

Administrative Services Agreement

This Administrative Services Agreement (the Agreement) is made and entered into as of this day, January 1, 2015 by and between JACKSON COUNTY, MISSOURI and Application Software, Inc. (hereinafter ASI).

Background

Check applicable boxes and attach Schedules

- ☐ **For Cafeteria Plan.** JACKSON COUNTY, MISSOURI has requested ASI to provide administrative services for the following Benefit Programs offered under an Internal Revenue Code § 125 Cafeteria Plan established by JACKSON COUNTY, MISSOURI:

- ☐ Health Flexible Spending Arrangement (Health FSA)
- ☐ Dependent Care Assistance Program (DCAP)

The Health FSA, and DCAP will hereinafter be collectively referred to as the Program.

In consideration of the mutual promises and conditions contained in this Agreement, JACKSON COUNTY, MISSOURI and ASI agree as follows:

Section 1 Effective Date and Term

Applies to All Services

1.1 Effective Date

The effective date of this Agreement is January 1, 2015 (Effective Date).

1.2 Term

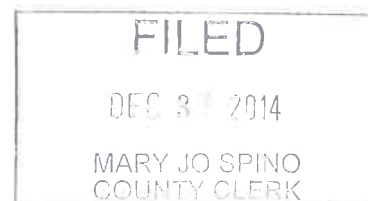
The initial term shall be the 12 month period commencing on the Effective Date. This Agreement may be renewed by mutual agreement of the parties in writing for two successive periods of 12 months each.

Section 2 Scope of Undertaking

Applies to All Services

2.1 Scope of Undertaking

JACKSON COUNTY, MISSOURI has sole and final authority to control and manage the operation of the Program. ASI is and shall remain an independent contractor with respect to the services



being performed hereunder and shall not for any purpose be deemed an employee of JACKSON COUNTY, MISSOURI. ASI and JACKSON COUNTY, MISSOURI shall not be deemed partners, engaged in a joint venture or governed by any legal relationship other than that of independent contractor.

ASI does not assume any responsibility for the general policy design of the Program, the adequacy of its funding, or any act or omission or breach of duty by JACKSON COUNTY, MISSOURI. ASI shall not in any way be deemed an insurer, underwriter, or guarantor with respect to any benefits payable under the Program. ASI generally provides reimbursement services only and does not assume any financial risk or obligation with respect to claims for benefits payable by JACKSON COUNTY, MISSOURI under the Program.

Except as otherwise expressly set forth herein, nothing herein shall be deemed to constitute ASI as a party to the Program or to confer upon ASI any authority or control respecting management of the Program, authority or responsibility in connection with administration of the Program, or responsibility for the terms or validity of the Program. Nothing in this Agreement shall be deemed to impose upon ASI any obligation to any employee of JACKSON COUNTY, MISSOURI or any person who is participating in the Program (Participant).

2.2 Non-Discretionary Duties

Except as otherwise expressly set forth herein, the services to be performed by ASI under this Agreement shall be ministerial in nature and will generally be performed in accordance with the terms of the Benefit Programs established by the JACKSON COUNTY, MISSOURI

2.3 Limited Fiduciary Duties (*Applies to Health FSA only*)

Notwithstanding the foregoing, pursuant to Section 405(c)(1) of ERISA, JACKSON COUNTY, MISSOURI delegates to ASI certain functions which might be deemed to be of a fiduciary nature, including authority to determine claims for benefits as set forth in Section 4, and to pay Program benefits by checks written (or other draft payment or debit) on a bank account established and maintained in the name of JACKSON COUNTY, MISSOURI for the payment of Program benefits claims as set forth in Section 6.

The parties agree that ASI is fiduciary of the Program only to the limited extent necessary to perform such limited fiduciary duties as expressly delegated under this Agreement. ASI shall not be deemed a fiduciary in connection with any other duty or responsibility in the administration of the Program.

