

# **CLEAT LEGAL SERVICE PLAN**

## **APPROVED AND AMENDED**

**EFFECTIVE January 13, 2026**

### **PREFACE AND STATEMENT OF PURPOSES**

The following document describes certain CLEAT Legal Service Plan ("Plan") that provides legal services to eligible Participants. Such services are provided according to the provisions of this document, which has been adopted as a plan of benefits associated with payments made by or on behalf of the Participants described below. This Plan of benefits has been adopted by the Plan Sponsor, Combined Law Enforcement Associations of Texas, Inc., (also referred to as "CLEAT") and the services described are to be provided in connection with membership in CLEAT. Because of the operation of certain definitions at law contained in 29 U.S. §§ 1000 *et sec.*, the Employee Retirement Income Security Act of 1974 ("ERISA,") this document and its provisions are intended to conform with any applicable provisions thereof, and is expressly subject to the requirements of Title I, Parts 1 and 4, of ERISA, as well as § 514 thereof which provides that ERISA supersedes all state laws or actions which might otherwise apply. Further, be advised the definitions contained in Article Eight apply throughout this document.

### **ARTICLE ONE** **BENEFITS AND SERVICES PROVIDED**

**1.1. Exclusions and Limitations.** All benefits and services set forth in this Plan are subject to the exclusions and limitations set forth in this Plan or any Schedules attached hereto, subject to the sole discretion of the Plan Administrator to interpret and administer the Plan.

**1.2. Disciplinary and Administrative Cases.** Subject to the sole discretion of the Plan Administrator, and Section 1.1 of this article, a Participant against whom a disciplinary or an administrative action has been initiated by an Agency shall be entitled to the following legal services:

**(a)** Legal representation by a Staff Attorney for any such disciplinary action through any available administrative review;

**(b)** Legal representation by a Staff Attorney pursuant to a state statutory right, collective bargaining agreement, or other local appeals process established by city charter, ordinance, rule, or procedure, for the appeal of an instance of being passed over for promotion, or to secure departmental compliance regarding the timely promotion of a Participant into a vacant position;

**(c)** Legal representation by a Staff Attorney pursuant to a state statutory right, collective bargaining agreement, or other local appeals process established by city charter, ordinance, rule, or procedure, as to a challenge or appeal in regard to an issue of fitness for duty, extension of line of duty, leave as a result of injury or illness, or pregnancy leave;

(d) Customary and reasonable expert consulting and witness fees necessary to provide adequate legal representation hereunder, subject to all limits on such expenses otherwise provided herein.

**1.2.1. Temporary Income Protection.** Subject to the sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this Article, a Participant who is paying the current CLEAT dues then in effect on the date of a temporary suspension, or against whom any disciplinary action is taken by the Participant's law enforcement or public safety Agency which results in a temporary suspension and a loss of pay, and which is not appealed in any manner, shall be entitled to Temporary Income Protection of Two Hundred Dollars (\$200.00) per day of temporary suspension up to a maximum of Two Thousand Dollars (\$2,000.00) per calendar year. Additionally a Participant who is paying the current CLEAT dues then in effect on the date of a temporary suspension, or against whom any disciplinary action is taken by the Participant's law enforcement or public safety Agency which results in a temporary suspension and possibly a loss of Off-Duty Employment Income, and which is not appealed in any manner, shall, upon confirmation of employment, be entitled to Lost Off-Duty Employment Income of Fifty Dollars (\$50.00) per day up to a maximum of Five Hundred Dollars (\$500.00) per calendar year. Participant must make application within 180-days of the date of the temporary suspension on a form, which is available at [www.cleat.org](http://www.cleat.org) or any CLEAT office. The application must be completed in full and a copy of the relevant suspension letter must be attached to the application. The Plan Administrator shall review the application for eligibility and approved applications shall be paid accordingly. Approved payments shall be mailed to the Participant at the address then on file with CLEAT within thirty (30) days of the date the completed application is received by the Plan Administrator. This paragraph provides maximum benefits of no more than ten (10) days for any calendar year in which a claim is submitted. The calendar year shall be construed as beginning January 1, and ending December 31, of each year. Denial of **TIPP** benefits is not appealable to arbitration.

**1.3. Defense of Civil Actions.** Subject to the sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this article, a Participant shall be entitled to the following legal services in regard to civil actions.

(a) Legal defense by a Staff Attorney in a civil action brought against a Participant directly arising from the Participant's official performance of duty as a Peace Officer, correctional officer, public safety employee, or other Board-approved class of member of an Agency;

(b) Customary and reasonable legal counseling services by a Staff Attorney in preparation for an action described in subsection (a) hereof, whenever it appears reasonably probable that such an action will be commenced;

(c) Necessary costs of court or of the litigation, to include any reasonable and necessary deposition costs;

(d) Customary and reasonable expert consulting and witness fees necessary to provide adequate legal representation hereunder.

**1.4. Defense of Criminal Civil Rights Prosecutions.** Subject to the sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this article, a Participant shall be entitled to the following legal services in regard to criminal civil rights cases:

(a) Legal defense by a Staff Attorney in a case where the Participant is officially charged or indicted with an offense under any section of Chapter 39 "Abuse of Office," including §§

37.09 and 37.10 of the Texas Penal Code, or under 18 U.S.C. §§ 241 or 242, for acts or omissions arising directly out of the official performance of duty as a Peace Officer, correctional officer, public safety employee, or other approved category of membership;

(b) Customary and reasonable legal counseling services by a Staff Attorney in preparation for a case described in Subsection (a) hereof, whenever it appears reasonably probable that such a criminal prosecution will be commenced or whenever a criminal investigation relating to such an offense focuses on the Participant, whichever is earlier;

(c) Necessary costs of court or of the litigation, to include any reasonable and necessary discovery and deposition costs;

(d) Customary and reasonable expert consulting and/or witness fees necessary to provide adequate legal representation hereunder;

(e) Legal representation for any appeal of a criminal civil rights conviction shall be provided only if expressly approved by the Plan Administrator.

**1.5. Other Criminal Prosecutions.** Subject to the sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this article, a Participant shall be entitled to the following benefits:

(a) In any case in which a Participant is officially charged by information or indictment for any offense, not otherwise specifically set forth in Section 1.4 of this article, for acts or omissions which are alleged to have occurred during the Participant's official tour of duty and/or at some other time when the Participant, as determined solely by the Plan Administrator, likely possessed a reasonable belief that such act or omission constituted an action required of a Peace Officer;

(b) Customary and reasonable legal services and expenses by a Staff Attorney for a case described in Subsection (a) hereof, whenever it appears reasonably probable that such a criminal prosecution will be commenced or whenever a criminal investigation relating to such an offense focuses on the Participant, whichever is earlier;

(c) Provided, however, that the question of the reasonableness of the belief of the Participant in such purposes shall be determined solely by the Plan Administrator in its absolute discretion.

