date of placement for adoption with the Enrollee, grandchild, child in the custody of Enrollee due to an act of voluntary surrender, or other child for whom a court or administrative agency holds the Enrollee responsible.

Unmarried dependent children are covered up to age 21 or to age 26 if full time students. An unmarried dependent child who is who is a full time student who develops a mental or nervous condition, problem, or disorder which renders the child, in the opinion of a qualified psychiatrist, unable to attend school as a full time student and from holding self-sustaining employment, is eligible for coverage until age 24.

A dependent unmarried child/grandchild over the limiting age may continue to be eligible as a dependent if the child is incapable of self-sustaining employment by reason of intellectual or physical disability, and chiefly dependent upon Enrollee for support and maintenance.

PLAN BENEFITS
CEC NETWORK PROVIDERS

COVERED SERVICES AND MATERIALS - Comprehensive

EYE EXAMINATION: Covered in full* once every 12 months, after a $ 10 Copayment.**

Comprehensive examination of visual functions and prescription of corrective eyewear.

CONTACT LENS FITTING AND EVALUATION: Covered in full* once every 12 months, after a $ 25 Copayment.**

SPECTACLE LENSES, CONTACT LENSES AND FRAMES: Covered up to $ 200.00* once every 12 months after a $ 10 Copayment.**

The CEC Network Provider will prescribe and order Covered Person's lenses, will verify the accuracy of finished lenses, and will assist Covered Person with frame selection and adjustment.

COVERED SERVICES AND MATERIALS – Materials

EYE EXAMINATION: Not Covered

CONTACT LENS FITTING AND EVALUATION: Covered in full* once every 12 months, after a $ 25 Copayment.**

SPECTACLE LENSES, CONTACT LENSES AND FRAMES: Covered up to $ 200.00* once every 12 months after a $ 10 Copayment.**

The CEC Network Provider will prescribe and order Covered Person's lenses, will verify the accuracy of finished lenses, and will assist Covered Person with frame selection and adjustment.

*Less any applicable Copayment.
** beginning with the first day of the Benefit Period

EXCLUSIONS AND LIMITATIONS OF BENEFITS

NOT COVERED

1. Services and/or materials not specifically included in this Schedule as covered Plan Benefits.
2. Replacement of lenses, frames and/or contact lenses furnished under this plan which are lost or damaged, except at the normal intervals when Plan Benefits are otherwise available.
3. Orthoptics or vision training and any associated supplemental testing.
4. Medical or surgical treatment of the eyes.
5. Additional fitting and follow up fees for complex and necessary contact lens wearers.
6. Contact lens modification, polishing or cleaning.
7. Contact lens insurance policies or service agreements.
8. Local, state and/or federal taxes, except where CEC is required by law to pay.
9. Services associated with necessary contact lenses, Corneal Refractive Therapy (CRT) or Orthokeratology.
10. Corrective eyewear required by an employer as a condition of employment.
11. Services provided as a result of any Worker's Compensation law.

PLAN BENEFITS
OUT-OF-NETWORK PROVIDERS

COVERED SERVICES AND MATERIALS - Comprehensive

EYE EXAMINATION: Covered in full* once every 12 months, after a $ 10 Copayment.**

Comprehensive examination of visual functions and prescription of corrective eyewear.

CONTACT LENS FITTING AND EVALUATION: Covered in full* once every 12 months, after a $ 25 Copayment.**

SPECTACLE LENSES, CONTACT LENSES AND FRAMES: Covered up to $ 200.00* once every 12 months after a $ 10 Copayment.**

COVERED SERVICES AND MATERIALS – Materials

EYE EXAMINATION: Not Covered

CONTACT LENS FITTING AND EVALUATION: Covered in full* once every 12 months, after a $ 25 Copayment.**

SPECTACLE LENSES, CONTACT LENSES AND FRAMES: Covered up to $ 200.00* once every 12 months after a $ 10 Copayment.**

*Less any applicable Copayment.
** beginning with the first day of the Benefit Period

EXCLUSIONS AND LIMITATIONS OF BENEFITS
Out-of-Network

1. Exclusions and limitations of benefits described above for CEC Network Providers shall also apply to services rendered by Out-of-Network Providers.
2. Services from an Out-of-Network Provider are in lieu of services from a CEC Network Provider.
3. There is no guarantee that the amount reimbursed will be sufficient to pay the cost of services or materials in full.
4. CEC is unable to require Out-of-Network Providers to adhere to CEC's quality standards.

EXHIBIT B

SCHEDULE OF PREMIUMS

CEC shall be entitled to receive premiums for each month on behalf of each Enrollee and his/her Eligible Dependents, if any, in the amounts specified below:

10-Month Pay Period Rates for Comprehensive:

$ 8.27 per month for each eligible Enrollee without dependents
$16.07 per month for each eligible Enrollee with an eligible dependent
$23.60 per month for each eligible Enrollee with eligible spouse and child(ren)

10-Month Pay Period Rates for Materials Plan:

$ 5.83 per month for each eligible Enrollee without dependents
$11.32 per month for each eligible Enrollee with an eligible dependent
$16.60 per month for each eligible Enrollee with eligible spouse and child(ren)

NOTICE: The Premium under this Policy is subject to change upon renewal (after the end of the Initial Policy Term or any subsequent Policy Term) or upon change of the Schedule of Benefits or a material change in any other terms or conditions of the Policy.