Section 3
JACKSON COUNTY, MISSOURI Responsibilities

Applies to All Services

3.1 General Fiduciary Duties

Except as otherwise specifically delegated to ASI in this Agreement, JACKSON COUNTY, MISSOURI has the sole authority and responsibility for the Program and its operation, including the authority and responsibility for administering, construing and interpreting the provisions of the Program and making all determinations thereunder. JACKSON COUNTY, MISSOURI gives ASI the authority to act on behalf of JACKSON COUNTY, MISSOURI in connection with the Program, but only as expressly stated in this Agreement or as mutually agreed in writing by JACKSON COUNTY, MISSOURI and ASI. JACKSON COUNTY, MISSOURI is considered the Plan Administrator and Named Fiduciary of the Program benefits which are subject to ERISA.

3.2 Funding

JACKSON COUNTY, MISSOURI shall promptly fund an account maintained for the payment of Program benefits as described in Section 6.

3.3 Information to ASI

Upon request, JACKSON COUNTY, MISSOURI agrees to provide ASI with information necessary for ASI's performance of duties and obligations under this Agreement, including information concerning the Program and the eligibility of individuals to participate in and receive Program benefits. ASI shall be entitled to rely, without investigation or inquiry, upon any written or oral information or communication of the JACKSON COUNTY, MISSOURI or its agents. Such information shall be provided to ASI in the time and in the manner agreed to by JACKSON COUNTY, MISSOURI and ASI. ASI shall have no responsibility with regard to benefits paid in error due to JACKSON COUNTY, MISSOURI's failure to timely update such information.

JACKSON COUNTY, MISSOURI also agrees to provide ASI with updated reports (as needed) summarizing eligibility data.

JACKSON COUNTY, MISSOURI shall be responsible for ensuring the accuracy of its eligibility data.

ASI incurs no liability to JACKSON COUNTY, MISSOURI or any Participant as a consequence of an inaccurate eligibility data. Additionally, ASI is under no obligation to credit JACKSON COUNTY, MISSOURI for any claims expenses or administrative fees incurred or paid to ASI as a consequence of JACKSON COUNTY, MISSOURI failing to review eligibility data for accuracy.

ASI shall assume that all such information is complete and accurate and is under no duty to question the completeness or accuracy of such information. Eligibility data are considered Protected Health Information (PHI) and, when transmitted by or maintained in electronic media

shall be considered electronic PHI, and subject to the Privacy and Security Rules under HIPAA, and Section 5 of this Agreement.

3.4 Plan Documents

JACKSON COUNTY, MISSOURI is responsible for the Program's compliance with all applicable federal and state laws and regulations and shall provide ASI with all relevant documents, including but not limited to, the Program documents and any Program amendments. JACKSON COUNTY, MISSOURI will notify ASI of any changes to the Program at least 30 days before the effective date of such changes.

ASI may provide sample plan documents and forms for review by JACKSON COUNTY, MISSOURI and JACKSON COUNTY, MISSOURI's legal counsel, including plan document/summary plan description, election forms and other documents. ASI will customize such documentation only to the extent to incorporate JACKSON COUNTY, MISSOURI's responses to certain plan design questions submitted by ASI. In addition, ASI will provide sample document changes to reflect revisions in applicable legislation or regulations. Although ASI has taken steps to ensure that its sample documents and forms are of high quality and generally comply with the applicable laws, it cannot be aware of all of the facts and circumstances that may apply to the JACKSON COUNTY, MISSOURI or the Program.

JACKSON COUNTY, MISSOURI acknowledges that ASI is not providing tax or legal advice and that JACKSON COUNTY, MISSOURI should ask its legal counsel to review such documents for legal and tax compliance. JACKSON COUNTY, MISSOURI bears sole responsibility for determining the legal and tax status of the Program. Further, ASI is not a law firm and has no authority to provide legal advice.

3.5 Liability for Claims

JACKSON COUNTY, MISSOURI is responsible for payment of claims made pursuant to, and the benefits to be provided by, the Program. ASI does not insure or underwrite the liability of JACKSON COUNTY, MISSOURI under the Program. Except for expenses specifically assumed by ASI in this Agreement, JACKSON COUNTY, MISSOURI is responsible for all expenses incident to the Program.

