

**AN AGREEMENT FOR AMBULANCE AND EMERGENCY MEDICAL SERVICES
BETWEEN TYLER COUNTY, TEXAS AND BLUEBIRD MEDICAL ENTERPRISE,
LLC d/b/a ALLEGIANCE MOBILE HEALTH**

THIS AGREEMENT is made and entered into by and between Bluebird Medical Enterprises, LLC and its subsidiaries d/b/a Allegiance Mobile Health ("Allegiance") and Tyler County, a political subdivision of the State of Texas (hereinafter referred to as "COUNTY", effective January 1, 2026, ("Effective Date").

RECITALS:

WHEREAS, the COUNTY may provide emergency medical services, emergency ambulance services, rural fire prevention and control services, or other emergency services authorized by the Legislature, and the COUNTY's commitment is to provide protection of life and property from fire, hazardous materials incidents, accident, disaster, and other emergencies; and,

WHEREAS, the COUNTY provides emergency ambulance services in its geographical boundaries; and,

WHEREAS, Allegiance is the owner and operator of certain emergency and non-emergency medical care vehicles and equipment designed to provide emergency and non-emergency medical care and assistance, and has in its employ trained personnel whose duties are related to the use of such vehicles and equipment and for the provision of emergency and non-emergency medical services to the COUNTY; and,

WHEREAS, Allegiance is in the business of managing, providing, and arranging for emergency and non-emergency medical transportation services; and,

WHEREAS, TYLER COUNTY desires to contract with Allegiance to provide emergency and non-emergency medical services to residents and other persons within the territory of Tyler County; and,

WHEREAS, Tyler County and Allegiance desire to provide a full statement of their respective rights, obligations, and duties in connection with the performance of Allegiance's duties hereunder:

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLE I
DEFINITIONS**

A. "Allegiance" – Bluebird Medical Enterprises, LLC doing business under the name, among others, Allegiance Mobile Health. The name Allegiance as used in this Agreement means any or all of Bluebird Medical Enterprises, LLC, any of its subsidiaries, and any of its assumed names operating thereunder pursuant to this Agreement.

B. "EMS Provider" – Allegiance. It is understood and agreed between the parties that contract, clinical, and operational performance will be measured by Tyler County according to the provisions of applicable law, the quality and level of services provided by Allegiance, the citizens' needs for the services provided by Allegiance, the fees charged by Allegiance, other sources of such services, Allegiance's annual budget and request for funds, reports by Allegiance of how previous COUNTY funds have been spent, the tax revenues received from the area served by Allegiance, the results of the previous year's financial audit/financial review, past compliance by Allegiance with the terms of the Agreement between the Allegiance and the COUNTY, and any other issue deemed relevant by the COUNTY.

C. "Tyler County" or "COUNTY" – Tyler County, a political subdivision of the State of Texas, the territory of which is as shown on the map attached hereto as Exhibit A, and as may be changed from time-to-time by the COUNTY under applicable law. That territory is sometimes referred to herein as Tyler County or the COUNTY.

D. "MICU" – Mobile Intensive Care Unit as defined in the Texas Emergency Health Care Act, Chapter 775, Texas Health & Safety Code, or other applicable law, rule, or regulation.

E. "ALS" – Advanced Life Support as defined in the Texas Emergency Health Care Act, Chapter 775, Texas Health & Safety Code, or other applicable law, rule, or regulation.

F. "BLS" – Basic Life Support as defined in the Texas Emergency Health Care Act, Chapter 775, Texas Health & Safety Code, or other applicable law, rule, or regulation.

G. "First Responder" or "First Responder Organization" – A group or association of certified emergency medical services personnel working in cooperation with a licensed emergency medical services provider which provides immediate, on-scene care to ill or injured persons but does not transport those persons, as defined in applicable law, rule, or regulation, including, but not limited to, those emergency service organizations with which the COUNTY may contract from time-to-time that provide first responder emergency medical services.

ARTICLE II

DESCRIPTION OF SERVICES AND SERVICE AREA

2.1 Scope of Agreement:

During the term of this Agreement, Allegiance on an exclusive basis agrees to furnish emergency and non-emergency medical ambulance services, as further set forth herein (by Exhibit or otherwise) to the residents and other persons within the COUNTY. These services shall be rendered by Allegiance to all areas of the COUNTY as determined by the Tyler County Commissioners Court. The service area under this Agreement shall be designated as, but not limited to, the territorial limits of the COUNTY, depicted by the map attached hereto as Exhibit A. This Agreement addresses and encompasses both emergency 9-1-1 ambulance service and non-emergency patient and inter-facility transfers.

2.2 Scope of Services and Minimum Standards:

Allegiance will provide all 9-1-1 emergency and non-emergency medical services including emergency and non-emergency ground ambulance transportation, for the entire territorial limits of Tyler County. Exhibit B describes the essential minimum services, equipment, and personnel that Allegiance shall provide and station within the COUNTY at all times for response to 9-1-1 and other calls ("Services"). The combination of essential equipment and personnel may be referred to herein as "Primary Crews." The Services set forth in Exhibit B are the minimum standards required of Allegiance and its Primary Crews in the performance of this Agreement and must be strictly adhered to by Allegiance. Allegiance is free and encouraged to use its expert judgment in providing Services that exceed these minimum standards, if it so chooses, at no additional expense to the COUNTY.

2.3 Without limiting its obligation herein to provide high quality emergency and non-emergency Services under this Agreement, Allegiance agrees it shall: (a) manage all day-to-day operations, including field operations, billing, collections, purchasing, personnel, and other operational functions; (b) negotiate all mutual aid or other agreements necessary to provide Services hereunder; (c) maintain all facilities and equipment; (d) hire, supervise, terminate, and provide or arrange for in-service training of all field personnel; (e) propose and provide justification for budgets, subsidies, rate changes; (f) manage all billing and collection functions; (g) solicit and follow in good faith the recommendations of Tyler County Commissioners Court, the public, and other healthcare facilities operating within the COUNTY in providing Services hereunder; and, (h) generally manage all aspects of the ambulance system operations and Services provided hereunder to the COUNTY.

