Third-Party Administrative Services Agreement

THIS AGREEMENT is executed to be effective the 1st of January, 2011, by and between Automated Group Administration, Inc., an Indiana corporation, hereinafter referred to as the "AGA", and City of Fort Wayne, hereinafter referred to as the "Employer".

WHEREAS the Employer has adopted and established a written self-funded employee welfare benefit plan, hereinafter referred to as the "Plan", providing means by which eligible employees of the Employer are able to obtain benefits provided in and set forth by the Plan, and

WHEREAS, the Employer shall serve as the Plan Administrator as defined by the Employee Retirement Income Security Act of 1974 ("ERISA") of the Plan. In no instance shall the AGA be deemed to be, or be, such Plan Administrator of the Plan, and

WHEREAS, the Employer has requested AGA to act as its third party administrator to furnish certain services with respect to the Plan;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

Section One. Duties and Responsibilities of the AGA

1.01 The Employer delegates to the AGA only those duties and responsibilities, with respect to the administration of the Plan, which are specifically enumerated in this Agreement. Any function not specifically delegated to and assumed by the AGA pursuant to this Agreement shall remain the sole responsibility of the Employer.

1.02 AGA is not and shall not be deemed to be a fiduciary of the Plan. Nor shall AGA be considered to be the "Plan Administrator" for purposes of ERISA. Rather, the duties of AGA herein are ministerial in nature; and this Agreement shall not be deemed to confer or delegate any discretionary authority or discretionary responsibility in the administration of the Plan. The Employer will not represent to any party that AGA insures or underwrites the liability of the Employer under the Plan.

1.03 AGA shall provide a draft Plan document, schedule of benefits, and Summary Plan Description ("SPD") for their review and final approval by the Employer. Upon the Employer's approval, AGA will furnish, at the Employer's expense, one copy of the SPD for each employee for distribution by the Employer.

1.04 AGA shall provide Plan amendments requested by the Employer and any other amendments required by federal laws to bring the Plan into compliance.

1.05 AGA will provide Employer with services and assistance in connection with the design and development of the Plan. AGA shall assist the Employer in the enrollment of eligible employees and their dependents that meet the eligibility requirements of the Plan ("Covered Persons") for participation in the Plan. AGA reserves the right to charge the Employer with the cost of producing new identification cards when a change, initiated by the Employer, as a result of a off anniversary plan change causes new identification cards to be required for the entire group or any division(s) of the group.

1.06 AGA will process claims incurred by Covered Persons according to the terms of the Plan as approved by the Employer and arrange for the payment thereof from funds made available to AGA for benefit purposes by issuing checks upon Plan account.

1.07 AGA will, in processing benefit payments under the Plan, honor any assignment of benefits of a person eligible for benefits under the Plan to any person or institution, which is a proper and qualified assignee under the terms of the Plan.

1.08 AGA will make reasonable effort to obtain (through telephone contact, letters of inquiry, facsimile transmissions or through other available means) any information AGA deems necessary for claims processing purposes from Covered Persons and/or provider of services.

1.09 The Employer shall assume the responsibility to obtain and to provide to AGA any pertinent information requested by AGA pertaining to the processing of any claim submitted by a Covered Person. AGA will be entitled to rely on the accuracy of this information provided by the Employer. If certain claims are paid in error due to inaccurate or incomplete information provided by the Employer, the Employer shall indemnify and hold AGA harmless for such claim payments. AGA shall attempt to recover such payments, but will not be responsible for the recovery of such claim payments made in error as a result of information provided by the Employer. Such erroneous claim payments will not be counted towards the specific or aggregate deductibles provided by the excess loss reinsurance carrier.

1.10 AGA normally processes benefits for payment for disbursement on each Friday after work hours, excluding holidays, provided the appropriate funding from the Employer is available and mail such claim payments by the following Wednesday under normal circumstances. The claims are processed in order of date received by AGA. The funding requirements due by the Employer must be received no later than noon on any Wednesday of the current month. Claim payments are processed, as noted above, on any Friday of the current month. AGA shall not be required or expected to accelerate claim processing for any reason, including but not limited to the fact that the excess loss policy has/will expire.

