



ADMINISTRATIVE SERVICES AGREEMENT

THIS ADMINISTRATIVE SERVICES AGREEMENT ("Agreement") is made and entered into to be effective as of ___January 1, 2022_____ (the "Effective Date"), by and between ___City of Dalton, Georgia_____ (the "Employer"), and Health One Alliance, LLC d/b/a HRASimple, a Georgia limited liability company (hereinafter "HRASimple").

WHEREAS, Employer has established an Individual Coverage Health Reimbursement Arrangement (the "Plan"), for the benefit of its eligible retirees;

WHEREAS, Employer desires HRASimple to assist in its administration of the Plan, and HRASimple strives to assist Employer in the administration of the Plan; and

WHEREAS, HRASimple and Employer agree that HRASimple shall assist in the administration of the Plan based on the terms and conditions set forth in this Agreement, including, without limitation that:

- Employer has established the Plan for the exclusive benefit of its retirees.
- Employer is the administrator of the Plan (the "Plan Administrator").
- Employer remains the Plan Administrator and is responsible for the Plan's operation and maintenance, including establishing eligibility and benefits and funding the payment of benefits owed to participants under the Plan.
- HRASimple is an independent contractor to Employer and the Plan and acts as an agent on behalf of Employer in rendering Employer services according to this Agreement.
- HRASimple is to provide the agreed-upon services without assuming any liability for any services' performance beyond those set forth below.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 HRASIMPLE ADMINISTRATIVE SERVICES

1.1 Plan Administration Assistance. HRASimple shall assist Employer in the administration of the Plan as provided in this Agreement. HRASimple's duties to the Plan are limited to those expressly provided for in this Agreement. HRASimple shall have no responsibility, duty, or obligation with respect to any employee benefit plans of the Employer other than the Plan.

1.2 Plan Document Template Assistance.

(a) Upon request, HRASimple will provide the Employer plan document templates, a summary plan description ("SPD") template, and other standard document templates as relating to the establishment of the Plan.

(b) Employer must provide HRASimple with an executed copy of its plan document.

(c) HRASimple does not provide legal or tax consulting advice or direction.

1.3 Information for Employer Required Disclosure and Plan Reporting. HRASimple shall provide Employer with general information about disclosure and Plan reporting requirements related to the Plan and information

reasonably available to HRASimple that is necessary for Employer to prepare the annual Form 5500. HRASimple is not responsible for the accuracy of any information provided by Employer or for determining the level of Employer compliance required by the Plan. It is the sole responsibility of Employer to assure compliance with all legal disclosure and Plan reporting requirements.

1.4 **COBRA Administration.** HRASimple shall provide required notices to employees whose coverage terminates, including election notices, which shall advise Participants of their rights under current laws and the Initial Election Period described by applicable law. HRASimple shall issue instructions for making the required premium payments and maintaining coverage for every Qualified Beneficiary who elects the continuation of coverage under applicable law within the time frames set forth under COBRA. HRASimple shall receive, account for, and appropriately distribute any payments received from the Qualified Beneficiary. HRASimple shall notify Qualified Beneficiaries of any changes advised by the Employer regarding the amount Qualified Beneficiaries must pay to maintain their coverage under the Plan. HRASimple will retain any administrative fees charged to Participants and permitted under applicable law for COBRA continuation premium.

1.5 **HRASimple Reporting to Employer.** HRASimple shall provide the following reports to Employer:

- Employer Funding Report (monthly and on-demand)
- Payment History Report (on demand)
- Enrollment Report (on-demand)
- Account Balance Detail Report (on-demand)
- Statement of fees due to HRASimple (monthly invoice)
- Payroll Deduction Report (weekly and on-demand)

1.6 **Employee Support.** HRASimple shall establish and maintain a website and toll-free phone number available to assist Plan participants in understanding their benefits, rights, and responsibilities under the Plan, subject to the third party carriers and accessibility.

1.7 **Claims Processing.**

(a) HRASimple shall process claims received from Employer or Plan participants daily during regular business hours (9:00 a.m. to 5:00 p.m. Eastern Time Zone, Monday through Friday excluding holidays).

(b) HRASimple shall arrange for the payment of approved reimbursement requests as provided in the Plan. Qualified reimbursements or payments are available if there is a suitable available balance in the agreed upon banking account to cover the expense due from the Employer. Such banking arrangement is detailed in the Custodial Account pursuant to Article 3.

(c) HRASimple shall consider any initial claim for benefits made under the Plan provided the claim is submitted in accordance with the Plan, the SPD, and any reasonable rules established by HRASimple and communicated to Employer and participants.

(d) HRASimple will accept or deny (in whole or part) an initial claim for benefits after making such investigation as it deems necessary.

(e) To the extent HRASimple determines that a participant is entitled to the claimed benefits under the Plan, HRASimple will arrange for the proper payment from the Plan to the participant directly, a health care provider, or an individual health plan selected by the participant using the funds provided by Employer.