3.6 Financial and Medical Records

In order to permit JACKSON COUNTY, MISSOURI and/or ASI to perform their obligations under this Agreement, personal financial records or medical records may be requested. If required by law or regulation, the JACKSON COUNTY, MISSOURI must either, in accordance with applicable state and federal law:

- Notify each Participant and provide each Participant an opportunity to opt out (if required); or

- Obtain from each Participant written authorization for release of the requested records.

3.7 HIPAA Privacy

JACKSON COUNTY, MISSOURI shall provide ASI with the following documents, where required or applicable:

- Notice of Privacy Practices;
- Any subsequent changes to the Notice of Privacy Practices;
- Certification that JACKSON COUNTY, MISSOURI amended the plan document as regulated by the Privacy Rule to permit disclosure of PHI to JACKSON COUNTY, MISSOURI for plan administrative purposes;
- Certification that JACKSON COUNTY, MISSOURI agrees to the conditions set forth in the plan amendment;
- Copies of any authorizations of Participants or beneficiaries to use or disclose PHI (and any later changes to or revocations of such authorizations);
- Notice of any restriction on the use or disclosure of PHI that JACKSON COUNTY, MISSOURI agrees to under the Privacy Rule; and
- Notice of any requests that communications be sent to a Participant or beneficiary by an alternative means or at an alternative location that JACKSON COUNTY, MISSOURI agrees to under the Privacy Rule.

JACKSON COUNTY, MISSOURI shall not request ASI to use or disclose PHI in any manner that would not be permissible under the Privacy or Security Rules if done by JACKSON COUNTY, MISSOURI, except that ASI may use or disclose PHI for purposes of Data Aggregation and the management and administrative activities of ASI, as provided in Section 5 of this Agreement.

Section 4 ASI's Responsibilities

***Sections 4.1 through 4.2 Apply to All Services
Sections 4.3 to 4.12 Apply to All Services***

4.1 Delegated Responsibilities

ASI's responsibilities shall be as expressly delegated to ASI in this Agreement (including the obligations listed in any Schedule to this Agreement) or any other written and signed Agreement between JACKSON COUNTY, MISSOURI and ASI. ASI generally provides certain reimbursement and recordkeeping services, as described further below.

4.2 Service Delivery

ASI agrees to provide customer service personnel by telephone during ASI's normal business hours. ASI also agrees to provide electronic administrative services 24 hours per day, 7 days per week.

ASI will not be deemed in default of this Agreement, nor held responsible for any cessation, interruption or delay in the performance of its obligations hereunder due to causes beyond its reasonable control, including, but not limited to, natural disaster, acts of God, labor controversy, civil disturbance, disruption of the public markets, war or armed conflict, or the inability to obtain sufficient materials or services required in the conduct of its business, including Internet access, or any change in or the adoption of any law, judgment or decree.

4.3 Benefits Payment

ASI agrees to, on behalf of JACKSON COUNTY, MISSOURI, operate under the express terms of this Agreement and the Program. ASI makes the initial determination if persons covered by the Program (as described in the Eligibility Reports) are entitled to benefits under the Program and shall pay Program benefits in its usual and customary manner, to Participants as set forth in this Section 4.

JACKSON COUNTY, MISSOURI agrees that:

- ASI has no responsibility or obligation with respect to Prior Reimbursement Requests and/or Prior Administration occurring prior to ASI's contract commencement date with JACKSON COUNTY, MISSOURI; and
- JACKSON COUNTY, MISSOURI will be responsible for processing Prior Reimbursement Requests (including any run-out claims submitted after the Effective Date) and maintaining legally required records of all Prior Reimbursement Requests and Prior Administration sufficient to comply with applicable legal (e.g., IRS substantiation) requirements.

4.4 Bonding

ASI has, and will maintain, a fidelity bond and/or ERISA bond (where applicable) for all persons involved in collecting money or making claim payments, and all officers of the company. This bond covers the handling of JACKSON COUNTY, MISSOURI's and Participants' money and must protect such money from losses by dishonesty, theft, forgery or alteration, and unexplained disappearance.