**1.6. Affirmative Civil Litigation.** Subject to the sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this article, when legal assistance to a Participant in a given civil case may have a positive effect on law enforcement officers or units, either-locally or statewide, the Plan Administrator, within the restrictions of sound fiscal management of the resources available to the Plan, may in its sole discretion, and on a case-by-case basis, provide part or portion of the following services:

(a) Legal representation by a Staff Attorney to ensure or promote compliance by an employer with prevailing statutory or constitutional provisions intended for the protection of all Participants;

(b) Legal representation by a Staff Attorney to obtain interpretation of prevailing statutes, regulations and/or Agency guidance, as may apply to both the Participant and to the law enforcement process in general;

(c) Customary and reasonable legal counseling services by a Staff Attorney concerning the legality of political, lobbying, or collective bargaining practices of Local Associations, to the extent such services shall benefit Participants herein;

- (d) Reasonable costs of court in actions brought pursuant to Subsections (a) and (b) hereof;
- (e) Reasonable expenses in providing services under (a), (b) or(c); and
- (f) The cost of customary and reasonable expert consulting and witness fees necessary to provide adequate legal representation as described in this provision.

1.7. Probate-Related Matters. Subject to the sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this Article,

(a) a Participant and his or her Spouse are entitled to have simple wills prepared by a CLEAT Staff Attorney; and

(b) further, that a CLEAT Staff Attorney shall provide representation for such persons as is necessary to probate the will and estate thereof; provided that such documents shall have been prepared by or at the direction of a CLEAT Staff Attorney and that the need for probate arises no later than five (5) years after termination of Participant's membership as an active dues paying member of CLEAT. Legal representation for probate matters does not include any filing fees or other costs and expenses associated with the probate of any will, including but not limited to Letters Testamentary and Public Notice in the newspaper; and,

(c) this probate benefit does not include any probate or other legal proceeding resulting from the need to probate a will that requires out of state legal representation. The estate of the decedent shall be financially responsible for all out of state probate matters. This Plan only covers probate matters within the State of Texas.

1.8. Legal Advice or Counseling. Subject to sole discretion of the Plan Administrator to interpret and administer the Plan, and Section 1.1 of this article, a Participant may receive the following additional legal services:

(a) Customary and reasonable legal counseling services, as it relates to matters provided for in Section 1.2-1.6 above and concerning the meaning of statutes involving open records, pensions, disability, civil services, collective bargaining, or social security laws and regulations;

(b) Provided, however, this Plan does not provide for such legal counseling to the extent that the Participant may be affected by laws or regulations unrelated to the Participant's official duties, including, but not limited to, issues related to taxation;

(c) Notwithstanding any provision herein or foregoing to the contrary, the Plan Administrator, in its sole discretion, and upon prior approval of the Plan Administrator as provided below, extend representation as is deemed necessary or appropriate to a local association, when events requiring such representation arise out of the Local Association's normal course and scope of labor relations or similar activities, as specifically relate to the rights of Participants. Such services will be provided solely at the discretion of the Plan Administrator upon a determination that such action shall benefit individual Participants as a whole.

1.9. Use of Private Attorney. If the Participant, for a purpose deemed reasonable in the sole discretion of the Plan Administrator, desires that he or she be represented by an attorney other than a designated Staff Attorney for representation under Article 1.2, 1.3, 1.4, 1.5, or 1.6 of this Plan, such services may be provided only in the sole discretion of the Plan Administrator.

(a) An attorney requested by the Participant and approved by the Plan Administrator in advance, shall agree to represent the Participant in accordance with established payment schedules

before the Plan shall be responsible for payment of any fees or costs, which in all events shall be legal fees or costs which the Plan Administrator deems, in his sole discretion, to be reasonable and customary in the relevant case and geographical area.

(b) For all matters referred to in Article 1.2, amounts payable for attorney's fees shall be paid in accordance with this Plan;

(c) Benefit payments pursuant to this Plan may at the sole discretion of the Plan Administrator be determined in such amounts as are reasonable and customary in a particular case and geographical area.

(d) No member of CLEAT or Participant of the Plan has authority to act as agent of the Plan, or of CLEAT, to bind either entity, or any affiliate thereof, to any contract for payment of any legal services, or any other service, from any vendor under any agreement or contract for services that may result from any Event(s) that may be covered under this Plan.

## **ARTICLE TWO ENTITLEMENT TO BENEFITS AND SERVICES**

**2.1.** A Peace Officer, correctional officer, public safety employee or other approved class of member who has become a member of CLEAT, and a Participant in the Plan, or is otherwise included in accordance with the policies of the Plan Administrator as set forth in this section, is eligible for benefits under this Plan, for Events that occur after such person becomes a Participant. The dues required for CLEAT members and for Participation in the Plan are described in Schedule C.

**2.2.** Any active Peace Officer is eligible for membership. Any correctional officer, public safety employee, or other Board-approved class of member who is currently employed by an Agency approved by the Executive Board shall be eligible for membership.

**2.3.** Membership dues to CLEAT shall be due before the beginning of the month to which such dues apply. After the initial dues payment is accepted for deposit by the Plan Administrator, then on or before the due date successive dues payments shall be deemed made on the date of the postmark on the envelope containing the payment, provided it has been properly addressed to the CLEAT administrative offices. The foregoing shall not apply, however, where payment is made by check and the same has been dishonored at the bank upon which it is drawn or if payment is made by credit card and the charge has been dishonored by the financial institution upon which payment is drawn.

**2.4.** Membership dues collected by a Local Association shall be paid to CLEAT within thirty (30) days following the date collected. Any Participant whose dues are collected in conformity with this Section shall not be deemed to be delinquent in payment.

**2.5.** Membership dues collected by payroll deduction, from an Agency providing payroll deduction for CLEAT membership shall be considered current as of the actual date the Agency deducts payment from the Participant's paycheck for disbursement to CLEAT.

**2.6.** In the event such payments are not made as required in this article, benefits under this Plan shall cease for the Participant on the day following the payment due date described in Section 2.4 of this article. Local Associations collecting CLEAT dues are responsible for forwarding the Participant's dues in a timely manner as required by this Plan. Failure of the Local Association to forward dues in a timely manner may result in a Participant being ineligible for benefits.

2.7. Following a delinquency, entitlement to benefits shall be reinstated on the date of monies owed (plus any interest and liquidated damages as may be established by the Plan Administrator) are paid in full. If payment is made within two months of the payment due date, reinstatement shall be effective retroactively to the original payment due date. Any such late payments shall automatically be applied first to the periods of delinquency and then, if sufficient, to the current period. If the delinquency continues for more than two (2) months, an initial payment shall be required and retroactive coverage shall not be available as pertains to the period of delinquency.