(f) To the extent HRASimple determines that a participant is not entitled to claimed benefits under the Plan, HRASimple shall provide to such participant a written notification of its decision as soon as administratively practicable after the claim was received by HRASimple, subject to the requirements of Section 503 of the Employee Retirement Income Security Act of 1974 ("ERISA") (29 USC § 1133) and 29 CFR § 2590.715-2719.

(g) HRASimple shall be responsible for deciding to accept or deny (in whole or in part) all appeals of denied benefit claims consistent with Section 503 of ERISA (29 USC § 1133) and 29 CFR § 2590.715-2719.

(h) HRASimple shall be responsible for notifying the participant of its decision regarding an appeal consistent with Section 503 of ERISA (29 USC § 1133) and 29 CFR § 2590.715-2719.

(i) In making decisions regarding claims for benefits and appeals of denied benefit claims, HRASimple shall have discretionary authority to construe and interpret the Plan's terms and determine whether a benefit claim is appropriately payable under the Plan.

(j) Notwithstanding anything herein to the contrary, Employer shall be responsible for all eligibility claims, eligibility appeals, and eligibility determinations.

(k) To the extent that HRASimple provides written non-English or non-Spanish assistance to a participant during claims processing as required by Section 503 of ERISA (29 USC § 1133) and 29 CFR § 2590.715-2719, Employer shall reimburse HRASimple for the related fees and expenses, if any.

1.8 Fiduciary Duties. HRASimple performs fiduciary duties under the Plan only to the extent described in Section 1.6.

1.9 Employer Funds and Custodial Accounts. Funds received by HRASimple from Employer for the payment of Plan benefits shall be held in the Custodial Account pursuant to Article 3.

1.10 Retention and Release of Plan Data, Records, and Files.

(a) Written and electronic records containing personal information are securely destroyed or deleted consistent with business needs or legal retention requirements.

(b) Per business records needs and associated retention and secure destruction periods, HRASimple retains a copy of all information (excluding emails or similar electronic communications destroyed in the ordinary course of business pursuant to HRASimple policy) for at least eight (8) years from the date created at HRASimple, including, without limitation, a record of all assets and transactions involving the Custodial Account (defined in Article 3).

(c) Following the termination of this Agreement, HRASimple shall cooperate with Employer or Employer's subsequent service provider to effect an orderly transition of services provided under this Agreement and,

within a reasonable time, will release to Employer a copy of all data, records, and files in HRASimple's standard format.

(d) Upon termination of this Agreement, HRASimple is entitled to retain a copy of all information including the data, records, and files released pursuant to Section 1.9(b) and to use and disclose such information for claims, audits, and legal and contractual compliance purposes to the extent permitted by law and any executed or applicable business associate agreement between the parties.

1.11 Confidentiality of Plan Information. HRASimple shall keep confidential all information that it obtains concerning the Plan. Other than in due course of business, such information shall not be disclosed to a third party without prior approval of Employer or as otherwise provided in Article 4.

Employer may request that HRASimple share Plan information and other data with another Plan or Employer vendor. HRASimple shall consider all reasonable requests; however, before releasing or sharing any Plan information or other data with another vendor, Employer must enter into a business associate agreement and/or a confidentiality and data-sharing agreement with the vendor and make a copy of such agreement available to HRASimple upon request.

1.12 Disclaimer. HRASimple does not insure or underwrite the liability of Employer to provide benefits under the Plan. HRASimple shall not be liable or obligated to use its funds to pay benefits under the Plan, including, without limitation, where such payment of benefits is sought as damages in action against Employer, HRASimple, or the Plan. Employer shall promptly reimburse HRASimple for any benefit payments made using HRASimple funds.

1.13 Subcontracting. HRASimple may delegate or subcontract any portion of HRASimple services to a third party. For those HRASimple services HRASimple has delegated or subcontracted, HRASimple shall remain fully responsible to Employer for compliance with all applicable provisions of this Agreement or any executed or applicable business associate agreement between the parties.

1.14 Overpayment Recovery. If HRASimple determines that it has paid benefits to an ineligible person or paid more than the appropriate amount, HRASimple shall, with Employer's full cooperation, undertake a reasonable effort to recover such erroneous payment. For purposes of this provision, HRASimple shall have the sole discretion to determine what constitutes a "good faith effort," which effort may vary from time to time depending upon the circumstances of the overpayment, but may include HRASimple's attempt to contact the participant via letter, phone, email or another means about the recovery of the payment at issue.

1.15 Total Control and Discretionary Authority. Except as otherwise expressly provided in this Agreement, Employer has total control and discretionary authority over the Plan and how the Plan is operated. HRASimple serves as Employer's agent only to process qualifying expense/reimbursement requests as provided under this Agreement.

