

***Professional Services Agreement between \_\_\_\_\_ and Benico, Ltd.***

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This Agreement is made effective \_\_\_\_\_ between \_\_\_\_\_ and Benico, Ltd. In this Agreement, \_\_\_\_\_ is referred to as "Client", and Benico, Ltd. as "Benico".

**WHEREAS** Benico has a background in employee benefit consulting, brokerage, and administrative support services and is willing to provide services to Client based on this background; and

**WHEREAS** Client wishes to have such services provided by Benico;

Therefore, the parties agree to the following:

- 1) **DESCRIPTION OF SERVICES.** The services Benico will provide includes but is not limited to:

***Consulting Services (a-l):***

- a) Represent Client in the renewal actions for each of its employee benefit plans and/or administrative services contracts, including (but not limited to) life/AD&D, health, dental, vision, disability, administrative services, and wellness programs.
- b) Annually prepare specifications, take and analyze bids, and make recommendations for the replacement of employee benefit plan insurers / providers / administrators that are under contract with Client.
- c) Be responsible for the timely and successful transition of any coverage or administrative services due to a change in carrier or service provider for Client which includes:
  - Coordinate employee meetings
  - Verify ("scrub") employee enrollments and deliver the same to carriers and third party administrators. In the case of any online enrollments we will ensure that the enrollment feeds are correctly configured.
- d) Review the level and types of employee benefit coverages offered through Client, and make recommendations for change when appropriate.
- e) Assist Client with respect to employee contribution modeling.
- f) Recommend cost containment strategies and techniques to Client with respect to its employee benefit plans.
- g) Provide periodic updates to Client on laws and regulations that relate to employer-sponsored employee benefit plans – e.g. COBRA, HIPAA, FMLA, ADEA, Medicare Part D, 401(k), etc. - and assistance, as needed, with respect to compliance with such.
- h) Third party COBRA compliance and administration will be provided through Benico's outsourced relationship with CPIHR ([www.cpihr.com](http://www.cpihr.com)).
- i) Provide document compliance around Client's Premium Only Plan.

- j) Recommend changes in benefit design and administrative arrangements when appropriate in light of changes in the healthcare and employee benefits industries.
- k) If/when requested, meet with the Client on matters related to Client's employee benefits.
- l) Provide advice and ideas as to how to maintain financial and rate stability.

**Administrative Support and Account Management Services (m-s):**

- m) Dedicated account management team comprised of two professionals – one designated as the lead account manager, and the other providing backup. Such professionals are accessible through Benico's national toll-free line (888-669-4883) to help employees and their families with:
  - Coverage questions
  - Claim resolution
  - Appeals of denied claims
- n) Provide assistance, training, and support for Client's HR staff around matters related to employee benefit administration (i.e., billing, eligibility, and enrollment, filing of waiver of premium claims for life insurance, etc.).
- o) Provide ongoing assistance with employee communications.
  - i) Annually produce employee benefit summaries for new hires as well as for Client's use during the annual open enrollment.
  - ii) Assist Client in the development of employee benefits enrollment kits.
  - iii) Assist with the development and production of employee benefit education materials.
  - iv) Manage online employee surveys, as requested, around benefits.
  - v) Maintain an HR / employee benefits portal known as Benergy™. The provision of this service includes an application called Ready Enroll™, personalization, and the Real Value™ (total compensation) statement.
- p) Actively monitor carriers' and other service providers' performance.
- q) Implement and/or facilitate employee benefit plan amendment requests.
- r) Coordinate the scheduling, as needed, of employee benefit fairs, enrollments, etc. with representatives from Client's employee benefit providers.
- s) Provide other service, assistance, and/or advice as may reasonably be requested or needed.

- 2) **PERFORMANCE OF SERVICES.** Benico shall determine the manner in which the services are to be performed and the specific hours to be worked by Benico. Client will rely on Benico to work as many hours as may be reasonably necessary to fulfill Benico's obligations under this Agreement.
- 3) **REMUNERATION.** Client agrees that in consideration of the performance of services set forth in 1) above, Benico will be engaged as a commission-based broker consultant and receive remuneration through negotiated / disclosed commissions that are built into the carriers' rates. To facilitate this arrangement, Benico will be the designated broker-of-record with the insurance companies that Client contracts with.

Further, from time to time Benico may become entitled to receive bonuses and other brokerage incentives for placing business with insurance companies. In such an instance Benico agrees to disclose the existence of any such arrangements PRIOR TO quoting or placing business. As of \_\_\_\_\_ Benico had incentive arrangements in place with \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

- 4) **CONTRACT TERM.** This Agreement will be for an initial term of twelve (12) months, starting \_\_\_\_\_ and expiring \_\_\_\_\_. Renewals of this agreement will be done through written addendum, and they will each be for a term of at least one year.
- 5) **TERMINATION.** This agreement may be terminated by either party, with written notice of such termination being delivered at least 120 days prior to the end of a given contract term.
- 6) **RELATIONSHIP OF PARTIES.** It is understood by the parties that Benico operates as an independent contracting firm in the context of its business relationship with Client. Client will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of any of Benico's staff members.
- 7) **EMPLOYEES.** Any/all of Benico's employees who perform services for Client under this Agreement shall also be bound by the provisions of this Agreement.
- 8) **INJURIES.** Benico acknowledges its own obligation to obtain appropriate insurance coverage for the benefit of its employees. Benico further waives any rights to recovery from Client for any injuries that Benico personnel may sustain while performing services under this Agreement and that are a result of the negligence of Benico or its employees.
- 9) **ASSIGNMENT.** Benico's obligations under this Agreement may not be assigned or transferred to any other person, firm, or corporation without the

prior written consent of Client.

- 10) **CONFIDENTIALITY.** Client recognizes that Benico has and will have proprietary information which are valuable, special and unique assets of Client and need to be protected from improper disclosure. In consideration for the disclosure of such information, Benico agrees that it will not at any time or in any manner, either directly or indirectly, use any such information for its own benefit, or divulge, disclose, or communicate in any manner any information to any third party without the prior written consent of Client. Benico will protect such information and treat it as strictly confidential. A violation of this paragraph shall be a material violation of this Agreement.
- 11) **UNAUTHORIZED DISCLOSURE OF INFORMATION.** If it appears that Benico has disclosed (or has threatened to disclose) information in violation of this Agreement, Client shall be entitled to an injunction to restrain Benico from disclosing, in whole or in part, such information, or from providing any services to any party to whom such information has been disclosed or may be disclosed. Client shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.
- 12) **CONFIDENTIALITY AFTER TERMINATION.** The confidentiality provisions of this Agreement shall remain in full force and effect after the termination of this Agreement.
- 13) **RETURN OF RECORDS.** Upon termination of this Agreement, Benico shall deliver all records, notes, data, memoranda, models, and equipment of any nature that are in its possession or under its control and that are Client's property or relate to Client's business, except for copies of those records which may reasonably be retained pursuant to commonly known record retention standards.
- 14) **NOTICES.** All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

**IF for Client:**

Name  
Street Address  
City State Zip

**IF for Benico:**

Mr. John Garven  
President  
Benico, Ltd.  
11715 E. Main Street, P. O. Box 8