**2.8.** All benefits for a Participant terminate automatically:

(a) as of the day of which the Participant's membership dues to CLEAT are delinquent;  
or

(b) as of the day on which the Participant's membership with CLEAT terminates,

(c) Subject to Sections 2.7 and 2.9 of this Article, as of the day on which the Participant's eligibility for membership in CLEAT terminates, and

(d) As of the day that the Plan Administrator determines, in its sole discretion, that the Participant is no longer eligible for benefits under the Plan.

**2.9.** Notwithstanding anything to the contrary herein, a Participant whose dues were collected by CLEAT shall not be terminated without notice to the Participant's last known mailing address and/or email address. The Participant shall have thirty (30) days to satisfy all delinquencies, but the immediate suspension of benefits may occur for Good Cause.

**2.10.** Notwithstanding Section 2.8(c) of this article, a Participant otherwise entitled to benefits hereunder (and whose dues have been fully paid) whose Employment has been terminated by the Agency, but who has appealed such termination, shall be entitled to legal service benefits until such appeals seeking the Participant's reinstatement from involuntary termination have been exhausted.

**2.11.** Any Participant whose benefits terminate shall not be entitled to any refund or rebate of payments or contributions theretofore paid to the Plan.

**2.12.** The Spouse, of an active Participant who has a valid and current license to carry handgun permit at the time of an alleged Critical Incident, shall also be able to call and consult with a Staff Attorney in the event of a Critical Incident caused by the Participant's justified and lawful use of a firearm. Consultation with a Staff Attorney will also be allowed if there is a need for a statement to law enforcement officials investigating Critical Incident.

A Participant's Spouse who has a valid and current license to carry permit issued by the State of Texas at the time of an alleged Critical Incident, will receive legal coverage, both civil and criminal, should the Spouse be investigated for the lawful and justified use of a firearm in the State

of Texas. Coverage under this subsection for such lawful and justified use of the firearm will not exceed the coverage afforded to a Participant and under the same conditions as stipulated in Article One herein, or as applicable.

In addition to the above listed eligibility requirements for legal coverage, any Spouse who is an active or reserve Peace Officer who would be eligible for full membership in CLEAT, but is not, or who is not a Peace Officer but is acting in any working capacity (whether paid or volunteered) is specifically excluded from coverage unless they are a member in relation to their own employment or status with an Agency.

**2.13.** Retired Members, who are in good standing with the CLEAT Retiree Association, and their Spouse who has a valid and current license to carry permit at the time of an alleged Critical Incident, shall also be able to call and consult with a Staff attorney in the event of a Critical Incident caused by their justified and lawful use of a firearm. Consultation with a Staff attorney will also be allowed if there is a need for a statement to law enforcement officials investigating the Critical Incident.

A Retired Member, who is in Good Standing with the CLEAT Retiree Association, and their Spouse who has a valid and current license to carry handgun permit at the time of an alleged Critical Incident, will receive legal coverage, both civil and criminal, should the member be investigated for the lawful and justified use of a firearm. Coverage under this subsection for such lawful and justified use of the firearm will not exceed the coverage afforded to a Participant and under the same conditions as stipulated in Article One herein, or as applicable.

In addition to the above listed eligibility requirements for legal coverage, any Spouse who is an active or reserve Peace Officer who would be eligible for full membership in CLEAT, but is not, or who is not a Peace Officer but is acting in any working capacity (whether paid or volunteered) is specifically excluded from coverage unless they are a member in relation to their own employment with an Agency.

Dues for Retired Members in the CLEAT Retiree Association are as provided in Schedule C.

No benefit under this subsection is available to any person if the dues to the CLEAT Retiree Association are delinquent.

### **ARTICLE THREE REQUESTS FOR LEGAL SERVICES**

**3.1.** In order to receive Benefits under this Plan, a Participant requesting representation, following an Event, as provided hereunder, shall notify the nearest CLEAT office, which shall notify the Plan Administrator of such claim for benefits or legal services. As part of the Plan's claims and appeals process, each individual in a CLEAT office or a Local Association shall immediately communicate through email, or by phone if email is unavailable, to the Plan Administrator, related to each claim for benefits, including the name of the Participant and his/her contact information, the times and dates of the Event(s), the extent of the Participant's request for benefits, and other relevant information, as needed. Each individual that responds to the Participant's claim for benefits shall be responsible for making sure that the Plan Administrator is notified in writing that the Participant's claim for benefits is being processed by the Plan. Any inability to document the above requirements through email, shall be followed up via email as soon as possible after the initial phone notification to the Plan Administrator. Each individual

that responds to a Participant's claim for benefits shall document their contact(s) with the Participant, including copies of notes, documents, and other information created or obtained by such individual, and copies of this information shall be communicated as soon as possible to the Plan Administrator.

Telephone numbers for individual CLEAT offices during normal business hours and after-hours emergencies are listed in Schedule A, attached.

**3.2.** To request legal representation when an Event has occurred and when the Participant has called the emergency number to report the Event, the Participant will be eligible to receive \$1,000 if an attorney designated by the Plan does not arrive at the location of the Participant within two hours of receipt of the call. All members who receive \$1000.00 will receive a 1099-NEC for tax purposes.

**3.3.** When a Participant calls the emergency number to report an Event, it is guaranteed that the next person that the Participant speaks with related to the Plan, after making the initial call, will be an attorney or the Participant will receive \$1,000.

**3.4.** In an emergency situation where, for whatever reason, a Participant is unable to secure benefits as provided in the procedures described herein, the Participant should contact his regional director or Local Association president, who is authorized to secure temporarily provided legal services and benefits under this Plan to cover such emergencies. Only after all the foregoing attempts have been exhausted may the Participant temporarily obtain benefits directly from a regional attorney. In this article "temporarily" means until the next business day. On such day the Participant and attorney are required to make a claim to a Plan office or forfeit benefits until the claim is made.

**3.5.** A Staff Attorney, upon being notified of an Event hereunder and receiving a claim, will submit it to the Plan Administrator, who will review it and either submit for approval or reject it in accordance with standing instructions.

**3.6.** The Plan Administrator may approve or cause to be approved any claim entitling a Participant to benefits under this Plan. In the event of denial of a claim, the procedures described in Article SEVEN hereof shall apply and all remedies therein shall be exhausted before a Participant may file a claim for arbitration in regard to such denial.