1.16 External Review. To the extent that the external review requirements set forth in 29 CFR § 2590.715-2719 apply to the Plan, HRASimple shall serve as a conduit for external review requests, meaning HRASimple will send appropriate information and cooperate fully with the external review organization conducting the review. Employer shall pay any cost, fee, or expense related to the review or request for review. If HRASimple pays any such charge, fee, or expense on behalf of Employer, Employer shall reimburse HRASimple promptly upon request.

ARTICLE 2 EMPLOYER RESPONSIBILITIES

2.1 Compliance with Laws. Although HRASimple serves as Employer's agent for services rendered pursuant to this Agreement, Employer remains responsible for compliance of the Plan itself with the Patient Protection and Affordable Care Act of 2010 (the "PPACA"), ERISA, the Health Insurance Portability and Accountability Act of

1996 ("HIPAA"), the Internal Revenue Code of 1986 (the "Code"), and any other law or regulation, domestic or foreign, as applicable.

Employer agrees to hold HRASimple harmless from and against all liability, damages, costs, losses, and expenses (including reasonable attorney fees) that result from the failure or alleged failure of Employer, its officers, employees, and any other entity related to or performing services on behalf of Employer (other than HRASimple) to comply with PPACA, ERISA, HIPAA, the Code, Medicare Secondary Payer ("MSP") and any other law or regulation, domestic or foreign, as applicable, or the provisions of this Agreement.

2.2 Summary Plan Description. Employer shall be responsible for the distribution to its employees participating in the Plan a copy of the SPD and all required employee notices, including the required adoption or availability notices with respect to the Plan.

2.3 Plan Amendments. Employer shall notify HRASimple of any contemplated amendments to the Plan. Under no circumstances may Employer alter HRASimple's services or obligations under the Agreement through an amendment to the Plan without the prior written notice to and acceptance of HRASimple.

2.4 Plan Eligibility. Employer shall provide HRASimple a record of all eligible employees to participate in the Plan and notify HRASimple of any changes monthly. Employer shall also provide HRASimple with the demographic and related information that HRASimple may need to perform its services under this Agreement. Employer shall be solely responsible for determining which of its employees are eligible to participate in the respective plan, collect the required information from those employees, and inform HRASimple of such eligible employees. Employer shall be responsible for collecting and providing to HRASimple, in an electronic format, all reasonably required information to ensure compliance with the MSP rules and regulations.

2.5 Employer Assistance. Employer shall assist in the employees' enrollment in the Plan, cooperate with HRASimple regarding the proper settlement of claims, and transmit any inquiries about the Plan to HRASimple. Late notification of Plan eligibility or incorrect Plan eligibility provided by Employer to HRASimple may result in erroneous plan benefit payments, for which Employer shall be solely responsible. Employer shall also be responsible for collecting any such erroneous payments from the employee. If there are insufficient Employer funds available to restore the erroneous payments or if the requested reimbursement of funds would otherwise cause the Minimum Account Balance deposit to become insufficient, HRASimple may suspend services under this Agreement and request immediate restoration of funds from Employer.

2.6 Funds. Employer shall deposit funds in the Custodial Account to be used to pay benefits and expenses under the Plan as agreed to herein and in accordance with the Plan documents. Funds deposited in the Custodial Account shall consist solely of general assets of Employer. Employer has the sole responsibility and liability for the funding of all benefits under the Plan.

2.7 Contribution-Based Funding. Employer shall establish an initial deposit amount as set forth on Exhibit A that will adequately fund the reasonable needs of the Plan for the initial month in which the plan operates, to be deposited into the Custodial Account (the "Minimum Account Balance") from which disbursements can be made on Employer's behalf for payment of qualifying expenses. The Employer shall establish this deposit at least ten (10) business days before the plan's effective date. HRASimple will provide a monthly statement of expected contributions required for periods, and Employer will deposit such expected funds within two (2) business days via ACH transfer or wire transfer. For the avoidance, as set forth in Sections 1.13 and 7.1 of this Agreement, HRASimple does not insure or underwrite the liability of Employer to provide benefits under the Plan. HRASimple shall not be liable or

obligated to use its funds to pay benefits under the Plan, including, without limitation, where such payment of benefits is sought as damages in action against Employer, HRASimple, or the Plan.

2.8 Ownership of Account Assets. All funds from Employer deposited in the Custodial Account remain Employer's general assets. HRASimple shall be responsible for administering the funds in accordance with the terms of this Agreement. Funds are disbursed from the Custodial Account by HRASimple or any of its designees only for an allowable Plan expense as determined by Employer or a representative of Employer (including HRASimple) or as otherwise required by a court of competent jurisdiction.

2.9 Employer, Employee, and Plan Participant Fraud. Employer is solely responsible for making the Plan whole if fraud is committed against the Plan by its employees, Plan participants, or any other third party (other than HRASimple). HRASimple will assist in pursuing or remedying such fraud using its standard procedures.