1.11 If the facts of any claim, or those facts as determined by AGA in its investigation of the claim do not entitle the applicant to receive payment of benefits under the Plan, AGA shall deny the claim for benefits under the Plan and notify the Covered Person of their right to have the claim denial reviewed in accordance with the Plan's claim appeal procedure. The Employer will make the final decision, with respect to contested claims. The Employer acknowledges that any decision to provide coverage that is inconsistent with the Plan will not be binding on any reinsurer that provides coverage for the Plan.

1.12 AGA will use its best efforts to identify claims in which the Employer or the reinsurer may have a subrogation interest. Employer authorizes AGA to pursue collection of any amount due to the Plan or the reinsurer by reason of the Plan's subrogation rights. AGA shall be authorized by the Employer to employ any professionals needed to pursue collection, for which they will be compensated out of funds recovered from the Plan. AGA shall have no discretionary authority to reduce or compromise the Plan's interest and will contact the Employer if any such compromise is recommended.

1.13 Claims paid in good faith, but in error by AGA shall be chargeable to the Employer's account as any other claim. AGA shall make good faith attempts to recover any overpayments. Clerical errors or normal variations in claim processing made without intent to defraud and absent gross negligence or willful misconduct shall not be the responsibility of AGA. When such errors or variations are made and discovered, they will be corrected, adjusted and otherwise made right to the extent such is possible and recoverable. Where not adjustable or recoverable, such errors will be treated as a benefit expense.

1.14 AGA shall not be liable for, or advance any funds on account of any failure or refusal to pay claims for benefits made according to the Plan, nor shall AGA be considered in any way an insurer or underwriter of any liability of the Employer to provide benefits. AGA is hereby expressly indemnified by the Employer against, and shall be reimbursed by the Employer for any expense, loss, damage or legal fees incurred by AGA in connection with any claims or demands made or threatened to be made against the Employer, the Plan Administrator, AGA or the Plan. The Employer has complete responsibility for payment of claims under the Plan and all expenses incidental to the Plan.

1.15 If at any time, claims cannot be released by AGA for payment due to the Employer's lack of funding, AGA will notify the Employer of the delinquency. In accordance with ERISA, the Employer is responsible for the notification of all Covered Persons of the Employer's lack of funding and its inability to meet its obligation to pay claims.

1.16 AGA shall provide the Employer with its standard reports. At the request of the Employer, the AGA will provide certain other reports available from our current claims and administrative software program.

1.17 AGA will provide the necessary claim information and documentation to the appropriate excess loss carrier when such information is required as the basis of a reimbursement under the reinsurance policy

1.18 AGA shall maintain records concerning the submission and processing of claims for a period not less than six (6) years from the date the claim was approved or denied unless the Employer directs AGA to forward such information to the Employer before the expiration of the six (6) year period. The cost of handling and shipping of records will be the Employer's cost. At the end of the six (6) year period AGA shall destroy all records. Any insurer, employer, employee group or other group using the services of AGA is entitled to inspect the books and records of AGA to the extent necessary to verify that AGA has fulfilled its contractual obligations to said persons or entities. Plan records shall be

maintained in accordance with generally accepted standards of insurance bookkeeping. Any such audit will be at the sole expense of the Employer and be conducted during normal business hours. An auditor mutually acceptable to the Employer and the AGA shall conduct this audit.

1.19 AGA will indemnify the Employer and save it harmless from and against all claims, lawsuits, settlements, judgments, costs, penalties, and expenses, including reasonable attorney fees, with respect to this Agreement resulting from or arising out of the gross negligence or the dishonest, fraudulent or criminal acts of AGA or its employees, whether acting alone or in collusion with others.

1.20 The AGA agrees to be duly licensed as a Third Party Administrator to the extent required under applicable law and agrees to maintain such licensure throughout the term of this Agreement. The AGA will possess throughout the term of this Agreement, an in-force fidelity bond or other insurance as may be required by state and federal laws for the protection of its clients. Additionally, the AGA agrees to comply with any state or federal statutes or regulations regarding its operations and to obtain any additional license or registrations, which may apply in the future.

1.21 AGA shall not be permitted or required to recode claims, as that term is defined in I.C. 27-1-25-7.5 or to underwrite risk under the Plan.