#### **ARTICLE FOUR** **AMENDMENT AND TERMINATION OF THE PLAN**

**4.1.** In order that the Plan Administrator may carry out the obligation to maintain, within the limits of available financial resources budgeted by the Plan Sponsor, a program dedicated to providing the maximum possible benefits for all Participants, the Plan Sponsor expressly reserves the right, in accordance with Sections 4.2 or Section 4.3, at any time and from time to time, but upon a non-discriminatory basis:

(a) To create, amend, alter, or terminate this Plan or any benefit hereunder, even though such amendment or termination affects cases already accepted as claims, provided that claims for legal services previously rendered shall not be affected;

(b) To amend or rescind any other provision of this Plan; and

(c) To annually review rates for coverage hereunder paid by or on behalf of Participants based upon past experience and to adjust the rates and benefit schedules in the best interest of CLEAT, the Plan, Participants and beneficiaries. The Participant contribution Fee Schedule is incorporated in Schedule C, hereof.

**4.2.** The Plan Sponsor may terminate, alter, amend, or modify this Plan as provided in Section 4.1 at any regular or special meeting, including telephone meetings.

**4.3.** This Plan and any clause thereof may be created, amended, altered, modified, terminated, reduced or increased in any manner by the Plan Sponsor, so long as in accordance with the constitution of CLEAT and the Constitution and laws of the United States and of the State of Texas.

**4.4.** The Plan Sponsor directs that the Plan Administrator is assigned the discretion to interpret and administer the Plan, to determine all factual information, to maintain the Plan in accordance with ERISA and to determine all claims and appeals under the Plan, except as provided herein.

## **ARTICLE FIVE EXCLUSIONS AND LIMITATIONS.**

**5.1.** Exclusions. In addition to the exclusions and limitations set forth elsewhere in this Plan, the following shall apply:

(a) No benefit shall be provided under this Plan to a Participant for events occurring before the Participant became a member in Good Standing with CLEAT and was eligible for benefits under the Plan;

(b) No benefits shall be provided under this Plan for any Event, action, or case arising out of an alleged violation of coverage by provisions of the Federal Equal Employment Opportunity Act (42 U.S.C. § 2000[3] *et seq.*) or any other similar state, county, or city law, statute, ordinance, regulation, or rule of a similar type or description;

(c) No benefits shall be provided under this Plan for any action to obtain, protect, preserve, or set aside pension or retirement benefits without thirty (30) days advanced written notice to the Local Association by the Participant seeking such as an affirmative action;

(d) Except as above, no benefits shall be provided under this Plan for any action to: (1) obtain a promotion or assignment, (2) establish any position for a Participant on an eligibility list for any promotion or assignment, or (3) challenge the validity or accuracy of any promotional test question(s);

(e) No benefits shall be provided under this Plan for legal services to one Participant when such legal service if successful would cause legal injury to another Participant unless the Plan Administrator first approves services for defense of a Participant against such a potential injury. If prior to the case or controversy arising the Plan Administrator adopts a policy on construction of a statutory provision which, if accepted by a court, would necessarily result in a decision for an interest(s) and against a competing interest(s) representation of that interest(s)

avored by the policy may be approved to the exclusion of the competing interests. Approval of legal representation for such competing interests shall be at the broad discretion of the Plan Administrator;

(f) No benefits shall be provided to a Participant in a civil action opposed to a local association even if legal services are provided to that local association, notwithstanding any language in 5.1(d) above;

(g) No benefits shall be provided under this Plan to cover any monetary award for damages or otherwise, whether by judgment, settlement, arbitration, or otherwise, against a Participant in any action;

(h) No benefits shall be provided to cover the attorney's fees or costs of an opposing party, or any party other than the Participant, which are awarded against a Participant in any action;

(i) No benefits shall be provided under this Plan related to proceedings brought against a Participant for breach of an agreement with the Participant's Agency to remain employed;

(j) Except for the benefits provided in Section 1.2 (c) above, no benefits shall be provided under this Plan related to proceedings involving the medical condition of a Participant, including, but not limited to, workmen's compensation claims or appeals;

(k) No benefits shall be provided under this Plan, which are otherwise available to the Participant, except as specifically provided by this Plan in Section 5.2 of this article.

**5.2. Further Limitations.** The provision of benefits under this Plan shall be subject to the following additional limitations:

(a) No benefits shall be provided under this Plan in any proceeding in which the Participant's Agency or its insurer, whether by agreement, policy or operation of law agrees or undertakes to provide a defense;

(b) In the event the Agency and its insurer refuse to defend a Participant in a civil action, the Participant may be represented under Section 1.3 only where the Participant presents proof of a written request delivered to his Agency and where the Participant executed an agreement subordinating the Participant's rights against Agency or its insurer;

(c) In the event a Participant shall recover from any third person or party any amounts as damages (other than for lost compensation), attorney's fees or costs in a case in which the benefits have been provided under this Plan, the Plan shall be entitled to full, first-dollar reimbursement from such fund to the full extent of the expenditures made by the Plan on behalf of said Participant (including a Spouse) hereunder. Participant agrees to cooperate with the Plan in this regard, and the Participant shall take all actions to protect the Plan's full subrogation and reimbursement interests to the extent of any amount of benefits paid by the Plan on behalf of the Participant. The Plan Administrator has provided a set of Subrogation and Reimbursement Provisions to control these obligations under the Plan. See, Schedule B;

(d) No benefits shall be provided to a Participant who is untruthful with his/her counsel, or who does not cooperate with his/her counsel. In such a case, the right of said Participant to legal services hereunder may be terminated or suspended by the Plan Administrator subject to appeal provisions of the Plan. Furthermore, if benefits are provided to a Participant based upon misrepresentation by the Participant to any individual handling the Participant's claim for benefits, including the Plan Administrator, the Plan Administrator shall be entitled to terminate or suspend benefits hereunder, and to seek reimbursement from the Participant of the cost of benefits provided based on the misrepresentation;

(e) No provision of this Plan shall require its employees or attorneys, or attorneys associated with them, to perform any act in violation of the Code of Professional Responsibility of the State Bar of Texas including, but not limited to, the prohibition against interference by any organization interfering with or controlling the performance of an attorney's duty to the attorney's client;

(t) Benefits shall be terminated in the event it is determined by the Plan Administrator that it is in the best interests of the Participant to cease representation in a case, e.g., in cases where continued proceedings may subject the Participant to more severe civil, criminal or administrative sanctions, to damages or attorney's fees, and costs from the proposed defendants;

(g) The Temporary Income Protection provided in Article 1.2.1 above to Participants, is not insurance. Nothing contained in this document shall be construed as an insurance contract pursuant to the Texas Insurance Code or any other applicable state or federal law. TIPP shall not be construed as bestowing "consumer" status upon any Participant as such term is defined in the Texas Deceptive Trade Practices Act. Nor does this document entitle a Participant to bring suit under the Texas Deceptive Trade Practices Act against the Plan or CLEAT, the CLEAT Executive Board, and the Plan Administrator, any officer of CLEAT, or employees or agents of CLEAT. Nothing contained in this document or any provision of the TIPP shall be construed as establishing an employee-employer relationship between CLEAT and any Participant.

