CONEXIS ADMINISTRATIVE SERVICES AGREEMENT
FEDERAL COBRA AND/OR HIPAA PORTABILITY SERVICE APPENDIX

Client has independently concluded that one or more of its Benefit Plans that provide medical care ("Health Plans") are subject to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act of 1985, as subsequently amended ("COBRA") and/or the portability provisions of the federal Health Insurance Portability and Accountability Act as subsequently amended ("HIPAA"). Consequently, Client is required to perform certain acts in order to comply with COBRA and/or HIPAA.

Client has requested CONEXIS to assist it with satisfying Client's obligations under the aforementioned rules.

This Service Appendix is incorporated into and made a part of the Administrative Services Agreement (the "Agreement"). The effective date of this Service Appendix is the Effective Date of the Agreement or if later, the effective date that both parties have agreed to this Service Appendix. If there is a conflict between this Service Appendix and the Agreement, the Agreement controls.

In consideration of the mutual promises set forth below, the parties agree as follows:

1. For the purposes of this Service Appendix, the Data Provider shall mean the party that is providing information to CONEXIS. Data Provider may be a Client, a Business Partner or another third party entity designated by Client. Data Provider shall be responsible for providing CONEXIS timely, accurate and complete information necessary for CONEXIS to provide the Services described herein. CONEXIS is under no obligation to verify the accuracy and completeness of information provided to it by Data Provider.

2. CONEXIS shall distribute, in accordance with Reg. 4980F of the Internal Revenue Code, its standard COBRA General Notice (as required under federal law Reg. 4980B) to the last known address of each covered employee and, when required by applicable law, the covered spouse or the covered dependent as soon as reasonably possible but no later than seven (7) business days after receiving the information necessary to complete and send a General Notice or after the date of the covered employee's initial coverage, whichever is later. Client understands that CONEXIS is not the "plan administrator" and is only responsible for satisfying the deadlines set forth in this Agreement. Client further understands that CONEXIS' satisfaction of such deadlines may not prevent such notices from being untimely as defined under applicable federal law. Data Provider is solely responsible for providing the necessary information to CONEXIS sufficiently in advance of the federal deadline, taking into account the agreed upon timeframes in this Agreement, to ensure that all notices are furnished in accordance with applicable federal law. CONEXIS is not responsible for resending any notices that are returned to CONEXIS to the extent they were mailed to the last known address of the Covered Individual.

3. CONEXIS shall distribute, in accordance with Reg. 4980F of the Internal Revenue Code, its standard COBRA Election Notice and Election Form (as required by federal law Reg. 4980B) to the last known address of the Qualified Beneficiary as soon as reasonably possible but no later than fourteen (14) days after the latest of: (a) the date of receiving the information necessary to complete the Election from the Data Provider, or where applicable, from the Qualified Beneficiary; or (b) the date of the qualifying event. Client understands that CONEXIS is not the "plan administrator" and is only responsible for satisfying the deadlines set forth in this Agreement. Client further understands that CONEXIS' satisfaction of such deadlines may not prevent such notices from being untimely as defined under applicable federal law. Data Provider is solely responsible for providing the necessary information to CONEXIS sufficiently in advance of the federal deadline, taking into account the agreed upon timeframes in this Agreement, to ensure that all notices are furnished in accordance with applicable federal law. CONEXIS is not responsible for resending any notices that are returned to CONEXIS to the extent they were mailed to the last known address of the Qualified Beneficiary.

4. If CONEXIS receives notice from a Qualified Beneficiary that a qualifying event has occurred or a Qualified Beneficiary has been determined to be disabled by the Social Security Administration, and such Qualified Beneficiary is not eligible for COBRA for any reason, CONEXIS shall send, in accordance with Reg. 4980F of the Internal Revenue Code, an Unavailability Notice to the last known address of the Qualified Beneficiary as soon as reasonably possible but no later than fourteen (14) days after receiving notice from such Qualified Beneficiary.

5. CONEXIS shall process the Election Forms submitted by Qualified Beneficiaries in accordance with applicable federal law and any additional written instructions from the Client.

6. To the extent requested, CONEXIS shall send, in accordance with Reg. 4980F of the Internal Revenue Code, an annual open enrollment form to the last known address of the Qualified Beneficiary to the extent that CONEXIS has received the information necessary to complete and distribute the annual open enrollment form. CONEXIS shall also process any requested mid-year changes in elections in accordance with Client's plan documentation and applicable law.

7. CONEXIS shall notify the Qualified Beneficiary of the applicable COBRA premium and due dates. CONEXIS shall invoice elected Qualified Beneficiaries in the manner from time to time prescribed by the Company. CONEXIS shall collect premiums from Qualified Beneficiaries (or third parties on behalf of Qualified Beneficiaries where applicable). All premiums collected by CONEXIS in accordance with this Service Appendix will be deposited into an account maintained by CONEXIS. CONEXIS shall send all premiums collected as directed in accordance with this Service Appendix, reduced by a 2% administration fee, by the 10th business day after the end of month in which the premiums were collected. CONEXIS shall submit premiums to appropriate third parties upon written instruction.