4.5 Reporting

ASI agrees to make available to JACKSON COUNTY, MISSOURI each month via electronic medium (unless otherwise agreed by the parties) a master report showing the payment history

and status of Participant claims and the amounts and transactions of Participant accounts during the preceding month.

For those Program benefits subject to HIPAA, JACKSON COUNTY, MISSOURI must provide certification that the plan document requires the JACKSON COUNTY, MISSOURI to comply with applicable Privacy and Security Rules under HIPAA before ASI will make available the reports provided for in this Section to the JACKSON COUNTY, MISSOURI. ASI agrees to also make available to Participants each month via electronic medium a report showing their individual payment history and status of claims and the amounts and transactions in their individual accounts during the preceding month.

For those Program benefits subject to HIPAA, JACKSON COUNTY, MISSOURI is responsible for ensuring that any beneficiary of the Participant who submits a claim agrees to the disclosure of PHI to the Participant, if required by the Privacy Rule.

4.6 Claims Appeals

ASI agrees to refer to JACKSON COUNTY, MISSOURI or its designee, Plan Administrator, and/or Named Fiduciary for the following:

- The second and final level of appeal of an adverse benefit determination; and
- Any class of claims JACKSON COUNTY, MISSOURI may specify, including:
 - Questions of eligibility or entitlement of the claimant for coverage under the Program;
 - Questions with respect to the amount due; or
 - Any other appeal.

4.7 Forfeited Funds

4.8 Any unclaimed benefit payments (e.g. uncashed benefit checks) are deemed forfeited.

4.8 JACKSON COUNTY, MISSOURI may use forfeited funds to offset reasonable administrative expenses. Additional Documents

If JACKSON COUNTY, MISSOURI requires, and JACKSON COUNTY, MISSOURI and ASI mutually agree upon payment of applicable service charges, then ASI shall furnish JACKSON COUNTY, MISSOURI:

- Sample documents for review by JACKSON COUNTY, MISSOURI with its legal counsel, for creation of customized documentation for the Program to be approved and executed by JACKSON COUNTY, MISSOURI, including board resolution, summary plan description, plan document and plan amendments; and

- Sample administrative forms needed for ASI to perform its duties under this Agreement.

4.9 Communication

ASI agrees to provide consulting services for and development of certain communication information.

4.10 Recordkeeping

ASI agrees to maintain for the duration of this Agreement the usual and customary books, records and documents ASI has prepared or received possession in the performance of its duties hereunder. These books, records, and documents, including electronic records, are the property of JACKSON COUNTY, MISSOURI, and JACKSON COUNTY, MISSOURI has the right of continuing access to them during normal business hours at ASI's offices with reasonable prior notice. If this Agreement terminates, ASI may deliver, or at JACKSON COUNTY, MISSOURI's request, will deliver all such books, records, and documents to JACKSON COUNTY, MISSOURI, subject to ASI's right to retain copies of any records it deems appropriate. JACKSON COUNTY, MISSOURI shall be required to pay ASI reasonable charges for transportation or duplication of such records.

4.11 Standard of Care; Erroneous Payments

ASI shall use reasonable care and due diligence in the exercise of its powers and the performance of its duties under this Agreement. If ASI makes any payment under this Agreement to an ineligible person, or if more than the correct amount is paid, ASI shall make a diligent effort to recover any payment made to or on behalf of an ineligible person or any overpayment. However, ASI will not be liable for such payment, unless ASI would otherwise be liable under another provision of this Agreement.

ASI owes a duty of care only to the JACKSON COUNTY, MISSOURI, which duty is one of reasonable care under the attendant circumstances. ASI is not liable for any mistake of judgment or for any action taken in good faith unless such mistake or action results in a breach of such duty of care.

Section 5

Compliance with Privacy and Security Rules Under HIPAA

Applies to All Services, except DCAP

5.1 Compliance with Privacy and Security Rules Under HIPAA

Contemporaneously with this Agreement, JACKSON COUNTY, MISSOURI and ASI have entered into a Business Associate Agreement pursuant to HIPAA and the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH Act).