**5.3. Coordination of Benefits.** Benefits under this Plan shall not be provided to the extent they are furnished to a Participant by any other plan, program or policy which provides group legal services to Peace Officers, correctional officers, public safety employees, or other Plan approved classes of members.

**5.4. Executive Policy and Attorney Selection.** Benefits under this Plan will be provided in accordance with the policies of the Plan Administrator, and legal representation in each case shall be by counsel selected by the Plan Administrator.

## **ARTICLE SIX GENERAL PROVISIONS**

**6.1. Limitation of Rights.** Neither the establishment of the Plan, nor any modifications thereof; nor the creation of any fund or account, nor the provision or payment of any benefits, shall be construed as giving any Participant or other person any legal or equitable right of action, or any recourse against CLEAT, its officers, agents or employees, except as provided in this Plan, as its summary plan description.

**6.2. Applicable Laws and Regulations.** Shall mean a particular section(s) of any applicable statute(s) and any regulation(s) pertinent thereto, as amended from time to time, and expressly to include the Employee Retirement Income Security Act of 1974 ("ERISA") and the Internal Revenue Code of 1986.

**6.3. Confidentiality.** It is agreed and understood that each Participant to whom assistance is rendered under this Plan is entitled to the same rights and consideration, including the right of confidentiality, to which any other client of an attorney is entitled. The Plan Administrator and Staff Attorney shall not be required to, nor will they reveal any confidentiality to any other persons

who are not attorneys involved in providing legal services to the Participant, including the Plan Administrator, CLEAT, its officers, agents or employees, any matters revealed to them in confidence by the Participant in the course of their representation.

**6.4. Governing Law; Venue.** This Plan shall be governed by and construed in accordance with the laws of the United States, to include ERISA, and to the extent applicable, the laws of the State of Texas, and it is intended to be performed in accordance with, and only to the extent permitted by all applicable laws, ordinances, rules and regulations. Venue for any grievance, as allowed under Article SEVEN herein, growing out of or related to this Plan shall be brought solely in the Western District of Texas, Austin Division, federal court.

**6.5. Severability.** If any provision of this Plan, or the application thereto to any person or circumstance, shall be declared void, such provision as applied to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

**6.6. Intervening Events.** Neither the Plan Administrator, the Plan Sponsor, nor its officers, agents, nor employees shall in any way be responsible under this Plan for any acts, occurrences, or events which are caused by acts of God or by some other person including the Participant, which may affect, disrupt or terminate this agreement and thereby prevent appointed attorneys from performing the services contemplated hereunder.

**6.7. Headings.** The headings contained in this Plan are for reference purposes only and shall not in any way affect the meaning or interpretation thereof.

**6.8. Use of Nouns and Pronouns.** Pronouns used in the masculine gender shall apply equally to the feminine gender. Further, nouns or pronouns used in a singular tense may be read to also include the plural tense where consistent with this document as a whole, and conversely nouns or pronouns used in a plural tense may be read to also include the singular tense where consistent with this document as a whole.

**6.9. Waiver.** No failure to enforce strictly any provision of this Plan shall be construed as a waiver of such a provision. The Plan Administrator and CLEAT reserve the right to enforce strictly each and every provision of the Plan at any time, regardless of the nature or number of prior occurrences or the similarity of the circumstances.

## **ARTICLE SEVEN**

### **CLAIMS PROCEDURES, COMPLAINTS, DENIALS, AND APPEALS**

**7.1. Denial and Appeal of Claims.** In the event the Plan Administrator shall deny any claim for benefits not covered hereunder, or any claim excluded or limited from coverage, it shall inform the claimant that he or she may appeal such initial denial. The initial denial shall include the following information:

- a. The reason for the denial;
- b. Reference to the specific Plan provisions upon which the denial is based;

- c. A description of any additional material or information necessary to perfect the claim and the reason why such material or information is needed;
- d. An explanation of the Plan's claims review procedures, including the arbitration process (except for TIPP claims) after exhaustion of all internal claims and appeals under the Plan, including an explanation of the right to file a lawsuit under ERISA §502 after exhaustion of the internal claims and appeals process only for TIPP claims;

Appeal of the initial claim denial must be made in writing to the Appeal Committee, of the Plan Administrator, including any request for an in-person hearing, within sixty (60) days of receipt of such denial notice. Appeal of the Appeal Committee's claim denial must be made in writing to the Plan Sponsor, including any request for an in-person hearing, within sixty (60) days of receipt of the Appeal Committee's denial notice. Any failure of a Participant to appeal within either time limit above shall waive the Participant's appeal rights on that claim. Such appeal shall be submitted in a manner or format to be determined by the Plan Administrator. If all required information is not reasonably provided by the Participant at each appeal level, within thirty (30) days of notice of any appeal, the Participant shall be provided sixty (60) day to provide such needed information, unless the Participant is legally incapacitated, in which event the time period shall be as provided by ERISA (the Plan Administrator, at its sole discretion, may extend this deadline for providing necessary information for Good Cause).

7.2. Telephone Hearings. In the case of claims where, in the sole judgment of the Plan Administrator, delay in review of an appeal may result in legal harm to a Participant who has expressed an intention to appeal, the Plan Administrator, may conduct a telephonic hearing to hear appeals and determine whether the Participant is entitled to receive benefits under the Plan.

7.3. Hearing of Appeal. The Plan Administrator, as a committee, shall hear any timely appeal brought by a Participant arising from a partial or total denial of requested benefits by the Plan Administrator. The Participant may be represented on appeal by his regional director or a designee of the President of his or her local association, or such other personal representative as the Participant may select, or as permitted by ERISA. The Participant may have all such rights in connection with such review as are required by ERISA. Unless otherwise required by law, the Participant shall have no right to receive documents other than the ERISA information described above, nor shall the Participant or his representative be permitted to call and examine or cross-examine witnesses other than the Participant. In all events, a final determination shall be rendered no later than 120-days after the request for the review, the notice shall contain all of the requirements for notice under Section 7.1 above, and it shall provide the Participant with notice of his/her rights to pursue arbitration, or access to the court, as applicable. It is expressly provided that no arbitration, or claim for equitable relief, may be brought to recover a claim hereunder until all claims and appeal procedures herein have been completed and all remedies hereunder are exhausted. In all events, any such action, whether through arbitration or the courts, shall be brought within two (2) years of the date on which this Plan requires presentation of proof of loss.