8. CONEXIS shall send, in accordance with Reg. 4980F of the Internal Revenue Code, to the last known address of the Qualified Beneficiary a notice indicating that COBRA coverage is terminating or has terminated. The Termination Notice will be sent as soon as reasonably practicable but no later than a reasonable amount of time after COBRA coverage has ended.

9. CONEXIS shall provide responses to inquiries by providers and/or insurance carriers regarding coverage status of Qualified Beneficiaries. All responses will be based solely on the information provided to CONEXIS in accordance with this Service Appendix.

10. To the extent requested, CONEXIS shall distribute its standard Certificate of Creditable Coverage ("HIPAA Certificate") to the last known address of each Covered Individual who loses active coverage under the applicable Health Plans as soon as practicable after receiving the information necessary to complete the Certificate. CONEXIS shall also distribute the Certificate to the last known address of each Covered Individual who loses COBRA coverage under the applicable Health Plans as soon as practicable after the loss of coverage. CONEXIS shall also send the Certificate following a request by a Covered Individual (or formerly Covered Individual) provided that the request is made no later than 24 months after the date that coverage was lost. All certificates will be mailed in accordance with the delivery methods established under HIPAA.

11. To the extent requested, CONEXIS shall mail the enrollment notice required by Women's Health Care and Cancer Rights Act (WHCRA) to all newly enrolled employees after receiving the necessary information as required by this Appendix. CONEXIS shall also mail the annual notice required by the WHCRA to the last known address of each Covered Individual. All WHCRA notices will be mailed in accordance with the delivery methods established under HIPAA.

12. CONEXIS shall provide written monthly reports summarizing COBRA activities from the previous month. Client is responsible for reviewing the reports submitted by CONEXIS and notifying CONEXIS of any errors of which it becomes aware within a reasonable period of time after reviewing them.

Client is responsible for all other duties related to the Health Plans not otherwise set forth above.

Attached is the **Performance Standards Exhibit: COBRA Service**s provided by CONEXIS. This Performance Standards Exhibit is incorporated into and made a part of the Administrative Services Agreement (the "Agreement"). The effective date of this Performance Standards Exhibit is the Service Fees Guarantee Period that both parties have agreed and signed on the Fee Schedule. The responsibilities of the parties set forth in this Performance Standards Exhibit are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Performance Standards Exhibit and the Agreement, the Agreement controls.

The Fee Appendix attached has the **Fee Appendix for COBRA / HIPAA Services** agreed to with the Broker. By Initialing the Fees and by Authorized Broker Signature at the bottom of the Fee Appendix, Broker establishes this appendix as a part of the Service Agreement.

Performance Standards Exhibit: COBRA Services

Performance Standard Category	Performance Standard	Performance Standard Definition	Percentage at Risk for Service Charge Reduction
1. Client Statement & Premium Remittance Timeliness	98% distributed, equal to or less than, 7 business days after the 1st of the month	Time in which client statement is posted by CONEXIS to the CONEXIS Web site and premiums are sent to client or carriers after the close of the previous month.	1.5%
2. Payment Posting Timeliness	98% posted by CONEXIS, equal to or less than, 3 business days after date received by CONEXIS	Percent posted within specific timeframe of receipt or initiation of payment.	2.0%
3. Inbound File Processing Timeliness	98% equal to or less than, 2 business days after date received by CONEXIS	Time from CONEXIS' receipt of accurate data from Client to accurate application within the CONEXIS system	1.5%
4. Average Speed to Answer Participant Calls	Equal to or less than 30 seconds	Average speed to answer all incoming Participant Calls	1.5%
5. Participant Call Abandonment Rate	Equal to or less than 5% of calls	Percent of Participant Calls abandoned	1.5%
6. Resolution of Participant Inquiries*	90% within 1 business day, after date case was opened by CONEXIS	Percent of all Participant initiated Inquiries (excluding eligibility) resolved or closed by CONEXIS. Inquiries include those received via phone, email, facsimile or regular mail within a specified timeframe	1.0%
7. Resolution of Participant Inquiries*	98% equal to or less than, 5 business days after date case was opened by CONEXIS	Percent of all Participant initiated Inquiries (including eligibility) resolved or closed by CONEXIS. Inquiries include those received via phone, email, facsimile or regular mail within a specified timeframe	1.0%
MAXIMUM PERCENTAGE AVAILABLE FOR SERVICE CHARGE REDUCTION **V1.4/031907**			**10.0%**

*** Resolution to the extent that CONEXIS has received all information required by the plan and/or applicable law to resolve the inquiry. Resolution includes forwarding issues to Client where CONEXIS is not authorized.**