2.4 Allegiance shall provide and maintain within the COUNTY the equipment and personnel described in Exhibit B and herein.

2.5 Provide properly and legally equipped and operational emergency vehicles and equipment, and adequately trained and licensed personnel, to respond with an MICU ambulance to each dispatched emergency call that requires a Code 3 (emergency lights and sirens response) with an average response time for an emergency vehicle owned or used by Allegiance, in a professional manner, per the agreed upon zoned response times set forth in Exhibit D herein. Response times shall be measured from the time of initial dispatch by the appropriate dispatching entity until the first appropriate unit marks arrival on scene. The average response time shall be calculated over a period of one month by dividing the sum of incident response times by the total number of incidents.

ARTICLE III RESPONSIBILITIES OF ALLEGIANCE

3.1 Prime Responsibilities:

Allegiance expressly agrees to manage the actual delivery of ambulance, emergency and non-emergency medical services, to the service area. Allegiance is and shall be an independent contractor. Subject to the requirements placed upon Allegiance by this agreement, the manner and means of providing the services are under the control of Allegiance. The following list contains

Allegiance's primary responsibilities to be provided to the COUNTY at Allegiance's sole cost and expense. Numerous ancillary functions to provide the Services set forth and required herein are also Allegiance's responsibility, at its sole cost and expense, such as compliance with insurance requirements, personnel management, disaster readiness, inventory control, and compliance with applicable law. Allegiance shall:

- a. Employ and manage all ambulance personnel and ensure all ambulances and equipment meet, at a minimum, State requirements for licensure and/or certification;
- b. Provide adequate opportunity for employee and first responder in-service training sufficient to meet State requirements, clinical standards, requirements of the medical director, and maintain records of said certificates;
- c. Provide all necessary and appropriate vehicles, backfill vehicles, personnel, licenses, certifications, and equipment to provide the Services set forth herein, including, but not limited to all ambulance and medical services to the Texas Department of State Health Services EMS MICU Provider License level without regard to the financial status of the patient in the areas of the COUNTY set forth by the COUNTY;
- d. Furnish all fuel, lubricants, vehicle, and equipment repairs and disposable medical supplies;
- e. Develop, negotiate, and maintain hospital/ambulance policies, patient "exchange" policies, and fire department relationships where appropriate;
- f. Maintain good working relationships with area law enforcement, fire, first responder, and licensed provider agencies in the area, specifically including any contracted service providers of the COUNTY;
- g. Provide the public with information concerning Services, subject to applicable law;
- h. Conduct all billing and collection activities and procedures; however, Allegiance shall not delay or deny treatment or transport due to patient's inability to pay;
- i. Interface with appropriate State and local 911 dispatching agencies, and Allegiance will coordinate and provide all necessary communications equipment, agreements, and protocols to interface and work with the Tyler County Sheriff's Office Dispatch or other appropriate communications systems in Tyler County as may be established from time-to-time, and Allegiance will meet with Tyler County Communications or other representatives to accomplish and establish proper communications for the provision of Services hereunder, as necessary, for developing the radio communications system, which will include meeting with Tyler County communications representatives, and providing information in Allegiance's possession which will assist in a determination of what the radio communications system needs are for Allegiance in the area to work with Tyler County to establish a contractual relationship with local providers, as necessary.

- j. Ensure professional conduct and appearance of all office and field personnel;
- k. Enter into mutually beneficial support agreements with neighboring ambulance services, as needed;
- l. Provide training to First Responder and Volunteer Fire/Ambulance personnel on EMS system policies, procedures and proper equipment usage, and assist in facilitating a first responder program with Tyler County;
- m. Maintain State and local vehicle permits and personnel certifications and State provider licensure;
- n. Allegiance shall carry equipment in each vehicle necessary for the treatment and transportation of children at an MICU level;
- o. Maintain and pay for all telephone listings and/or advertising associated with Allegiance;
- p. Provide GPS/tracking access of all primary crews/units to Tyler County;
- q. Operate continuously and without interruption for twenty-four (24) hours each day, seven (7) days per week emergency and non-emergency medical ambulance services as herein required, which will include, at a minimum, two (2) full-time, 24 hours per day, seven days per week, MICU ambulances and qualified crew in and to the COUNTY at all times, and Allegiance must meet all Texas Department of State Health Services EMS MICU provider licensing or other requirements;
- r. Meet the response time requirements as set forth herein or any exhibit attached hereto;
- s. Ensure all of its employees or other personnel providing the Services set forth herein are appropriately certified, licenses, and/or accredited, and maintain a record of those certifications, licenses, or accreditations;
- t. Annual user fee changes less than 5% may be implemented by Allegiance without the written consent of Tyler County Commissioners Court;
- u. Be responsible for managing all daily operations including field operations, dispatching personnel and equipment, providing the Services hereunder in conjunction with any state, County, or local communications centers, including, but not limited to, the Tyler County Sheriff's Office, medical direction, quality control and improvement, and account receivables;
- v. Maintain all required licenses, certifications, and permits necessary for the provision of the Services hereunder;
- w. Develop a system of mapping that will allow it to effectively locate and respond to addresses and 9-1-1 calls for Services in the COUNTY;

x. Assure all EMS field staff providing patient care or Services hereunder have the following minimum current certifications: (i) "Paramedic" – Texas Department of Health Paramedic Certification or higher, Advanced Cardiac Life Support, Pre-Hospital Trauma Life Support, Pediatric Education for Pre-Hospital Professionals, Pediatric Advanced Life Support, as well as any one of the following: National Registered Paramedic, Texas Department of State Health Services Licensed Paramedic, Critical Care Paramedic Certification and (ii) "EMT" and "EMT-I" – Texas Department of State Health Services EMT-Basic or EMT-Intermediate Certification, Basic Cardiac Life Support, Pre-Hospital Trauma Life Support, Pediatric Education for Pre-hospital Professionals, as well as any other certification courses mutually agreed upon by the parties from time-to-time;

y. Ensure that all of its employees comply with all training requirements as established by the State of Texas;

z. Ensure Minimal Staffing on ambulances will be at least that necessary to provide MICU level patient care at all times; and,

aa. Provide reports and data in a timely fashion as described in this Agreement or as otherwise requested by the COUNTY.