2.10 Plan Fiduciary.

(a) Except as provided in Section 1.6, Employer agrees that HRASimple is not a named fiduciary or a Plan fiduciary under the Plan as such terms are described under ERISA. HRASimple shall have no power or authority to waive, alter, breach, or modify the Plan's terms and conditions. HRASimple shall make payments or distributions from the Custodial Account in accordance with the framework of policies, interpretations, rules, practices, and procedures set forth in the Plan, this Agreement, and as otherwise agreed upon or directed by Employer.

(b) Except as provided in Section 1.6, HRASimple neither shall have nor shall be deemed to exercise any discretion, control, or authority with respect to the disposition of Employer funds. Employer agrees that the use of, offset, or recoupment of funds in the Custodial Account to pay undisputed fees or other undisputed amounts due to HRASimple pursuant to this Agreement constitutes Employer action that is authorized by Employer under this Agreement and agrees that such actions are not discretionary acts of HRASimple and do not create a fiduciary status for HRASimple.

(c) HRASimple agrees that it will perform services on the Plan's behalf as set forth in this Agreement, including any addenda to this Agreement. However, HRASimple will not undertake any duties or responsibilities, regardless of whether they are set forth in the Plan if such actions violate any applicable domestic law or regulation.

2.11 Employer Information and Instructions.

(a) HRASimple shall be fully protected in relying upon representations and communications made by or on behalf of Employer in effecting its obligations under this Agreement.

(b) HRASimple is entitled to rely on the most current information in its possession when providing services under this Agreement.

(c) HRASimple shall provide the services according to this Agreement based on information provided to HRASimple by Employer. For this purpose, the term "information" means all data, records, and other information supplied to HRASimple, obtained by HRASimple or produced by HRASimple (based on data, records, or additional information provided to or obtained by HRASimple) in connection with performing the services pursuant to this Agreement, regardless of the form of the information or how the information is provided to HRASimple.

(d) In engaging HRASimple to perform the services under this Agreement, Employer has authorized and instructed HRASimple to implement HRASimple's standard administrative forms and procedures.

(e) HRASimple is not responsible for any acts or omissions it makes in reliance upon the direction or consent of Employer or inaccurate, misleading or incomplete information from Employer or any third party.

(f) Employer is responsible for the integrity of data in the files. Therefore, complete and accurate information from Employer or a vendor on behalf of Employer is required for HRASimple to perform the services set forth herein.

(g) If Employer requires HRASimple to use the social security number in the employee identification number field, Employer agrees to hold HRASimple harmless from and against all liability, damages, costs, losses, and expenses (including reasonable attorney fees) and expressly releases all claims against HRASimple in connection with said use HRASimple.

2.12 Plan Tax Obligations. The Plan and/or Employer on behalf of the Plan is responsible for any state, federal, or foreign tax, fee, assessment, surcharge and/or penalty imposed, assessed or levied against or with respect to the Plan and/or HRASimple relating to the Plan or the services provided by HRASimple pursuant to this Agreement, including those imposed pursuant to PPACA. This includes the funding, remittance, and determination of the amount due for PPACA required taxes and fees. If HRASimple is required to pay any such tax, fee, assessment, surcharge, and/or penalty on behalf of Employer, HRASimple shall report the payment to Employer along with documentation of the payment, and Employer shall promptly reimburse HRASimple for the full amount or Employer's proportionate share of such amount. This reimbursement would be in addition to the fees described in Section 6.1. Employer is at all times responsible for the tax consequences of the establishment and operation of the Plan. Further, the parties agree that HRASimple does not provide any legal, tax, or accounting advice to the Plan and/or Employer. HRASimple is at all times responsible for all the taxes based upon its net income and its property ownership.

ARTICLE 3 CUSTODIAL ACCOUNT

3.1 Appointment and Acceptance of Custodian. By signing this Agreement, Employer appoints HRASimple as custodian of Employer funds for the purposes and upon the terms and conditions set forth in this Agreement, and HRASimple accepts such appointment and agrees to act as custodian hereunder and to hold any Employer funds received hereunder in accordance with the terms and conditions set forth in this Agreement.

3.2 Custodial Account. HRASimple shall maintain one or more depository accounts ("Custodial Account") at Bank of OZK or such custodian as HRASimple may designate from time to time, and shall hold in such Custodial Account all funds initially received from Employer plus any additional funds that may be obtained from Employer for Custodial Account from time to time. HRASimple and Employer intend and agree that all funds received from Employer for deposit in the Custodial Account shall comprise and shall remain Employer's general assets.

3.3 Disbursements. HRASimple shall make payments or distributions from the Custodial Account according to the framework of policies, interpretations, rules, practices, and procedures established by HRASimple for this purpose and as set forth in the Plan as otherwise agreed upon or directed by Employer. HRASimple shall neither have nor shall be deemed to have any discretion, control, or other authority with respect to Employer funds' disposition.

