

VARTABEDIAN HESTER & HAYNES LLP

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February 10, 2025

Via Email: mpott@prismrisk.gov

PRISM

Attn: Michael Pott
75 Iron Point Circle, Suite 200
Folsom, CA 95630

Re: Engagement Letter for PRISM ("Matter")

Dear Mr. Pott:

Vartabedian Hester & Haynes LLP ("VHH") appreciates the opportunity to represent Public Risk Innovation, Solutions, and Management ("PRISM," "you" or "Client") in connection with its interests in the chapter 11 bankruptcy proceedings of Wellpath Holdings, Inc. and certain of its affiliated entities jointly administered under *In re Wellpath Holdings, Inc., et al* ("Debtors"), case number 24-90533 (ARP), pending in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Matter"). A successful lawyer/client relationship begins with a clear understanding and agreement regarding the terms of the relationship by both parties. This letter, including Schedule 1 (collectively, "Agreement"), states the mutual understanding and agreement of the parties regarding this engagement. If there are any questions or concerns regarding the terms of the Agreement, please let me know so they can be resolved. Otherwise, please return a signed copy of the Agreement. Should we later agree to expand the scope of work or to represent you in additional matters, this engagement letter will govern such additional work, unless such work is specifically addressed by a separate engagement letter.

Matter and Scope of Services. VHH is being retained to represent Client solely in connection with the Matter. VHH will perform all reasonable legal services and take all such action as may be appropriate and necessary in its professional discretion as lawyers to further Client's interests in the Matter. Client agrees that it will be truthful with us and cooperate with us in this Matter and keep us informed of any information that comes to its attention that is material to the engagement. Client agrees to pay its fees under this engagement on time and to keep us informed of its location and contact information. Client agrees to assist us in providing necessary information and documents and that it will appear when necessary at legal proceedings.

We have performed a conflicts check on the names that Client provided. Based on a check of these names and under the applicable standards in the governing rules of professional conduct, we believe that VHH is free to undertake the Matter. If we identify a conflict after work has begun, Client agrees to use reasonable efforts to help us resolve the conflict to the satisfaction of the parties.

Confidentiality. The attorney-client privilege is an important subject that we raise with our clients at the outset of a new representation. As a matter of professional responsibility, we are required to preserve the confidences of our clients. This professional obligation and the legal privilege accorded attorney-client communication exist to encourage candid and complete communication between client and attorney. The attorney-client privilege can be lost if our written or oral communications are shared inappropriately with others, including, under certain circumstances, other employees or representatives of yours. We should discuss in advance any intention of yours to include others in our confidential relationship.

Assigned Lawyers. Blake Berryman and I will be the primary VHH lawyers responsible for the Matter. It is anticipated that other partners and associates, along with paralegals and staff may also work on the Matter where advisable and appropriate.

Fees and Statements. Fees for our legal services will be based on VHH's hourly rates and the billable hours incurred to represent Client in the Matter. Schedule 1 reflects the current hourly rates for the above-named lawyers. These hourly rates will apply through December 2025 and are subject to change thereafter.

Throughout the period of this engagement, we will send monthly statements for our legal services rendered in the previous month. In addition to fees for legal services, VHH will charge to Client out-of-pocket expenses incurred in representing Client. Payment of statements is due upon receipt. Each statement describing our services will be presented in a form acceptable to Client and us.

Costs and Expenses. Client shall pay costs and expenses, including expert fees, deposition costs, recording fees, and charges for related expenses and services such as: document production, library research, travel, filing fees/court costs, courier services, and document management. We may request payment to others or advance payment to us of any expense payment of \$2,500 or more. Should you have a question about any statement, please call me.

Many times, clients will directly employ third parties, such as other lawyers, experts or accountants, to provide services on their behalf. In certain instances, we may employ third parties on Client's behalf. In all such instances, Client will be responsible for paying these third parties directly, unless we pay them, in which case Client agrees to reimburse us for these costs.

Independent Advice Regarding Engagement. As a matter of policy, VHH does not advise its clients or potential clients on whether to agree to the terms of its engagement by a client.

Therefore, VHH advises its clients or potential clients to consult in-house counsel or other counsel regarding the Agreement. By accepting the terms of the Agreement, Client confirms that it understands its option to consult other counsel and has made an independent decision to enter into the Agreement and provide the consents contained herein whether or not it has actually consulted other counsel.