Section 6
Payment of Benefits and Funding Responsibility

Applies to Health FSA and DCAP

6.1 Payment of Benefits

JACKSON COUNTY, MISSOURI authorizes ASI to pay Program benefits by checks written (or other draft payment or debit) on a bank account established and maintained in the name of JACKSON COUNTY, MISSOURI for the payment of Program benefits. Each week or at such other interval as mutually agreed upon, ASI will notify JACKSON COUNTY, MISSOURI of the amount needed to pay approved benefit claims and JACKSON COUNTY, MISSOURI shall pay or transfer into the bank account the amount needed for the payment of Program benefits. JACKSON COUNTY, MISSOURI shall enter into such agreements and provide instructions to its bank as are necessary to implement this Section. ASI has sole authority to provide whatever notifications, instructions, or directions are necessary to accomplish the disbursement of such Program funds to, or on behalf of, Participants in payment of approved claims.

6.2 Funding of Benefits

Funding for any payment on behalf of the Participants under the Program, including, but not limited to, all benefits to Participants in accordance with the Program, is the sole responsibility of JACKSON COUNTY, MISSOURI, and JACKSON COUNTY, MISSOURI agrees to accept liability for, and provide sufficient funds to satisfy, all payments to Participants under the Program, including claims for reimbursement for covered expenses, if such expenses are incurred and the claim is presented for payment during the terms of this Agreement.

Section 7
Indemnification

Applies to All Services

7.1 Indemnification by JACKSON COUNTY, MISSOURI

To the extent permitted by Missouri law and not inconsistent with the doctrine of sovereign immunity, JACKSON COUNTY, MISSOURI shall indemnify ASI and hold it harmless from and against all loss, liability, damage, expense, attorneys' fees or other obligations, resulting from, or arising out of, any act or omission of JACKSON COUNTY, MISSOURI in connection with the performance of its duties hereunder and upon ASI's adherence to the standard of care set forth in Section 4,. Additionally to the extent permitted by Missouri law and not inconsistent with the doctrine of sovereign immunity, , JACKSON COUNTY, MISSOURI shall indemnify ASI and hold it harmless from and against any liability, expense, demand, or other obligation, resulting from, or out of any premium charge, tax or similar assessment (federal or state), for which the Program or JACKSON COUNTY, MISSOURI is liable.

7.2 Indemnification by ASI

Upon JACKSON COUNTY, MISSOURI's adherence to the standard of care set forth in Section 3, ASI shall indemnify JACKSON COUNTY, MISSOURI and hold it harmless from and against all loss, liability, damage, expense, attorneys' fees or other obligations, resulting from, or arising out of, any act or omission of ASI in connection with the performance of its duties hereunder.

Section 8 Service Charges

Applies to All Services

8.1 Service Charges

The amounts of the monthly services charges of ASI are described in the Schedules. ASI may change the amount of such service charges by providing at least 60 days written or electronic notice to JACKSON COUNTY, MISSOURI ASI may also change the monthly service charges as of the date any change is made in the JACKSON COUNTY, MISSOURI plan.

8.2 Billing of Service Charges

All services charges of ASI, whether provided for in this or any other Section, shall be billed separately from statements for payment of claims so that proper accounting can be made by JACKSON COUNTY, MISSOURI of the respective amounts paid for claims and for administrative expenses.

8.3 Payment of Service Charges

ASI will determine all service charges under this Section and bill JACKSON COUNTY, MISSOURI monthly. Alternatively, if the parties agree, ASI may deduct payment for monthly service charges from the bank account maintained by JACKSON COUNTY, MISSOURI as described in Section 6. JACKSON COUNTY, MISSOURI shall make payment to ASI within 10 business days of receipt of notice of the amount due, or such amount will automatically be deducted from the bank account maintained by JACKSON COUNTY, MISSOURI as described in Section 6.