3.4 Interest Earned. Employer acknowledges and understands that from time to time, HRASimple may receive earnings and interest on the funds held in the Custodial Account and that any such earnings or interest shall be part of HRASimple's compensation. Employer acknowledges and understands that fees otherwise charged by HRASimple for services under this Agreement would be greater if HRASimple did not retain such earnings and interest on these funds. The period during which interest may be earned begins when Employer funds are deposited

into the Custodial Account and continues for as long as Employer funds remain in the Custodial Account. Funds shall be disbursed on a first-in, first-out basis.

3.5 Maintenance of Records. Upon Employer's written request, HRASimple shall provide Employer with an accounting of all assets and transactions involving the Custodial Account in relation to Employer, including a description of all receipts, payments, or disbursements, and other transactions.

ARTICLE 4 CONFIDENTIAL BUSINESS INFORMATION

4.1 General Obligations. For purposes of this Article 4, "confidential business information" shall mean any information identified by either party as "confidential" and/or "proprietary," or which, under the circumstances, ought to be treated as confidential or proprietary, including non-public information related to the disclosing party's business, employees, service methods, software, documentation, financial information, prices, and product plans. Neither HRASimple nor Employer shall disclose confidential business information of the other party. The receiving party shall use reasonable care to protect the confidential business information and ensure it is maintained in confidence, and in no event use less than the same degree of care as it employs to safeguard its own confidential business information of like kind. The foregoing obligation shall not apply to any information that: (a) is at the time of disclosure, or thereafter becomes, part of the public domain through a source other than the receiving party; (b) is subsequently learned from a third party that does not impose an obligation of confidentiality on the receiving party; (c) was known to the receiving party at the time of disclosure; (d) was generated independently by the receiving party; or (e) is required to be disclosed by law, subpoena or other processes.

HRASimple may disclose Employer's or the Plan's confidential business information to a governmental agency or other third parties to the extent necessary for HRASimple to perform its obligations under this Agreement or if Employer has given HRASimple written authorization to do so.

Although HRASimple may have confidential business information processed, managed, and/or stored with subcontractors or third parties, it remains fully responsible to Employer for the confidentiality obligations set forth herein.

Each party agrees that its obligations in this Article 4 also apply to its parent, subsidiary, and affiliated companies, if any, and similarly bind all successors, employees, and representatives.

ARTICLE 5 TERM AND TERMINATION OF THE AGREEMENT

5.1 Term. The term of this Agreement shall commence as of the Effective Date and shall continue for a period of twelve (12) months ("Initial Term"). This Agreement shall automatically renew for another twelve (12) months at the end of the Initial Term and every twelve (12) months thereafter unless terminated pursuant to this Article 5.

5.2 Termination. Notwithstanding the foregoing, this Agreement may be terminated at any time during the Initial Term or any renewal term by Employer or by HRASimple without cause and without liability with written notice of the intention to terminate to be effective as of a date certain set forth in the written notice not fewer than sixty (60) days from the date of such notice.

All obligations of HRASimple relating to the payment of claims under the Plan will be terminated on the effective date of termination given in the written termination notice, regardless of when the claim for such benefit is incurred.

5.3 Automatic Termination. This Agreement shall automatically terminate:

(a) If any law is enacted or interpreted to prohibit the continuance of this Agreement, upon the effective date of such law or interpretation;

(b) If any fee for any service provided by HRASimple to Employer remains unpaid to HRASimple beyond ten (10) days past the due date upon written notification by HRASimple to Employer that HRASimple is exercising its option to enforce this provision; or

(c) If at any time Employer fails to provide funds for the payment of Plan benefits, upon written notification by HRASimple,

5.4 Default. If a party is in default under any provision of this Agreement other than a payment default, the other party may give written notice to the defaulting party of such default. If the defaulting party has not used reasonable efforts to cure such breach or default within thirty (30) days after it receives such notice or if reasonable efforts to remedy have begun within thirty (30) days, but such cure is not completed within sixty (60) days after receipt of the notice, the other party shall have the right by further written notice to terminate this Agreement as of any future date designated in the notice. HRASimple may suspend services under this Agreement, as applicable, until Employer restores the Minimum Account Balance.

5.5 Performance of Services Upon Termination. If this Agreement is terminated, HRASimple will cease the services' performance as of the termination date. If, however, the parties agree in writing that this Agreement shall continue while HRASimple performs services during a run-out period (and upon prepayment for such run-out period if requested by HRASimple), HRASimple will continue to process qualifying expense reimbursements and to provide general Plan administration and services for any claims that are received by HRASimple on or before the run-out period end date. The terms of this Agreement will remain in force and effect during any such run-out period.

Upon the termination of this Agreement, or any specified run-out period, HRASimple will cease the processing of any received claims, and Employer shall be immediately responsible for all aspects of its Plan, including the processing of all claims, annual reporting, and general plan administration. HRASimple shall return Employer any funds in the Custodial Account that have not been used for Plan benefit payments along with any unpaid or other pending payment requests and/or subsequent claims that are received after the end date of any specified run-out period. Such return shall remain subject to the completion of a final accounting of all account activities, as well as the deduction of any undisputed unpaid fees and other expenses under this Agreement or any additional agreement between the parties. HRASimple shall have the immediate right to demand and pursue collection of any unpaid fees, reimbursements, or other amounts due to HRASimple as of the date of termination under the terms of this Agreement or any additional agreement between the parties.