3.2 Rights and Responsibilities of Field Personnel:

Allegiance shall ensure personnel providing Services hereunder shall have a direct communication on a real-time basis to those physicians who are empowered to oversee clinical guidelines, policy, and procedure, or are otherwise providing medical direction to Allegiance and its personnel. This direct communication and personnel responsibility applies to compliance of vehicles, on-board equipment, and collection and recording of primary data. Personnel are prohibited from operating equipment that is substantially out of compliance with system standards. Personnel are prohibited from falsifying or omitting data from reports.

3.3 Professional Skills and Training of Allegiance Personnel.

All Allegiance personnel are required to attend training sessions as required by state and federal laws, rules, and regulations dealing with the certification and regulation of emergency medical services personnel. Allegiance is responsible for ensuring that all field emergency medical services personnel working in the system ("field personnel") possess appropriate certification and understanding of the ambulance service system.

3.4 Work Schedules and Working Conditions.

Allegiance is required to utilize reasonable work schedules, shift assignments, and to provide adequate working conditions. Allegiance is expected to ensure that field personnel working extended shifts, part-time jobs, or overtime, will not negatively affect patient care. Allegiance must comply with all state and federal wage and labor laws.

3.5 Use of Mutual Aid Providers to Meet Unit Availability Requirements.

Allegiance may arrange and utilize mutual aid agreements with neighboring EMS providers and may utilize services furnished by such neighboring providers toward fulfillment of Allegiance. If any compensation to the neighboring provider is agreed to, it is the responsibility of

Allegiance to provide such compensation. Allegiance may, when reasonably necessary to provide a high level of service to the COUNTY, request other agencies or entities to provide mutual aid or other assistance in providing the Services listed above. Allegiance shall not enter into any mutual aid or automatic aid agreements with other entities or providers for services within the COUNTY boundaries without the prior written approval of the COUNTY. Allegiance shall not enter into any agreement to provide services outside the COUNTY boundaries without approval by advising the COUNTY at least 30 days before entering into the agreement, if it involves the commitment or use of any personnel or equipment that has been reported to the COUNTY as available for, or committed to, service within the COUNTY. Neither the existence nor the terms of any mutual aid or other agreement between Allegiance and any third party shall relieve Allegiance of any responsibility or obligation under this Agreement.

3.6 Character and Competence of Employees.

All persons employed by Allegiance in the performance of work under his Agreement shall be competent and hold appropriate valid permits for their professions as required by state and federal laws, rules and regulations. It is understood and agreed that Allegiance shall abide by all recognized and customary procedures and standards for patient care, ambulance maintenance, and abide by all applicable laws, rules, and regulations for patient care and ambulance maintenance.

3.7 Professional Conduct and Dress.

Allegiance agrees that its employees and agents will provide courteous and professional conduct and appearance at all times. Field personnel shall have an adopted and appropriate uniform to be worn when on duty or providing any Services hereunder. Uniform styles shall be determined by Allegiance. Name tags with level of training shall be worn by personnel. To the extent permitted by law, Allegiance is responsible for requiring its employees to undergo blood and urine tests to determine the presence of infectious disease, alcohol or drug abuse, or illegal drug use. Meeting requirements under Occupational Safety Health Administration, and other applicable law, rules, and regulations are the responsibility of Allegiance.

3.8 Key Personnel.

Allegiance shall furnish the field and other personnel necessary to meet or exceed the minimum level of Services set forth herein and in Exhibit B throughout the term of this Agreement.

ARTICLE IV PAYMENTS AND FEES

4.1 Tyler County shall pay an annual subsidy of \$200,000.00 paid in twelve (12) equal monthly payments of \$16,666.66. Allegiance shall give the County a \$50,000 annual subsidy credit for five (5) years should the County purchase an ambulance and allow Allegiance to utilize it under a no cost lease agreement for 911 response in Tyler County. Tyler County will hold the title and full ownership of the vehicle.

4.2 Billing and Collections:

Allegiance shall own and be responsible for billing and collection of all receivables owed by patients, insurance companies, and others who may be responsible for payment for the services rendered by the Allegiance, except as provided below. The COUNTY shall have no responsibility or liability to Allegiance for charges and receivables that Allegiance is not able to collect. Tyler County shall not be liable for any costs or expenses incurred by Allegiance in fulfillment of its obligations and responsibilities under this Agreement. This shall include but not be limited to the cost or expenses related to the provision of all types and descriptions of patient care services including transportation provided to patients who would not have been treated or transported by Allegiance in the absence of this Agreement.

4.3 Charges for Patient Services:

Charges for Patient Services ("Charges") provided under this agreement for the first year are attached hereunto in "Exhibit C," and Allegiance shall not increase said Charges without prior notice to the COUNTY of at least 60 days before implementation by Allegiance of new Charges. If an increase in Charges is not acceptable to the COUNTY and Allegiance does not come to mutual agreement of the Charges with the COUNTY, the COUNTY may terminate this Agreement upon 90 days written notice to Allegiance.

4.4 Changes Due to Other Circumstances: Tyler County and Allegiance agree to appropriately negotiate changes to this Agreement in the event that circumstances beyond the control of either party (national disaster, terrorist activity, etc.) adversely prevent the Parties from fulfilling their obligations as described in this Agreement.