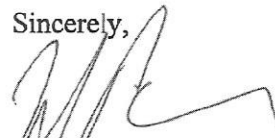
Mutual Right to Terminate. As in any professional relationship where mutual trust and confidence are essential, it is appropriate for either you or VHH to be able to terminate our engagement at any time by reasonable written notice. Furthermore, in the event we have performed no services for you for any consecutive 90-day period, our engagement shall be considered terminated as of the last day we performed services. If our engagement is terminated, you agree to take promptly whatever steps are reasonably necessary to indicate that we are free from any obligation to perform further.

File Retention. Except for those files that, at the option of either the client or us, we return earlier, it is our current policy to retain files relating to an engagement for four (4) years following the conclusion of the engagement. At our discretion, we may retain the files in either hard copy or electronic format. If you object to our retaining them only in electronic format, we should be advised before the termination of the engagement. During the time that we retain the files following the completion of our engagement, you may request that we assemble and return to you those files to which you are entitled, with the costs and fees of that task to be paid by you. We retain the right to retain copies of all files, and you agree to pay the costs for making these copies. If, at the end of four (4) years you have not requested the return of those files, you are giving us permission to destroy those files without further notice to you.

Additional Parties. We understand that PRISM has many members that are also impacted by the Matter. Accordingly, the parties agree that PRISM's members who may be impacted by the Matter have the opportunity to join in this engagement and that they may do so if they execute the addendum attached hereto. The parties further agree that any communications between VHH, PRISM, and participating PRISM members, or any of them, shall be deemed to advance the parties' common interest in securing legal advice related to the Wellpath bankruptcy proceeding, and shall not be deemed a waiver of any evidentiary privilege.

Client Acceptance of Terms of Engagement. If you do not agree with or understand the conditions of our representation outlined in this letter, please let us know. We would appreciate your acknowledging that this letter correctly reflects the terms of our engagement by signing, dating, and returning this letter to me. There is a space for your acknowledgment below my signature.

Sincerely,



Jeff Prostok

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The undersigned understands and accepts the conditions of the representation of PRISM and agrees that this letter correctly reflects the terms of our engagement.

PRISM

By: MWP
Printed Name: Michael W. Pott
Title: COO

Date: 2-11-25

Schedule 1

Hourly Rates of Lawyers and Paralegals (if any) Initially Assigned to the Matter:

<u>Name</u>	<u>Title</u>	<u>Hourly Rate</u>
J. Prostok	Partner	\$825.00
B Berryman	Attorney	\$575.00
	Firm attorneys	\$375.00-\$725.00
	Paralegals/Legal Assistants	\$175.00-\$255.00

***VHH waives retainer payment.**

ADDENDUM TO ENGAGEMENT LETTER

By a February 10, 2025 engagement letter, (the "February 10 Letter"), Public Risk Innovation, Solutions, and Management ("PRISM") engaged Vartabedian Hester & Haynes LLP (VHH) to represent PRISM's interests in a bankruptcy matter jointly administered under *In re Wellpath Holdings, Inc. et al* case number 24-90533 (ARP), pending in the United States Bankruptcy Court for the Southern District of Texas, Houston Division. The letter acknowledged that PRISM members with shared interests in the case could also become a party to the engagement if the member executed this addendum.

The County of Santa Barbara (the "County") has reviewed the terms of the February 10 Letter and consents to VHH's representation of the County on the terms and conditions described in the February 10 Letter.

The County understands and agrees that PRISM will be responsible for the costs of VHH's services under this engagement that are either (1) requested by PRISM, or (2) requested by a PRISM member, and determined by PRISM, in its sole discretion, to be of common interest to PRISM and its members.

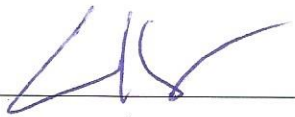
Each PRISM member, including the County, shall be responsible for the costs of VHH's services under this engagement that are expressly requested by the member, and not determined by PRISM to be of common interest to PRISM and its members. Examples of such services include, but are not limited to:

- Services requested by a PRISM member regarding the effect of the bankruptcy proceedings on implementation of an existing consent decree or judgment.
- Assisting a PRISM member prepare a proof of claim.

VHH will submit invoices for all services rendered under this engagement to PRISM. PRISM will sub-invoice each participating PRISM member for those VHH services, if any, that are the member's separate responsibility as set forth above. The member shall make payment of all sub-invoiced amounts directly to PRISM within 30 days of receipt of the invoice from PRISM.

Amounts charged to the County under this Addendum shall not exceed \$25,000.

This Addendum shall take effect on the date of execution indicated below (the "Effective Date") and shall terminate on the second (2nd) anniversary of the Effective Date, unless (1) terminated sooner upon reasonable written notice by PRISM, the County, or VHH to the other two parties; or (2) extended by a separate written agreement between and among PRISM, the County, and VHH.

By:  _____

Title: Chair

Date: 3-18-25