Section 9 General Provisions

Applies to All Services

9.1 Severability; Headings

If any term of this Agreement is declared invalid by a court, the invalid term will not affect the validity of any other provision, provided that the basic purposes of this Agreement are achieved through the remaining valid provisions. The headings of sections and subsections contained in

this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

9.2 Compliance; Non-Waiver

Failure by JACKSON COUNTY, MISSOURI or ASI to insist upon strict performance of any provision of this Agreement will not modify such provision, render it unenforceable, or waive any subsequent breach. No waiver or modification of any of the terms or provisions of this Agreement shall be valid unless in each instance the waiver or modification is accomplished pursuant to the amendment provisions of Section 9 below.

9.3 Assignment; Amendment

Neither JACKSON COUNTY, MISSOURI nor ASI can assign this Agreement without the other party's written consent. This Agreement may be amended only by written agreement of duly authorized officers of JACKSON COUNTY, MISSOURI and ASI.

9.4 Audits

Each party is authorized to perform audits of the records of payment to all Participants and other data specifically related to performance of the parties under this Agreement upon reasonable prior written notice to the other. Audits shall be performed during normal working hours. Audits may be performed by an agent of either party provided such agent signs an acceptable confidentiality agreement and business associate agreement required by HIPAA and the HITECH Act. Each party agrees to provide reasonable assistance and information to the auditors. Each party also agrees to provide such additional information and reports as the other party shall reasonably request.

9.5 Dispute Resolution

In the event of a dispute by either party related to this Agreement, the parties agree to first attempt to resolve such dispute by having the parties' Chief Executive Officers (or their designees) meet in person within 30 days of written notice of dispute issued by either party.

9.6 Notices and Communications

- **Notices.** All notices provided for herein shall be sent by either:
 - o Confirmed facsimile;
 - o Guaranteed overnight mail, with tracing capability;
 - o Certified mail; or

- o First class United States mail, with postage prepaid, addressed to the other party at their respective addresses set forth below or such other addresses as either party may designate in writing to the other from time to time for such purposes.

All notices provided for herein shall be deemed given or made when received.

- **Addresses.**

- o JACKSON COUNTY, MISSOURI's address for notices as described above is:

415 e. 12TH Street
Kansas City, MO 64106

- o ASI's address for notices as described above is:

201 W. Broadway, Suite 4C
Columbia, MO 65203

- **Communications.** JACKSON COUNTY, MISSOURI agrees that ASI may communicate confidential, protected, privileged or otherwise sensitive information to JACKSON COUNTY, MISSOURI through a named contact designated by JACKSON COUNTY, MISSOURI (Named Contact) and specifically agrees to indemnify ASI and hold it harmless:

- o For any such communications directed to JACKSON COUNTY, MISSOURI through the Named Contact attempted via facsimile, mail, telephone, e-mail or any other media, acknowledging the possibility that such communications may be inadvertently misrouted or intercepted; and
- o From any claim for the improper use or disclosure of any PHI by ASI if such information is used or disclosed in a manner consistent with its duties and responsibilities hereunder.

9.7 Termination of Agreement

- **Automatic.** This Agreement automatically terminates on the earliest of the following:
 - o The effective date of any legislation which makes the Program and/or this Agreement illegal;
 - o The date JACKSON COUNTY, MISSOURI or ASI becomes insolvent, or bankrupt, or subject to liquidation, receivership, or conservatorship; or
 - o The termination date of the Program. This termination is subject to any Agreement between JACKSON COUNTY, MISSOURI and ASI regarding payment of benefits after the Program is terminated.

- **Optional.** This Agreement may be terminated as of the earliest of the following:
 - By ASI upon the failure of JACKSON COUNTY, MISSOURI to pay any service charges within 10 business days after they are due and payable as provided in Section 8;
 - By ASI upon the failure of JACKSON COUNTY, MISSOURI to perform its obligations, including its obligations as Plan Administrator and/or Named Fiduciary where applicable, as such terms are defined in ERISA, and in accordance with this Agreement, including the provisions of Section 3;
 - By JACKSON COUNTY, MISSOURI upon the failure of ASI to perform its obligations in accordance with this Agreement, including the provisions of Section 4;
 - By either JACKSON COUNTY, MISSOURI or ASI, as of the end of the term of this Agreement, by giving the other party 30 days written notice; or
 - By either JACKSON COUNTY, MISSOURI or ASI, upon a material breach of the other party's duties under this Agreement, or upon non-material breaches of a recurrent nature, after 30 days notice in the event of a material breach, or 60 days notice in the event of a non-material breach of a recurrent nature, and the right to cure such breach by the breaching party.
- **Limited Continuation After Termination.** If the Program is terminated, JACKSON COUNTY, MISSOURI and ASI may mutually agree in writing that this Agreement shall continue for the purpose of payment of Program benefits, expenses, or claims incurred prior to the date of Program termination. In addition, JACKSON COUNTY, MISSOURI and ASI may mutually agree in writing that this Agreement shall continue for the purpose of payment of any claims for which requests for reimbursements have been received by ASI before the date of such termination.