ARTICLE V REPORTS & ACCOUNTING

5.1 Allegiance at its sole cost and expense, shall provide and deliver in writing, to Tyler County the following operational information for each regular meeting or, if requested, special meeting of the COUNTY:

All COUNTY Required Reports, and the format and content of these reports shall be as approved by the COUNTY, and shall at a minimum provide the information set for in Exhibit D as well as Response Time Reports, Quality Care and Improvement Reports, Sentinel Event Reports, Run Reports on ambulance runs and Services provided in the COUNTY, reports on personnel and equipment stationed within the COUNTY, and other reports as may be required by the COUNTY. Such reports shall be delivered to the COUNTY at least 3 days before the COUNTY's next regular meeting immediately following the month to which the report applies, or on other terms as determined by the COUNTY.

5.2 Data Collection and Reporting Required:

Allegiance data collection and reporting systems shall meet the following minimum standards, and such reports shall be furnished and delivered in writing to Tyler County as required or upon request:

- a. For each request for ambulance service, communications personnel shall complete approved dispatch documentation; to include:
 1. A full CAD report with all time stamps as set forth in Exhibit D;
 2. A quarterly Run Report of all Allegiance calls within the COUNTY by run number, zone, address, type of call, unit number responding, medical facility destination,
- b. For each call on which an ambulance was dispatched, but where no patient was transported, Allegiance personnel shall complete a report documenting same;
- c. For each patient transported, Allegiance ambulance personnel shall complete an approved patient report form consistent with provider licensure and medical direction requirements;
- d. Allegiance shall furnish to all employees approved "Incident Report Forms" and shall require employees to utilize such forms;
- e. Allegiance shall furnish to its employees approved "Equipment Failure Report Forms" and shall utilize such forms in conjunction with Allegiance maintenance program; and,
- f. Allegiance shall see that all Allegiance employees are appropriately licensed and certified, as required by applicable law, regulation, rule or ordinance at both state and local levels and keep records of participation in quality assurance and in-service training programs.

5.3 Exception Report

a. Exception Report Requirements:

Allegiance shall prepare and submit a written, monthly exception report to the COUNTY for non-complying response times. These exception reports should be submitted monthly for the period the report covers.

b. Exception Request Procedure:

For each actual response time Allegiance believes to be an excused or allowable exemption to the required response time s, Allegiance shall submit electronically or in writing an explanation of the incident in question. The COUNTY or its designee shall grant or deny exemptions to performance goals in accordance with this Agreement and advise Allegiance of its decision within ten (10) days of submission by Allegiance. In instances where denial of an exception request results in failure to comply with the response time s for a given reporting period, Allegiance reserves the right to appeal the request for an exception to the COUNTY's Board of Emergency Services Commissioners, whose decision on the matter shall be final. As a matter of practical practice, this process will initially be done in a meeting between Allegiance's Operations Manager and the COUNTY or its designee.

c. Response Time Exemptions:

In the monthly calculation of Allegiance's performance to determine compliance with the response time s, every emergency request originating from within Allegiance's assigned Primary Service Area, with the exception of cancelled calls, shall be included except as follows:

1. Multiple Responses - In case of a multiple response incident (i.e., where more than one ambulance is sent to the same incident), the response time shall be calculated from the first call received designation on the event record to the first arrival on scene;
2. Multi-casualty - Response time requirements may be suspended during a Tyler County declared multi-casualty incident, or disaster in Tyler County, or during a declared disaster in a neighboring jurisdiction which has requested assistance from Tyler County;
3. Good cause exemptions as determined by the COUNTY or its designee;

d. Good Cause Exemptions:

Individual responses may be exempt from response time s if factors outside of Allegiance's control may have caused the late response. The following good cause exceptions may be exempt from the response time goals. Good cause may include but is not limited to the following:

1. Incorrect or inaccurate information received by Allegiance from a caller, other dispatching entity, or the 9-1-1 Public Safety Answering Point;
2. Delays caused by traffic secondary to the incident;
3. Unavoidable delays caused by road construction;
4. Unavoidable delays caused by trains;
5. Periods of unusual system overload;
6. Severe weather conditions which impair visibility or create significant unsafe driving conditions;
7. Mutual aid responses and responses outside of the Primary Service Area;
8. Late performance in Allegiance's Primary Service Area that is directly associated with mutual aid response in a contiguous geographic area; and,
9. Any other exemptions as may be approved by the COUNTY or its designee.

ARTICLE VI

TERM & TERMINATION

6.1 Term of Agreement and Renewal Provisions.

The initial term ("Initial Term") of this Agreement shall be from January 1, 2026 through September 30, 2031, unless earlier terminated by Tyler County. Thereafter, this Agreement and initial subsidy requirements shall automatically renew for one-year subsequent terms of October 1st through September 30th for each additional yearly term ("Subsequent Term"), subject to annual approval by the COUNTY. Each Subsequent Term, unless this Agreement is otherwise terminated by one or both parties as provided for herein or as otherwise allowed by law, shall be subject to the same terms and consideration as set forth herein and subject to the County's annual right of non-appropriation or other rights or powers to terminate this agreement as set forth herein or as otherwise allowed by law. Either party may elect to terminate this Agreement at the end of the Initial Term or any Subsequent Term allowed for herein.

a. If this Agreement is terminated due to non-appropriation by the COUNTY for any fiscal year of the COUNTY, which runs from October 1 to September 30 of each year, this Agreement shall terminate at the end of said fiscal year in which funds have been appropriated by the COUNTY without penalty of any kind to the COUNTY.

b. In addition to termination as set forth herein, either party may, with the express written consent of the other party, terminate this Agreement at any time by providing the other party with a ninety (90) day written notice of termination.

6.3 Termination upon default.

Tyler County may terminate this Agreement upon default of Allegiance. A "default" shall mean a material breach of any provision of this Agreement. Should such a default occur, Tyler County shall have the right to terminate the Agreement as of the 30th day following the receipt of a written notice to Allegiance describing such default and intended termination provided:

- a. Such termination shall be ineffective if within the thirty (30) day period Allegiance cured the default; and,
- b. Such termination may be stayed at the sole option of Tyler County, pending cure of the default if action to cure begins during the thirty (30) day period and is successfully completed.