ARTICLE 6 COST OF SERVICES

6.1 Plan Administrative Service Fees.

(a) Employer shall pay HRASimple a fee for its services rendered pursuant to this Agreement in accordance with the fee schedule attached hereto as Exhibit A. Fees are invoiced monthly and are due within thirty (30) days of the invoice date. If Employer disputes any portion of the fees invoiced in good faith, Employer shall provide HRASimple with written notice of any disputed fees together with a complete written explanation of the reasons for the dispute (the "Dispute Notice") within thirty (30) days of the invoice date. The parties shall work together in good faith to reach a mutually agreeable resolution of the dispute identified in the Dispute Notice for ten (10) days following the Dispute Notice date.

(b) Where Broker Compensation is included in the fee structure, it will be a line-item specifying the Per Employee Per Month amount and included in the total amount due. HRASimple will make payment to the Broker; not the Employer. This is a pure pass through fee.

(c) Employer shall have thirty (30) days from the invoice's date to correct a participant count for credit or refund.

(d) On or after the rate expiration date indicated on the fee schedule, HRASimple reserves the right to amend the fee schedule with sixty (60) days' advance written notice. If Employer is unwilling to accept the changes to the fee schedule, Employer may terminate this Agreement by providing notice to HRASimple no later than the effective date of the fee schedule amendment.

(e) Notwithstanding the foregoing, HRASimple reserves the right to charge for the provision of additional services that were neither included in nor contemplated by this Agreement on the Effective Date; and increase fees based on additional costs imposed on HRASimple, such as significant postal rate or bank fee increases or substantiated increased costs due to legislative or regulatory changes, domestic or foreign, actually incurred in performing its services. HRASimple shall provide Employer with reasonable prior written notice of such charges or increases.

6.2 Past Due Fees. Notwithstanding anything in this Agreement or any other agreement between the parties to the contrary, if Employer fails to pay HRASimple, any amount (except for amounts subject to a good faith dispute) that is due as a result of the services provided by HRASimple to Employer under this Agreement or any other agreement between the parties, HRASimple shall be permitted to deduct the undisputed amount from any funds held by HRASimple that were received from Employer. This right of offset shall be in addition to any other remedies that HRASimple may have under this Agreement or any additional agreement between the parties with respect to such non-payment, including, without limitation, any right to terminate this Agreement or right to recoupment, regardless of whether the past due amount is paid in full as a result of the offset or any recoupment rights provided herein.

6.3 Participant Count for Billing Purposes. HRASimple determines the participant count for billing purposes monthly. A participant is counted for billing purposes if the participant is an active employee, retiree, or COBRA beneficiary.

ARTICLE 7 GENERAL

7.1 Limitations of Liability. In no event shall either party be liable to the other for consequential, special, exemplary, punitive, indirect, or incidental damages, including, but not limited to, any damages resulting from loss of use or loss of profits arising out of or in connection with this Agreement, whether in action based on contract, tort (including negligence) or any other legal theory whether existing as of the Effective Date or subsequently developed, even if the party has been advised of the possibility of such damages. Further, in no event will HRASimple's liability for under this Agreement exceed the fees paid by the Employer for the services in the twelve months before the date on which the cause of action occurred. This is Employer's sole and exclusive remedy. No action under this Agreement may be brought by either party more than two (2) years after the cause of action has accrued.

Further, as provided in Section 1.13, above, HRASimple does not insure or underwrite the liability of Employer to provide benefits under the Plan. HRASimple shall not be liable or obligated to use its funds to pay benefits under the Plan, including, without limitation, where such payment of benefits is sought as damages in action against Employer, HRASimple, or the Plan.

HRASimple and Employer expressly agree that the limitations of liability in this Section 7.1 represent an agreed allocation of this Agreement's risks between the parties. This allocation is reflected in the pricing offered by HRASimple to Employer and is an essential element of the bargain's basis between the parties.

7.2 Indemnification.

(a) Subject to the limitations in Section 7.1, HRASimple will indemnify, defend and hold harmless Employer (and its respective officers, directors, employees, representatives, successors, and permitted assigns) from and against all liability, damages, costs, losses, penalties, expenses and reasonable attorney fees (collectively, "Losses") incurred by Employer in connection with any threatened, pending or adjudicated claim, demand, action, suit or proceeding by any third party to the extent arising out of HRASimple's (i) fraudulent or criminal actions or omissions, (ii) gross negligence or willful misconduct, or (ii) material breach of this Agreement or of any executed or applicable business associate agreement between the parties.