7.4. Arbitration. Any denial of benefits from the Plan, or demand for class certification on any claim(s), is only appealable to an independent arbitrator. The Plan specifically disclaims any right of one or more Participants to claim class certification of one or more claims. After

exhaustion of the entire claims and appeals process herein, the Participant will have ten (10) calendar days to send written notice to the Plan Administrator of their decision to appeal the denial to arbitration. The Plan Administrator will then request a list of seven neutral arbitrators/hearing examiners from AAA (American Arbitration Association), unless the parties can agree on an arbitrator. The parties will then alternately strike the list until there is only one arbitrator remaining. The parties shall flip a coin to determine who begins the first strike. The arbitrator will be notified by the Plan Administrator of the selection and a request will simultaneously be made for available dates for hearing of the matter. If an agreeable date can't be agreed to within sixty (60) days of the selection of the arbitrator, additional dates will be requested until agreeable dates are found. The hearing on the matter will be held at the CLEAT Administrative Office in Austin, Travis County, Texas. The AAA rules of expedited arbitration will be used without exception. The arbitrator is limited to analysis of the Plan Administrator's decisions, as to the facts and interpretation of the Plan, based upon an abuse of discretion standard.

**7.5. Arbitration Decisions on Appeals.** A decision by an arbitrator regarding an appeal from a denial of the Plan Administrator is final and binding concerning the claim appealed to the arbitrator.

**7.6 Costs of Arbitration.** The costs of arbitration shall be borne by the party incurring same. The parties will evenly split the costs and fee of the Arbitrator for the hearing.

## **ARTICLE EIGHT DEFINITIONS**

**8.1. Administrative Office.** The Administrative Office of CLEAT and the Plan Administrator currently located at 408 West 14th Street, Austin, Texas 78701, which address may be changed by the Plan Administrator or the President of CLEAT after notice to the CLEAT Executive Board.

**8.2. Agency.** The employer of the Participant at the time of the alleged or actual Event, which results in prosecution, litigation or disciplinary action covered by this Plan.

**8.3. Association** Shall in all events refer to the Combined Law Enforcement Association of Texas or CLEAT.

**8.4. Correctional Officer.** Full-time paid jailer, guard or detention officer employed by the State of Texas or its political subdivisions.

**8.5. CLEAT.** The Combined Law Enforcement Associations of Texas, Inc., a nonprofit corporation incorporated under the laws of State of Texas.

**8.6. CLEAT Retiree Association.** An association established by CLEAT for Peace Officers, and other law enforcement personnel, who have honorably retired from their agency and were required to hold a license from TCOLE.

**8.7. Critical Incident.** Any conduct, act, or omission that occurs during the course and scope of a Participant's duties as a Peace Officer, that results in:

- (a) The death or serious bodily injury of a person; or
- (b) Could have resulted in the death or serious bodily injury of a person as a result of Participant intentionally discharging a firearm. A Critical Incident includes the justified and lawful use of a firearm that is defined as the discharge or display of the firearm as authorized in Chapter 9, Texas Penal Code.

**8.8. Emergency.** An unexpected happening or event requiring immediate legal representation.

**8.9. Employment.** Employment as a Peace Officer, correctional officer, public safety employee or other Board-approved class of member as that term is defined herein.

**8.10. Event(s).** An act or omission of a Participant while acting in the official performance of their employment with an Agency, which may or does give rise to a civil, criminal, or administrative action against the Participant, which occurs wholly after the Participant is a member in Good Standing. An Event also includes a Critical Incident.

**8.11. Executive Board.** The Executive Board of CLEAT, as defined by its Constitution, and which shall serve as the Plan sponsor, and governing and interpreting body of this Plan as the final appeal level, as herein authorized.

**8.12. Experts.** Persons employed as paid professional witnesses or consultants in a case or controversy.

**8.13. Good Cause.** Substantial reason(s) depending upon the circumstances of the individual case, that is determined by the Plan Administrator as its sole discretion under the Plan.

**8.14. Good Standing.** A status of CLEAT membership wherein an individual is current in the payment of all dues to CLEAT, as determined in the sole discretion of the Plan Administrator.

**8.15 Local Association.** Any affiliated chapter of CLEAT chartered under the Constitution of CLEAT.

**8.15. Monitor.** Actions by the Plan Administrator or its designee to observe the progress of a civil proceeding against a Participant in which a defense has been tendered by the Participant's Agency, to determine whether the appointment of a Staff Attorney as individual counsel for the Participant is necessary, such an action may include, but shall not be limited to, receipt and review of pleadings, discovery documents, and status reports from the Agency's appointed legal counsel, and discussion with such legal counsel when necessary.

**8.16. Official Performance of Duties.** Acts by a Participant while on or off duty which are required of a Peace Officer by law, as an employee of the applicable Agency.

**8.17. Participant.** A member in Good Standing with CLEAT, and who is eligible for and has been determined, in the sole discretion of the Plan Administrator, to be a Participant under the Plan. Participant includes an eligible Spouse as provided in the Plan.

**8.18. Peace Officer (also including a Reserve Law Enforcement Officer).** A person elected, employed or appointed as a peace officer or reserve law enforcement officer under Article 2.12 of the Texas Code of Criminal Procedure or other laws. Peace Officer does not include an elected, employed or appointed Agency head, or similar managerial employee of the Agency, acting as the Agency administrator, and not simply as an employee of the Agency.

**8.19. Plan Administrator.** A committee appointed by the CLEAT Executive Board as the Plan Sponsor, designated to administer the Plan and to serve as Plan Administrator as such term is defined in ERISA, or to otherwise direct staff legal services in accordance with this Plan. The CLEAT General Counsel is designated as the sole Plan Administrator for initial interpretation of the Plan and for Participant claims under Articles ONE-THREE and FIVE-EIGHT. The Plan Administrator for initial appeals shall be comprised of a four (4) member committee, including the CLEAT General Counsel as an ex officio member. The full Plan Administrator committee, including the CLEAT General Counsel, as an ex officio member, shall administer the first step of the claim appeals process as defined in Article SEVEN. CLEAT's full executive board shall retain the Plan Administrator functions of the final claim appeal step as designated in Article SEVEN. The Plan Sponsor shall appoint the members of the Plan Administrator, the Appeals Committee, and their replacements, as needed. The Plan Sponsor assigns the Plan Administrator with the full and sole discretion to interpret and administer the Plan, and to determine all factual information related to any claim or appeal, subject to a final appeal to the Plan Sponsor under Article SEVEN.

**8.20. Plan or Plan Document.** This writing as amended by the CLEAT Executive Board in accordance with Article 6 and the Plan of benefits provided herein.