6.4 Termination upon application of Paragraph 4.4. In the event Allegiance elects to terminate this contract under Paragraph 4.4, Allegiance will notify Tyler County ninety (90) days prior to the termination date. Allegiance will make a good faith effort to assist Tyler County in locating another provider, provide such information necessary for any potential provider to make a decision to accept a contract with Tyler County (subject to safeguards for confidential matters) and assist in the transfer of service.

6.5 If the Tyler County Commissioners Court finds that the event of default creates a substantial and immediate threat to the public welfare or the welfare of the COUNTY, the COUNTY may terminate or suspend this Agreement immediately. Notwithstanding any other provision of this Agreement, Tyler County or Allegiance may terminate this Agreement with or without cause by providing to other party a ninety (90) day written notice of termination.

6.6 "Lame Duck" Provisions

Should Allegiance fail to obtain a renewal of this Agreement for any Subsequent Term or otherwise, Allegiance agrees to continue to provide all Services required in and under this Agreement on a month to month basis until the earlier of 120 days or the COUNTY or its designee assumes Service responsibilities. Under these circumstances Allegiance will, for a period of several months, serve as a "lame duck" Contractor. To ensure continued performance fully consistent with the requirements of the Agreement through any such period, the following provisions shall apply:

1. Allegiance shall continue to provide the Services, and all operations and support services related thereto, at the same level of effort and performance as required herein and as were in effect prior to the failure to renew this Agreement, including but not limited to compliance with provisions hereof related to qualifications of key personnel;
2. Allegiance shall make no changes in methods of operation, which could reasonably be considered to be aimed at cutting contractor services and operating costs to maximize profits during the final stages of the contract;
3. Tyler County recognizes that if a competing organization should prevail in a future procurement cycle, this Agreement is terminated, or this Contract is not renewed for any reason, Allegiance may reasonably begin to prepare for transition of service from

Allegiance. Tyler County shall not unreasonably withhold its approval of the EMS Provider's request to begin an orderly transition process, including reasonable plans to relocate staff, scale down certain inventory items, and other reasonable plans to prepare for the transition of Services, as long as such transition activity does not impair Allegiance's performance during this period. During the process of a subsequent competition conducted by Tyler County, Allegiance shall permit its non-management personnel reasonable opportunities to discuss with competing organizations issues related to employment with such organizations in the event the EMS Provider is not the successful proposer. Allegiance may, however, require that its non-management personnel refrain from providing information to a competing organization regarding the EMS Provider's current operations, and Allegiance may also prohibit its Management level personnel from communicating with representatives of competing organizations during the competition. However, once Tyler County has made its decision regarding award of a contract, and in the event Allegiance is not the recipient of a contract, Allegiance shall permit free discussion between any Tyler County based Allegiance employee and the winning entity without restriction, and without adverse consequence to any Tyler County-based employee.

ARTICLE VII OTHER PROVISIONS

7.1 Insurance requirements.

Allegiance, at its sole cost and expense, for the full term of this Agreement, (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as to Tyler County and any insurance or self-insurance maintained by Tyler County shall be excess of Allegiance's insurance coverage and shall not contribute to it:

1. Employers Liability and/or Workers Compensation insurance in the minimum statutory required coverage amounts, with a waiver of subrogation issued in favor of Tyler County.
2. Automobile Liability Insurance for each of Allegiance's vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by Allegiance's employees) leased or hired vehicles, in the minimum amount of \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage with a \$3,000,000.00 umbrella policy.
3. Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$1,000,000 per occurrence, with a \$3,000,000.00 annual aggregate, including coverage for:
 - i. Bodily injury;
 - ii. Personal injury;
 - iii. Broad form property damage;
4. Professional liability insurance in the minimum amount of \$1,000,000.00 combined single limit with a \$3,000,000.00 umbrella policy.
5. Management Liability (Errors & Omissions) Insurance providing not less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate.
6. Renter's Insurance in the minimum amount necessary to cover Allegiance's property (contents, portable equipment, furniture, etc.) housed at any facility used by Allegiance in providing the Services required herein.

7. Uninsured/Underinsured insurance, including coverage for bodily injury, personal injury, or property damage.
8. Workers' Compensation insurance that meets the statutory limits as required by the various laws applicable to the employees.
9. Umbrella Liability Insurance with a limit of not less than \$5,000,000 per occurrence and \$5,000,000 annual aggregate. Such insurance shall be in excess of the CGL insurance, Auto Liability insurance, and Employer's Liability insurance.

7.2 Other Insurance Provisions

- a. Certificates of Insurance for the policies and insurance coverages required herein shall be provided to Tyler County, in writing, prior to Allegiance commencing operations and thereafter upon any renewal of or change in coverage or carrier.
- b. All required insurance policies shall be endorsed to contain the following clause: "This insurance shall not be canceled until after thirty (30) days prior written notice has been given to the COUNTY." Allegiance agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide Tyler County on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to the COUNTY or its designee annually upon renewal.
- c. Every insurance policy required shall extend for the period to be covered by the license granted Allegiance for the ambulance service and the insurer shall be obligated to give not less than thirty 30 days written notice to Tyler County before any cancellation or other termination of any such policy earlier than its termination date.
- d. The cancellation or the termination of any policy required herein shall automatically revoke and terminate this Agreement for ambulance service granted by Tyler County unless another insurance policy complying with the insurance section provisions is provided in full force and effect at the time of such cancellation.
- e. Each insurance policy required herein shall name as additional insureds the COUNTY, its commissioners, officials, officers, employees, volunteers, and agents, as may be allowed and appropriate. Allegiance shall indemnify, defend and hold harmless Tyler County and its Commissioners, officials, officers, employees, volunteers, and agents from all suits, actions, losses, damages, claims or liability of any character, type, or description including without limiting the generality of the foregoing all judgments, settlements, expenses of litigation, court costs, and attorney's fees arising from or relating to injury or death to any person or injury or damage to any property, received or sustained by any person or persons or property arising out of the occasioned by the acts or omissions of Allegiance or its officers, agents or employees in the performance of this contract.