(b) Employer will indemnify, defend and hold harmless HRASimple (and its respective officers, directors, employees, representatives, successors, and permitted assigns) from and against all liability, damages, costs, losses, penalties, expenses, and reasonable attorney fees (collectively, "Losses") incurred by HRASimple in connection with any threatened, pending or adjudicated claim, demand, action, suit or proceeding by any third party (including an action brought by or on behalf of an employee or a participant) to the extent arising out of Employer's (i) fraudulent or criminal actions or omissions, (ii) gross negligence or willful misconduct, or (iii) a material breach of this Agreement or of any executed or applicable business associate agreement between the parties.

(c) The party seeking indemnification under Sections 7.2(a) or 7.2(b) above must notify the indemnifying party within thirty (30) days in writing of any actual or threatened claim, demand, action, suit, or proceeding to which it claims such indemnification applies. Failure to notify the indemnifying party shall not be deemed a waiver of the right to seek indemnification unless the indemnifying party's actions have been materially prejudiced by the other party's failure to provide notice within the required time.

(d) The indemnifying party may (but is not required to) take steps to be joined as a party to any proceeding in which indemnification has been claimed. The party seeking indemnification shall not oppose any such joinder. Whether or not such joinder takes place, the indemnifying party shall provide the defense with respect to Losses to which this Section 7.2 applies and in doing so shall have the right to control the defense and settlement with respect to such claims to the extent that the defense and settlement related to the payment of monetary compensation. The party seeking indemnification may assume responsibility for the direction of its defense at any time, in whole or in part, in which case the costs and expenses, including reasonable attorneys' fees, of the defense, shall become Losses subject to indemnification under this Section 7.2 by the indemnifying party. The party seeking indemnification may assume at any time, in whole or in part, the right to settle or compromise any Losses against it with the reasonable consent of the indemnifying party, and such settlement or compromise that relates to monetary compensation shall become Losses subject to indemnification under this Section 7.2 by the indemnifying party.

7.3 Plan Benefits Litigation.

(a) Against HRASimple. If demand is asserted or a Plan participant or beneficiary commences litigation or an administrative proceeding, an employee of Employer, or a federal or state agency against HRASimple, or against the Employer, the Plan Administrator and/or the Plan and HRASimple jointly, related to the services provided by HRASimple or benefits provided under the Plan, including the administration, processing or determination of a claim for Plan benefits ("Plan Benefits Litigation"), HRASimple shall select and retain counsel to represent HRASimple's interest. In actions asserted against Employer and/or the Plan Administrator and HRASimple, and

provided no conflict of interest arises between the parties, as shall reasonably be determined by HRASimple, HRASimple agrees to joint defense counsel. Employer shall pay or cause to be paid all reasonable attorneys' fees and costs incurred by HRASimple in defense of the Plan Benefits Litigation. The failure to provide notice of Plan Benefits Litigation does not relieve Employer of the obligation to pay or cause to be paid HRASimple's attorneys' fees and costs. HRASimple and Employer and/or the Plan Administrator shall cooperate fully with each other to defend the Plan Benefits Litigation.

(b) Against Employer. If Plan Benefits Litigation is commenced against Employer, the Plan Administrator, and/or the Plan, but to which HRASimple is not a party, Employer and/or the Plan Administrator shall select and retain counsel and be responsible for all reasonable attorney fees and costs in connection with Plan Benefits Litigation. HRASimple shall provide practical cooperation in defense of Plan Benefits Litigation arising out of matters relating to this Agreement, but shall retain the right to select and retain counsel to represent HRASimple's interests, and reasonable attorney fees and costs incurred by HRASimple in defense of the Plan Benefits Litigation shall be paid or reimbursed by Employer.

(c) Plan Benefits. Notwithstanding any provision in this Agreement to the contrary, Employer is responsible for the full amount of any Plan benefits paid as a result of Plan Benefits Litigation. Furthermore, to the extent that a party exercises its rights with respect to Plan Benefits Litigation pursuant to this Section 7.3, there is no requirement to proceed pursuant to Section 7.2.

ARTICLE 8 MISCELLANEOUS

8.1 Number. Where the context of this Agreement requires, the singular shall include the plural and vice versa.

8.2 Force Majeure. Notwithstanding anything to the contrary contained herein, neither party shall be responsible or liable if the performance of its obligations hereunder is hindered or adversely affected or becomes impossible or impracticable, as a result of an event or effect that the party could not have anticipated or controlled or for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including, without limitation, lockouts, strikes, work stoppages or other labor disruption, accidents, epidemics, pandemics, quarantines, war (whether declared or undeclared), acts of war or terrorism (whether foreign or domestic in origin), insurrection, sabotage, riot, a decree of health emergency, national emergencies or other man-made emergency, civil or military disturbances including any law, regulation, order or other action by any governmental authority, nuclear or natural disasters or acts of God, interruptions, loss or malfunctions of utility, transportation, communications or computer (software and hardware) services, including the disruption or outage of the Internet, or disruption of financial markets or banking functions (a "Force Majeure Event").