**8.21. Public Safety Employees.** A Peace Officer (to include Arson Investigators licensed by TCOLE), correctional officer, or reserve law enforcement officer employed by a law enforcement Agency or other criminal justice Agency.

**8.22. Plan Sponsor.** The CLEAT Executive Board.

**8.23. Private Attorney(s).** Attorneys selected from each CLEAT region by the Plan Administrator, in his/her sole discretion, to represent members pursuant to this Plan on a case-by-case basis.

**8.24. Retired Member.** A member in good standing of the CLEAT Retiree Association.

**8.25. Staff Attorney.** The licensed legal counsel who is an employee of CLEAT, and is provided by CLEAT to represent the Participant eligible for coverage under this Plan; such term expressly excludes any attorney for any other person or party.

**8.26. Spouse.** A spouse is a significant other in a marriage, civil union, or legally recognized common-law marriage.

**8.27. TCOLE.** Texas Commission on Law Enforcement as defined in Chapter 415, Government Code, or other laws.

**8.28. Working Day.** A shift of work for eight, ten, twelve or other length of hours.

## ERISA Required Information

1. The name and type of administration of the Plan:

The CLEAT Legal Service Plan is administered by the Plan Administrator, that has the sole discretion and authority to interpret and administer the Plan.

2. The name and address of the Plan Administrator:

Plan Administrator: 408 West 14<sup>th</sup> Street, Austin, TX 78701

Emergency Number (Shootings, Custodial Deaths, Critical Incidents): 1-800-752-5328

Non-Emergency Contact: 1-800-252-8153

Website: [www.cleat.org/services/legal\\_services](http://www.cleat.org/services/legal_services)

3. Names and Addresses of Plan Fiduciaries:

- CLEAT Executive Board
- Appeals Committee
- General Counsel – Jane Bishkin

4. Agent for Service of Process for the Plan:

CLEAT General Counsel: Jane Bishkin

5. The Plan's EIN and Plan Number: EIN: 74-1874446 Plan 502 CLEAT GROUP LEGAL SERVICES PLAN II

6. The Plan's fiscal year is: January 1<sup>st</sup> through December 31<sup>st</sup>.

7. The Plan's funding is provided through the assets of CLEAT and are limited to the funds available to CLEAT for legal service benefit funding.

8. Financial Information:

Participants pay dues to CLEAT and a portion of those dues go to fund the CLEAT Legal Service Plan. An individual must maintain their membership in CLEAT to be eligible for participation in the CLEAT Legal Service Plan.

9. The Plan's requirements for eligibility, disqualification, ineligibility, denial or loss of benefits, claims and appeals requirements, and other provisions of the Plan are contained in the CLEAT Legal Service Plan Document, available at: [www.cleat.org/services/legalservices](http://www.cleat.org/services/legalservices)

10. The benefits claims and appeals procedures are explained in the claims and appeals section above.
11. Plan Documents and Reports: You may examine and obtain copies of the following documents at the Administrative Office during regular business hours, Monday through Friday, except holidays (or by written request to the Administrative Office):

- Plan Document and all Amendments (also representing the summary Plan description)
- The Plan's Form 5500 or full Annual Report filed with the Internal Revenue Service or Department of Labor

You may also obtain copies of these documents by requesting them in writing and paying the reasonable cost of duplication. You should find out what the charge will be before requesting copies. To make such arrangements, call or write the Administrative Office. A summary of the Annual Report, which give details of the financial information about the Plan's operation, is provided free of charge to all Participants.

### **ERISA RIGHTS**

As a Participant in the CLEAT Legal Services Plan, you are entitled to certain rights and protection under the Employee Retirement Security Act of 1974 (ERISA), as amended. ERISA provides that all Plan participants shall be entitled to:

#### **Receive Information About Your Plan and Benefits**

Examine, without charge, at the Administrative Office all documents governing the Plan including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U. S. Department of Labor.

Receive, free of charge, an initial copy of the most recent Summary Plan Description as soon as you are eligible for benefits.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, an updated Summary Plan Description (in addition to the initial SPD that is provided to you free of charge as explained above). The Plan Administrator may make a reasonable charge of up to 25¢ per page for the copies.

Receive a summary of the Plan's annual financial report. The Administrative Manager is required by law to furnish each Participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive legal representation or counselling and, if so, what your benefits will be. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

## **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of this Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants. No one can discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

## **Enforce Your Rights**

If your application for a legal benefits is denied, in whole or in part, you must receive a written explanation of the reason for the denial and your right to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules. You have the right to have the Plan review and reconsider your application. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials in writing from the Plan and do not receive them within 30 days, you may file a suit in a Federal court. In such a case, the court may require the Administrative Manager to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have an application for a Plan benefit that is denied or ignored, in whole or in part, you generally must arbitrate your dispute, but may be able to file suit in a Federal court, under limited situations. If it should happen that Plan fiduciaries misuse the Plan’s money, or you are discriminated against for asserting your rights, you may seek assistance from the U. S. Department of Labor, or you may file suit in a Federal court. See Some Questions and Answers herein. The court will decide who should pay the court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## **Assistance With Your Questions**


If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U. S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, EBSA, U. S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D. C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the EBSA. You may contact the nearest area office of EBSA in Dallas, Texas at (214) 767-6831 or the toll-free Employee and Employer Hotline at 866-444-3272 or visit the website at <http://www.dol.gov/ebsa>.

## CONCLUSION

Nothing in this explanation is intended to change in any way the rules expressed in the Plan Document. Your rights can only be determined by examining the CLEAT Legal Service Plan Document.


If you have any questions about the Plan Document and how the rules apply to you, contact the Administrative Office. Do not rely on information from other sources. The staff at the Administrative Office has up-to-date information on the operation of the Plan and is available to assist you.

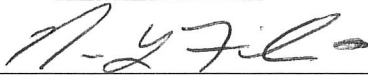
**IN WITNESS WHEREOF**, the undersigned have set their hands hereto as indicated below, effective January 13, 2026.

  
\_\_\_\_\_, President  
Combined Law Enforcement Associations of Texas, Inc.