If this Agreement is continued in accordance with this subsection, JACKSON COUNTY, MISSOURI shall pay the monthly service charges incurred during the period that this Agreement is so continued and a final termination fee equal to the final month's service charge.

- **Survival of Certain Provisions.** Termination of this Agreement does not terminate the rights or obligations of either party arising out of the period prior to such termination. The indemnity, confidentiality, privacy, and security provisions of this Agreement shall survive its termination.

9.8 Complete Agreement; Governing Law

This Agreement (including the Schedules) is the full Agreement of the parties with respect to the subject matter hereof and supersedes all prior Agreements and representations between

the parties. This Agreement shall be construed, enforced and governed by the laws of the State of Missouri.

In Witness Whereof, JACKSON COUNTY, MISSOURI and ASI have caused this Agreement to be executed in their names by their undersigned officers, the same being duly authorized to do so.

JACKSON COUNTY, MISSOURI

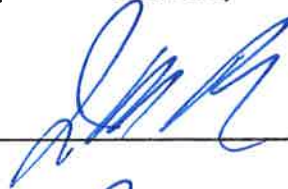
Application Software, Inc.

By: _____



Title: County Executive

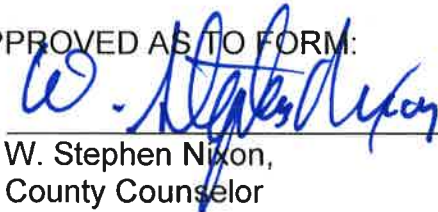
By: _____



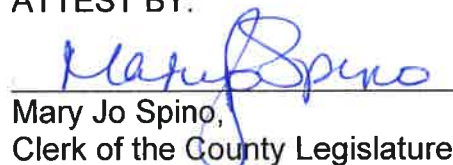
Title: President

APPROVED AS TO FORM:

By: _____


W. Stephen Nixon,
County Counselor

ATTEST BY:


Mary Jo Spino,
Clerk of the County Legislature

REVENUE CERTIFICATE

This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriation.

Date

December 22, 2014

Director of Finance and Purchasing
Account No. _____

Glossary

For the purposes of this Agreement, the following words and phrases have the meanings set forth below. Wherever appropriate, the singular shall include the plural and the plural shall include the singular.

Agreement means this ASI Administrative Services Agreement, including all Schedules hereto.

COBRA means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

Code means the Internal Revenue code of 1986, as amended.

DCAP has the meaning given in the Recitals.

Eligibility Reports has the meaning described in Section 3.

Client has the meaning given in the recitals.

ERISA means the Employee Retirement Income Security Act of 1974, as amended.

Effective Date has the meaning given in Section 1.

Electronic PHI has the meaning assigned to such term under HIPAA.

Health FSA has the meaning given in the Recitals.

HIPAA means the Health Insurance Portability and Accountability Act of 1996, as amended.

Named Fiduciary means the named fiduciary as defined in ERISA §402(a)(1).

Participant has the meaning given in Section 2.

Plan means the Health FSA or DCAP, as applicable.

Plan Administrator means the administrator as defined in ERISA §3(16)(A).

Prior Administration means services arising prior to the Effective Date.

Prior Reimbursement Requests means claims incurred prior to the Effective Date.

Program has the meaning given in the Recitals.

Protected Health Information or PHI has the meaning assigned to such term under HIPAA.