A party to this Agreement affected by such a Force Majeure Event shall as soon as reasonably practicable after the occurrence of the Force Majeure Event or the occurrence of harm resulting from such a Force Majeure Event that causes the party to be unable to perform: (a) provide written notice to the other party of the nature and extent of any such Force Majeure Event; and (b) use commercially reasonable efforts to remedy any inability to perform due to such a Force Majeure Event.

8.3 Waiver. If either party fails to enforce any right or remedy under this Agreement, that failure is not a waiver of the right or remedy for any other breach or failure by the other party.

8.4 Severability. If any provision of this Agreement is determined by a court to be unenforceable or invalid, such determination shall not affect any other provision, each of which shall be construed and enforced as if such invalid or unenforceable provision were not contained herein.

8.5 Governing Law. All questions with respect to the construction of this Agreement and the rights and liabilities of the parties, except as otherwise provided, shall be determined in accordance with the laws of the State of Georgia. In the event of any conflict of laws, the laws of the State of Georgia shall prevail.

8.6 Waiver of Jury Trial. Each of the parties hereto irrevocably waives all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, provided, however, that for judicial economy purposes, if a party desires to implead or otherwise add the other party to a third party claim and such third party claim is already a jury trial, the foregoing waiver of jury trial shall not apply. It shall also not apply in any criminal case without the written consent of the defendant.

8.7 Notice. Any notice required or permitted to be given under this Agreement shall be deemed delivered to the address set forth in this Agreement or such other physical or electronic address as specified by the party: (a) when received if delivered by hand; (b) the next business day if placed with a reputable express carrier for delivery during the morning of the following business day; (c) three (3) days after deposit in the US mail for delivery, postage prepaid, or (d) when received if delivered electronically.

If notice is made to HRASimple:

Health One Alliance, LLC d/b/a HRASimple
Attn: Mark Mixer, CEO
201 W Waugh Street
Dalton, GA 30720
Email: MMixer@AlliantPlans.com

If notice is made to Employer:

ER NAME: _City of Dalton, Georgia_____

ATTN: _Greg Batts_____

ADDRESS: _300 W. Waugh St._____

CITY, STATE/ZIP: __Dalton, GA 30720_____

Email: ___gbatts@daltonga.gov_____

8.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. It supersedes all prior or contemporaneous agreements and understandings regarding the subject matter hereof, whether written or verbal. Any amendment to this Agreement must be in writing and consented to by authorized representatives of both parties. This Agreement's provisions shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, permitted assigns, and successors in interest. Nothing express or implied in this Agreement is intended to confer. Nothing herein shall confer upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.

8.9 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other unless in connection with a change in control, merger, acquisition, or sale of all or substantially all of the party's assets and provided that the surviving entity has agreed to be bound by this Agreement and has notified the other

party in writing within thirty (30) days following the date of the assignment. If consent is required, the parties shall not unreasonably withhold consent.

8.10 Survival. Those provisions that by their nature are intended to survive termination or expiration of this Agreement shall so survive.

8.11 Relationship of the Parties. The parties agree that in performing their responsibilities under this Agreement, they are independent contractors. This Agreement is not intended to create, nor does it create and shall not be construed to create, a relationship of a partner or joint venture or any association for profit between Employer and HRASimple.

8.12 Successors and Assigns. In the event of HRASimple's resignation or inability to serve, Employer may appoint a successor. In such situations, the replacement of HRASimple shall be considered a termination of this Agreement, and the termination provisions of Article 5 shall remain effective and controlling.

8.13 Authority. Neither HRASimple nor Employer shall be obliged to determine the other party's authority to act pursuant to this Agreement when dealing with the other party in relation to the Plan.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have agreed to and executed this Administrative Services Agreement as effective as the date first written above.

EMPLOYER:

By: _____
Title: _____
Date: _____

HEALTH ONE ALLIANCE, LLC D/B/A HRASIMPLE:

By: _____
Title: _____
Date: _____

EXHIBIT A

Fee Schedule

Implementation Fee:

\$5,000

This is a one-time fee, due upon initial execution of the agreement.

Monthly Service Fee:

\$30 Per Retiree, Per Month

(Employee count is based on those not waiving access to the ICHRA funding)

Does the Monthly Service Fee include a Broker Fee?:

X No, there is no fee being paid to a Broker.

_____ Yes, there is a \$ Per Employee, Per Month fee included in the Monthly Service that is pass-through compensation to the Broker.

~~Initial Minimum Account Balance:~~

~~Employer Funding: _____ \$~~

~~Payroll Deduction advances: _____ \$~~

~~**TOTAL:** _____ \$~~

The amount due will be dependent upon those fulfilling the eligibility requirements of the Retiree HRA. HRASimple will calculate an estimated amount and bill the Employer prior to the 1st day of the effective date. Monthly reconciliation will occur each following month.