### Witnesses

  
\_\_\_\_\_, Vice President  
Combined Law Enforcement Associations of Texas, Inc.  
Date: 2/13/2026

  
\_\_\_\_\_, Vice President  
Combined Law Enforcement Associations of Texas, Inc.  
Date: 2/13/2026

  
\_\_\_\_\_, Vice President  
Combined Law Enforcement Associations of Texas, Inc.  
Date: 1/18/2026

**SCHEDULE A**  
**Contact Telephone Numbers.**

Telephone numbers for individual CLEAT offices during normal business hours and emergencies are:

Austin: 800-752-5328 or 512-495-9111  
Corpus Christi: 800-752-5328 or 361-883-3224  
El Paso: 800-752-5328 or 915-533-4924  
Fort Worth: 800-752-5328 or 817-882-9548  
Houston: 800-752-5328 or 713-263-7600  
San Antonio: 800-752-5328 or 210-826-1899  
Rio Grande Valley 800-752-5328 or 956-378-4025

**NOTICE: CLEAT will also maintain a 24-hour emergency toll free number. The 24 hour toll free emergency number is 1-800-752-5328.**

(The above telephone numbers are subject to change)

## SCHEDULE B

### Plan Subrogation and Reimbursement Provisions

In the event of any payment under or by and through this Plan, the Plan shall be subrogated to all the rights of recovery of the Participant and Spouse. The Participant and Spouse shall execute and deliver instruments and papers and whatsoever else is necessary for the Plan to secure such rights. Neither the Participant nor the Spouse shall do anything after a loss to prejudice the Plan's subrogation rights. Prejudicing the Plan's subrogation rights may result in the denial of benefits or termination of your participation in the Plan.

If requested in writing by the Plan Administrator or the Plan's legal counsel, the Participant and/or Spouse shall take, through any representative designated by the Plan Administrator, such action as may be necessary or appropriate to recover such payment as damages from any person or entity with said action to be taken in the name of the Participant and/or Spouse. In the Plan Administrator's sole discretion, the Plan reserve the right to prosecute an action in the name of the Participant and/or the Spouse against any third parties and/or entities potentially liable to the Participant or Spouse in an effort to recover monies paid by the Plan; or to intervene in the name of the Plan Administrator into any legal proceeding initiated by the Participant or Spouse against any third parties and/or entities.

By virtue of any payment under this Plan, a lien shall be established upon any action on behalf of the Participant or Dependent against any person or entity legally responsible for the claim for which such payment was made. In any action or actions by the Participant or Spouse against a third party (or multiple third parties), the Plan shall be subrogated to the right or rights of the Participant or Spouse to the extent necessary to reimburse the Plan for 100% of all sums paid or assumed by the Plan under these rules and regulations, together with reasonable costs and expenses including attorneys' fees, if any, incurred by the Plan in enforcing the liability of a third party or the Participant or Spouse under the Plan. Any sums recovered from the third party, either by judgment or compromise shall be applied first to reimburse the Plan for benefits paid or to be paid and pay its costs and expenses including attorney's fees, if any, without regard to any setoff or contribution for the payment to the Participant's or Spouse's attorneys' fees and costs in pursuing and enforcing the liability of the third party or parties. The Plan shall not be responsible for the payment of the Participant's or Spouse's attorneys' fees without the Plan Administrator's written consent, nor shall the Plan share any responsibility, pro-rata or otherwise, for the Participant's or Spouses attorneys' fees or expenses. However, this amount is limited to the amounts that the Participant or Spouse has, may, or could have reasonably recovered from any third party and that are related to the same event for which benefits are paid. In this connection, the Plan shall not be bound by the characterization of any recoveries given by any other person(s).

The Plan Administrator shall determine, in its sole discretion, what actual or potential recoveries from the third party or parties are related to the event giving rise to the benefit paid by the Plan. This amount shall not be limited or reduced pro rata or otherwise because the Participant or Spouse is liable only in part, because resources or insurance are limited, or for any other reason. These obligations and rights supersede any laws or legal theories that purport to limit, reduce or eliminate the contractual Subrogation and Reimbursement rights of the Plan including, but not limited to, the "make (or made) whole doctrine," "common fund" or other federal, state or local "common law" theories. Amounts recovered in excess of the Plan's reimbursement of benefits paid, and costs and expenses including attorney's fees may be paid to the Participant or Spouse, but such excess shall

apply as a credit against liability of the Plan for further payments to or on behalf of the Participant or Spouse under this Plan related to the benefits paid by the Plan.

With respect to claims involving subrogation, payment of benefits may be delayed pending receipt of any and all of the requested documentation, including any other necessary paperwork from the Participant, Spouse, any legal or medical representatives, or others. The Plan Administrator shall have the absolute discretion to settle Subrogation and Reimbursement Claims on any basis deemed warranted and appropriate under the circumstances.

If the Participant or Spouse recovers any amount and fails to reimburse the Plan for the full amount of the benefits paid by the Plan, the Plan has a lien on the amounts received and may take any available legal action against the Participant or Spouse, or against any entity that has possession, custody or control over the monies recovered. At its discretion, **the Plan may withhold benefit payments or deduct the amounts owed from future claims submitted by the Participant or Spouse, including unrelated, subsequent or previously-existing claims, to satisfy the Plan's subrogation and reimbursement rights.**

If the Participant or Spouse, or any person acting on that person's behalf, does not attempt a recovery of the benefits paid by the Plan or which the Plan is obligated to pay, the Plan is entitled, but not required, to institute legal action against the responsible party in the Participant's or Spouse's name, the Plan's name or the Plan Administrator's names. The Participant or Spouse must allow the Plan to intervene or join in any claim, lawsuit or other legal action or settlement process.

The Participant or Spouse must do whatever is reasonably requested by the Plan to secure the Plan's rights to subrogation and reimbursement. The Participant or Spouse also must avoid doing anything that would prejudice the Plan's rights. Among other things, the Participant or Spouse must:

1. Furnish all information requested by the Plan;
2. Notify the Plan in writing of any claim for damages made in connection with the benefit paid by the Plan within 60 days;
3. Complete, sign and deliver all other documents or papers requested by the Plan;
4. Take any action or give any other assistance requested by the Plan to enforce its subrogation and reimbursement rights;
5. Notify the Plan and obtain its prior written approval of any proposed settlement or release of any related claims; and
6. Notify the Plan and obtain the Plan Administrator's prior written approval of any agreement to distribute any recovery or payment to trusts, to third parties (including your attorneys), or to accounts or other entities.

## SCHEDULE C

### Dues for CLEAT Active Members - 2024

The dues for members of CLEAT \$36.00 monthly, or \$16.62 bi-weekly or \$432.00 yearly, and are payable as of the first day of each month, or first day of the annual anniversary as the case may be, for continuous coverage, and are delinquent if not received within 60 days of the respective date.

### Dues for CLEAT Retiree Members - 2024

The dues for members of the CLEAT Retirees Association are \$14.50 monthly, or \$150.00 yearly, and \$19.50 monthly for combined Participant/Spouse coverage, or \$210.00 yearly, for the Participant/Spouse and are payable as of the first day of each month, or first day of the annual anniversary as the case may be, for continuous coverage, and are delinquent if not received within 60 days of the respective date.

Effective January 1, 2024.