7.4. Incidents and Claims.

Allegiance shall immediately notify the County Judge, Administration, or General Counsel of any accident or service incident involving Allegiance or the Services in which there is, or may be, personal injury or property damage. Allegiance shall deliver to the COUNTY an Incident Report of any incident, accident, or other occurrence involving the Allegiance which may result in a claim or cause of action against Allegiance or the COUNTY. The Report shall be delivered as soon as practicable, but no later than 48 hours after the occurrence.

7.5 Disaster Assistance.

During a declared disaster, locally or in a neighboring jurisdiction, Allegiance shall follow the County's Emergency Management Plan and commit such resources as are necessary and appropriate, given the nature of the disaster. Allegiance shall be exempt from unit availability standards during periods of defined disasters. When the disaster assistance has been terminated, Allegiance shall resume normal operations as rapidly as is practical.

7.6 Outside Work.

Allegiance shall not be prohibited from doing other work provided the services do not detract from Allegiance responsibilities and contractual commitments under this contract or to TYLER COUNTY. Allegiance and its employees shall not engage in any activities that violate any federal, state and local laws, rules, regulations, or ordinance, this contract, or any activity that brings discredit to Allegiance and/or TYLER COUNTY.

7.7 Allegiance Medical Director.

Allegiance's Medical Director shall be responsible for purposes of state and federal requirements and also this Agreement for providing appropriate medical direction and control, clinical operating guidelines or policies, purchasing of controlled drugs and other controlled supplies, issuing and signing written standing orders, and any other act for which medical direction is required.

7.8 Compliance with Applicable Laws, Rules and Regulations Required.

All Services furnished by Allegiance shall be rendered in full compliance with all applicable federal, state and local laws, rules, regulations, and ordinances. It shall be Allegiance's sole responsibility to determine which laws, rules, regulations, and ordinances apply to the services rendered under this Agreement and to maintain compliance at all times. Allegiance agrees to comply with all federal and state anti-discrimination and civil rights laws. Allegiance shall maintain all records of all Services rendered under this Agreement for a period of three (3) years or as required by the Texas Records Retention Act and the records retention policies of the COUNTY.

7.9 Compliance with Abuse Regulations.

Allegiance must also comply with the Texas Department of Human Services regulations concerning the prompt reporting of any suspected abuse of a child or elderly person.

7.10 Emergency Management and Mutual Aid.

Allegiance agrees to accept responsibility for duties assigned by TYLER COUNTY and the Emergency Management Director of the County. Allegiance shall enter into mutual aid agreements with other surrounding area EMS services, as needed, to assure the prescribed level of response and Services required hereunder for both routine conditions and catastrophic events.

7.11 Cooperation with other EMS providers.

To the extent allowed by law, Allegiance agrees to exchange appropriate and pertinent information with other EMS providers, as needed, including service areas and primary location and number of ambulances available for immediate response.

7.12 Permits.

Bluebird Medical Enterprise LLC and/or a wholly owned subsidiary shall be the holder of the state ambulance license and of the state and local vehicle permits to be used in the performance of this contract. Allegiance shall make all necessary payments for licenses and permits for the ambulance operations. Allegiance shall furnish TYLER COUNTY with proof of such licenses or permits. Allegiance shall be responsible for verifying that its employees' State and local licenses and certification, if applicable, are in order and current at all times.

7.13 Audits and Inspections.

At any time during normal business hours and as often as may be necessary, TYLER COUNTY representatives may observe Allegiance operations and Allegiance shall make available to TYLER COUNTY for its examination and audit any information with respect to all matters covered by the Agreement.

7.14 No Estimated Business Volume.

TYLER COUNTY makes no representations concerning the number of emergency and non-emergency calls or transports, quantities or length of long distance transfer service or frequency or special events coverage, which will be associated with this Agreement.

7.15 Allegiance shall be an active member of the appropriate Regional Advisory Council.

ARTICLE VIII AMBULANCE STATIONS

8.1 Allegiance will provide suitable building(s), or suitable space within a building, at a location within the COUNTY for use as ambulance posting station/s.

8.3 The COUNTY will have the right to schedule access to the building for purposes of inspection of ambulances and equipment but will not have right of access to any locked lockers containing inventories of regulated medicine or medical supplies without a representative of Allegiance present.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Independent Contractor.

Allegiance shall perform this Agreement as an independent contractor and nothing herein contained shall be construed to be inconsistent with that relationship or status. Nothing in this Agreement shall in any way be construed to constitute Allegiance as the agent, joint venture, employee, or representative of TYLER COUNTY. The manner and method of completing the work undertaken by Allegiance hereunder shall be determined by Allegiance at its sole discretion.

9.2 Governing Law.

This agreement is performable in Tyler County, Texas, and shall be subject to and governed according to the laws of the State of Texas, irrespective of the fact that either party is or may become a resident of another state. Venue of any action arising from or relating to any provision of this Agreement shall be exclusively in a state court of competent jurisdiction in Tyler County, Texas. The COUNTY, by entering into this Agreement, does not waive any immunities, defenses, rights or remedies it or its officers, employees, or agents may have under the doctrines of Sovereign Immunity, Official Immunity, the Texas Tort Claims Act, or any other doctrine, statute, law, rule, or regulation that may be applicable.

9.3 Binding Effect.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns or other legal representatives.

9.4 Assignment.

No right or obligation hereunder may in any way whatsoever be assigned or delegated to a third party without the express prior written consent of the other party hereto, and any attempted assignment without such consent shall be considered null and void. Allegiance may not sub-lease any portion of the COUNTY's EMS Facility without written consent from TYLER COUNTY.