Schedule A
Administrative Fees

Capitalized terms used in this Schedule but not defined have the meanings given in the Agreement to which this Schedule is attached.

JACKSON COUNTY, MISSOURI has established a Code § 125 Cafeteria Plan to allow eligible employees who make a proper election to pay for their share of certain benefit plan coverage with pre-tax salary reductions. JACKSON COUNTY, MISSOURI has delegated certain administrative responsibilities with respect to the Plan.

As set forth in Section 8, the applicable service charges shall be as follows:

Standard Services Charges	Cost
Health Care FSA per Participant per Month Service Charge	\$3.25
Dependent Care FSA per Participant per Month Service Charge	\$3.25
Debit Card Services	No Charge
Replacement or Additional Card Sets	\$5.00 per card billed to participant FSA

Additional Service Charges	Cost
Set-Up Fee	Included
Sample Documents and Forms	Included
Staff Training	Included
Online Enrollment	Included
Onsite Open Enrollment Meeting(s)	\$250.00/day plus travel expenses
Non Discrimination Testing	Included
Form 5500 Creation/Filing	Included

* Please note that if an individual enrolls in both the Health Care and Dependent Care FSA, the monthly per Participant per Month fee will be \$3.25. The minimum fee per month is \$50.00.

Any courier charges incurred will be passed through at cost to the JACKSON COUNTY, MISSOURI.

Services Included

JACKSON COUNTY, MISSOURI is responsible for all legal requirements and administrative obligations with regard to the Health FSA, except for the following administrative duties specifically delegated to ASI:

ASI shall make available (by electronic medium and paper copy) enrollment and reimbursement forms and instructions for filing Participant claims. Upon payment of additional fees, ASI shall make available other Health FSA documents.

Upon receiving instructions from JACKSON COUNTY, MISSOURI with regard to a Participant's change in status or other event that permits an election change under IRS regulations, ASI shall make the requested change in the Participant's election as soon as possible.

ASI shall prepare the information necessary to enable JACKSON COUNTY, MISSOURI to satisfy its Form 5500 filing obligation with regard to the Health FSA. JACKSON COUNTY, MISSOURI shall be responsible for reviewing the information provided by ASI to ensure its accuracy, and, unless otherwise agreed by the parties in writing, JACKSON COUNTY, MISSOURI shall prepare and submit any Form 5500.

ASI shall assist JACKSON COUNTY, MISSOURI, upon request, in preparing preliminary, mid-year, and final nondiscrimination tests as follows:

Key employee concentration testing required under Code § 125;

The 55% average benefits test required under Code § 129; and

The 25% shareholder concentration test required under Code § 129.

ASI shall make initial decisions with regard to Participant claims and disburse any benefit payments that it determines to be due within 30 business days of the day on which ASI receives the claim. Benefit payments shall be made by check or ACH payable to the Participant. If the amount of the claim exceeds the amount the Participant has had withheld to date, ASI will contact JACKSON COUNTY, MISSOURI to make available such excess amount.

ASI shall notify Participants with regard to any claims that are denied due to inadequate substantiation or data submission and provide an adequate period of time for the Participant to resubmit the claim. ASI shall follow the requirements of ERISA with regard to denial of claims.

Services Not Included

JACKSON COUNTY, MISSOURI's compliance with COBRA or compliance with HIPAA portability provisions.

Determining whether JACKSON COUNTY, MISSOURI's Health FSA documents are in compliance with the Code or any other applicable state, federal, or local statutes or regulations.

Determining if and when an event has occurred under the IRS permitted election change regulations such that a change in election is permitted under the Health or Dependent Care FSA.

JACKSON COUNTY, MISSOURI's responsibility for the determination on the second and any final level of appeal.

Services Not Included

JACKSON COUNTY, MISSOURI's compliance with COBRA or compliance with HIPAA portability provisions.

Determining whether JACKSON COUNTY, MISSOURI's Health FSA documents are in compliance with the Code or any other applicable state, federal, or local statutes or regulations.

JACKSON COUNTY, MISSOURI

Application Software, Inc.

By: _____



By: _____



Title: _____

County Executive

Title: _____

President