9.5 Legal Fees.

In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the COUNTY shall be entitled to receive from the other party, reasonable attorneys' fees, costs and expenses related to such action, subject to applicable law. Allegiance further agrees to reimburse TYLER COUNTY for all costs, attorney's fees, expenses, and liabilities incurred in any litigation arising out of any obligation on Allegiance's part to be performed under this Agreement or arising from any negligent or intentional acts or omissions of Allegiance or Allegiance's agents, officers, or employees.

9.6 Severability.

If any portion or portions of this Agreement shall be deemed for any reason invalid or unenforceable by a court of competent jurisdiction or applicable law, rule, or regulation, the remaining portions shall be valid and enforceable and carried into effect unless to do so would clearly violate the legal and valid intention of the parties hereto.

9.7 Notices.

Any notice required or permitted to be given pursuant to any provisions of this Agreement shall be given in writing and either delivered in person, by electronic transmission, deposited in the United States mail, postage pre-paid, registered or certified mail, return receipt requested, properly addressed or by a nationally recognized overnight courier service to the following addresses:

Allegiance Mobile Health
500 N Shoreline BLVD, Suite 906
Corpus Christi, TX. 78401
Attention: Chief Operating Officer

TYLER COUNTY
104 W Bluff St
Woodville, Texas 75979
Attention: County Attorney

The notification addresses listed above can be changed by either party with proper notice as listed above.

9.8 Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any previous agreement or understanding, whether oral or otherwise. No modification of this Agreement shall be valid unless writing and signed by each of the parties hereto.

9.9 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

9.10 Execution by Facsimile; Delivery of Original Signed Agreement. This Agreement may be executed by facsimile and shall be deemed effectively executed upon the receipt by both parties hereto of the last page of this Agreement duly executed by the other party. Each party to this Agreement agrees to deliver two (2) original, inked and signed Agreements within two (2) days of faxing the executed last page hereof.

9.11 Dispute Resolution. Prior to either party filing any suit against the other party, or initiating any other proceeding, concerning any matter relating to or arising from this Lease, other than a suit by the COUNTY for default in Allegiance's obligations hereunder, the parties shall attempt to resolve the matter by the following process: the party asserting the complaint (the Complainant Party) shall deliver to the other party (the Respondent Party) a notice of dispute stating the nature of the dispute and the Complainant Party's position concerning the matter; within 30 days the Respondent Party shall deliver a written response stating its position on the matter; the parties shall then meet as soon as practicable and attempt in good faith to resolve the dispute. If the dispute has not been resolved within 30 days after the initial notice of dispute was delivered, either party may demand that the dispute be submitted to non-binding mediation, whereupon the parties shall endeavor in good faith to select a mediator and participate in mediation with the goal of reaching an agreement resolving the dispute. All mediation proceedings shall be held in Tyler County, unless the parties agree otherwise. If the parties are unable to agree upon selection of a mediator, each party shall designate, at the party's own cost, one certified mediator and those mediators shall endeavor to agree upon and designate a third person to serve as the mediator of the subject dispute. Each party shall bear its own attorney's fees and other costs incurred in mediation plus half of the fees and costs of the mediator and facilities. If the dispute has not been resolved within 90 days after delivery of the initial notice of dispute, either Party may proceed with litigation. In the event of litigation, no aspect of the mediation proceedings shall be deemed to be relevant or admissible in the litigation, for any purpose, including but not limited to the fact that mediation was demanded or held, the results, the statements or positions of the parties during mediation, offers, concessions, or evidence disclosed by either party in this process. If either party files suit without first substantially complying with the process prescribed under this section, the other Party shall be entitled to an order of the court abating all proceedings in the court until the process prescribed in this section has been substantially complied with.

9.12 Conditions and circumstances which constitute a major breach of this Agreement by Allegiance ("EMS Provider") include, but are not limited to, the following, being reasonable and necessary for the protection of public health and safety. In addition to other conditions and circumstances, conditions and circumstances that constitute default of the contract by the EMS Provider shall include, but not be limited to, the following:

1. Failure of the contractor to operate the system in a manner which enable TYLER COUNTY and/or the EMS Provider to remain in compliance with federal or state statutes, laws, rules, or regulations, or failure to provide Services consistent with the prevailing standards of care in the ambulance industry, such that the continued delivery of such Services would pose a serious threat to the health and safety of the residents of the COUNTY;
2. Falsification of information supplied by the EMS Provider or its employees, agents, or representatives before, during or subsequent to this Agreement, including by way of example, but not by way of exclusion, altering presumptive run code designations to enhance the EMS Provider's apparent performance or falsification of any other data required under the contract;
3. Creating patient transports which artificially inflate run volumes and EMS Provider's revenues;
4. Continued failure of the EMS Provider to provide data generated in the course of operations, including by way of example, but not by way of exclusion, dispatch data, patient report data, response time data, insurance certificates, corporate financials, or financial data;
5. Excessive and unauthorized scaling down of operations to the detriment of performance during a 'lame duck' period or failing to provide the minimum levels of Services required hereunder;
6. Continued failure of the Contractor or the Contractor's employees to conduct themselves in a professional and courteous manner and to present a professional appearance to the COUNTY or the public;
7. Continued failure of the Contractor to maintain equipment in accordance with manufacturer recommended maintenance practices, applicable law, or directives of the COUNTY;
8. Making an assignment for the benefit of creditors; filing a petition for bankruptcy; being adjudicated insolvent or bankrupt; petitioning by a custodian, receiver or trustee for a substantial part of its property; or, commencing any proceeding relating to it under bankruptcy, reorganization arrangement, readjustment of debt, dissolution or liquidation law or statute;
9. Failure of the Contractor to cooperate with and assist TYLER COUNTY after default has been declared as provided for herein, even if it is later determined that such breach or default never occurred or that the cause of such breach was beyond the contractor's reasonable control;
10. Acceptance by the Contractor or any of the Contractor's employees of any bribe, kickback, remuneration, or consideration of any kind in exchange for any consideration from a third party whatsoever;
11. Payment by the Contractor or any of the Contractor's employees of any bribe, kickback or consideration of any kind to any federal, state, or local public official or consultant in exchange for any consideration whatsoever;

12. Continued failure of the Contractor or the Contractor's employees to meet the system standard of care as established by the Medical Director;
13. Continued failure of the Contractor to maintain insurance in accordance with the contract or as otherwise required by applicable statute, law, rule, or regulation;
14. Employment of individuals sanctioned by any local, state, or federal agency or entity.
15. Continued failure of the Contractor to meet response time standards as set forth in this Agreement;
16. Continued failure of the Contractor to provide public relations responses and/or resolve complaints and inquiries from the COUNTY, any state or federal agency or entity having jurisdiction over the Contractor or its operations, or the public;
17. Failure of Contractor to maintain the vehicles, including any ambulances performing Services in the manner set out in this Agreement;
18. Any other failure of performance or compliance (state or federal) with clinical operating guidelines, medical direction, statute, law, rule, or regulation, or the requirements of this Agreement, all of which shall be determined by TYLER COUNTY in its sole discretion;
19. Failure to obtain approval from the COUNTY for any change in ownership, transition of company shares at 51% or above, or change in DSHS EMS provider licensing or certification;
20. Failure to provide data or information as requested by the COUNTY;
21. Failure to comply with any other provision of this Agreement; and,
22. Failure to comply with applicable laws, ordinances, rules, or regulations.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives on the day and year first above written.

BLUEBIRD MEICAL ENTERPRISES LLC
D/B/A ALLEGIANCE MOBILE HEALTH

By: _____
Daniel Gillespie, Chief Operating Officer

TYLER COUNTY, TEXAS

By: 
Hon. Milton Powers, County Judge

EXHIBIT A
COUNTY MAP – SERVICE AREA

EXHIBIT B SERVICES

1. Allegiance will provide all 9-1-1 emergency and non-emergency medical services, including emergency and non-emergency ground ambulance transportation, for the entire territorial limits of TYLER COUNTY at the minimum standard one (1) full-time, 24 hours per day, seven days per week Paramedic Quick Response Vehicle staffed with one (1) Texas State Certified Paramedic and two (2) full-time, 24 hours per day, seven days per week, MICU ambulances and qualified crew in and to the COUNTY at all times. Allegiance may supplement such ambulances with additional MICU ambulances normally used to perform non-emergency transports when needed to assure the minimum coverage and Services set forth herein.

2. Allegiance warrants and represents it is licensed as an emergency medical services provider with the Texas Department of State Health Services or other appropriate authority, it and its personnel have and will maintain any and all licenses and certifications required by any authority having jurisdiction, and that it shall at all times maintain such licenses and certifications in full force and effect.

Allegiance shall provide one (1) paramedic quick response vehicle and two (2) twenty four hour ambulances at assigned stations within the COUNTY.

3. At a minimum, the following standards for vehicles and maintenance of vehicles shall be used by the Allegiance:

a) All motor vehicles used for the purpose of providing Services in the COUNTY shall be maintained in clean, sanitary, and first-class mechanical and operational condition at all times and comply with the most current applicable state and/or federal standards for ambulances and the provision of the Services set forth herein.

b) All mechanical, safety, and special equipment, including maintenance records, shall be subject to inspection at any time by the Coordinator or other authorized representative of the COUNTY.

c) Any prevailing norms, regulations, or guidelines that may be published for ambulance maintenance shall be followed by the Contractor. TYLER COUNTY anticipates that at a minimum, Allegiance shall abide by its own maintenance contract or manufacturer's recommended maintenance schedule for all vehicles used by it for the provision of Services hereunder.

d) Allegiance shall remove any vehicle from service that has a deficiency that may compromise the health, welfare, or safety of patients, residents, or visitors to the COUNTY.

e) Each emergency ambulance shall be equipped with all required equipment and supplies for MICU operations as required by the Texas Department of State Health Services.

f) No ambulance that has been substantially damaged or altered shall be again placed in service until it has been adequately and properly repaired.

EXHIBIT C
ALLEGIANCE BILLING SCHEDULE

| HCPCS | Description | Medicare | Medicaid | Insurance | Private |
|-------|--------------------------|-------------|-------------|-------------|-------------|
| A0382 | BLS Disposables | N/A | \$ 280.00 | \$ 280.00 | \$ 280.00 |
| A0398 | ALS Disposables | N/A | \$ 425.00 | \$ 425.00 | \$ 425.00 |
| A0422 | Oxygen | N/A | \$ 125.00 | \$ 125.00 | \$ 125.00 |
| A0425 | Mileage | \$ 35.00 | \$ 35.00 | \$ 35.00 | \$ 35.00 |
| A0426 | ALS Non-Emergent | \$ 1,250.00 | \$ 1,250.00 | \$ 1,250.00 | \$ 1,250.00 |
| A0427 | ALS Emergent | \$ 2,100.00 | \$ 2,100.00 | \$ 2,100.00 | \$ 2,100.00 |
| A0428 | BLS Non-Emergent | \$ 1,200.00 | \$ 1,200.00 | \$ 1,200.00 | \$ 1,200.00 |
| A0429 | BLS Emergent | \$ 1,500.00 | \$ 1,500.00 | \$ 1,500.00 | \$ 1,500.00 |
| A0433 | ALS Level II | \$ 2,600.00 | \$ 2,600.00 | \$ 2,600.00 | \$ 2,600.00 |
| A0434 | Specialty Care Transport | \$ 3,100.00 | \$ 3,100.00 | \$ 3,100.00 | \$ 3,100.00 |
| A0998 | Response - No Transport | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 |