Section Two: Duties and Responsibilities of the Employer

2.01 The Employer retains the final authority and responsibility for the Plan and its operations. The Employer shall be the Plan Administrator (within the meaning of Section 3(16)(A) of the Employee Retirement Income Security Act of 1974) of the Plan, but it delegates certain administrative duties associated therewith to the AGA.

2.02 The Employer will provide funds in a benefit account for use by AGA for payment of benefits and expenses under the Plan as set forth in this Agreement. It is the responsibility of the Employer to maintain adequate funds in such account at all times to provide for uninterrupted issuance of all checks validly issued by AGA as authorized under this Agreement.

2.03 The Employer will furnish the information needed by AGA to perform its functions under this Agreement. Information regarding the Plan includes any information concerning eligibility and entitlement of persons to receive Plan benefits. Employer will notify AGA in a timely manner of any event or occurrence that would cause a Covered Person's coverage under the Plan to end or to be interrupted. AGA will not be responsible for a delay in the performance of its functions under this Agreement when such delay was due to the Employer's failure to furnish needed information.

2.04 The Employer shall collect the premium and/or contributions, if any, made by the eligible employees of the Plan in the manner it may deem appropriate and shall transfer the funds it collects to the Plan on a monthly basis or more frequent basis as it determines necessary or advisable.

2.05 The Employer shall assist in the enrollment of all employees in the Plan. The Employer shall provide AGA with a complete list of all employees (and their covered dependents) of the Employer. The Employer shall notify the AGA promptly and in writing all changes in the list of eligible employees (and their covered dependents), whether by reason of termination, change in classification or otherwise.

2.06 The Employer assumes the responsibility for the erroneous payment of benefits by AGA in the event of error or neglect on the Employer's part of providing eligibility and coverage information to the AGA, including but not limited to, failure to give timely notification of ineligibility of a former plan participant.

2.07 The Employer shall resolve all Plan ambiguities and disputes relating to the Plan eligibility of a employee and or their dependent, plan coverage, denial of claims or decisions regarding appeal or denial of claims, or any other Plan questions. The Employer shall make the final decision in the event of any appeal from an initial determination of AGA that a claim is not payable. The Employer acknowledges that any decision made with respect to an appealed claim is not binding upon the excess loss reinsurance carrier. The Employer will respond to all appeals with respect to the denial of benefits.

2.08 The compliance with the Consolidated Omnibus Budget Reconciliation Act (COBRA) or any other state or federal continuation of coverage or conversion laws is the sole responsibility of the Employer. Additionally, Employer shall be solely responsible for compliance with the Family and Medical Leave Act, Americans with Disabilities Act, Age

Discrimination in Employment Act, Wage and Hour laws, Health Insurance Portability and Accountability Act (HIPAA) and any other current or future state or federal legislation directed at the Employer or Plan.

2.09 The completion and filing of any IRS 5500 form or other forms required by the federal government will be the sole responsibility of the Employer, unless otherwise agreed to and indicated on the Fee Schedule. Upon written request from the Employer, AGA will furnish any information that was obtained in the course of performing the duties under this Agreement. The information requested must be necessary to the completion of any required government forms.

2.10 The Employer shall cooperate with AGA in the preparation and distribution of all documents to the eligible employees (and their covered dependents), including the Summary Plan Description booklets, employee identification cards, life certificates, enrollment cards, change cards, claim forms and other documents as may be necessary or convenient for the proper administration of the Plan or to satisfy legal requirements. The Employer agrees to promptly deliver such documents upon receipt from AGA.

2.11 The Employer shall provide AGA with copies of any and all revisions or changes to the Plan at least 60 days prior to the effective date of such changes. A signed copy of the amendment should be received by AGA at least thirty (30) days prior to the proposed effective date.

2.12 The Employer shall pay for, (or if paid by AGA, reimburse AGA for) attending physicians' statements, legal, investigation or other expenses incurred when related to the administration of the Plan. However, such expenses shall not include the costs of personnel employed by AGA, or equipment and supplies used in the normal course of business by AGA.

2.13 The Employer shall be responsible for the status of the Plan under state insurance laws and under local, state, and federal laws, and related rules and regulations. The Employer shall pay any and all taxes, licenses, and fees levied, if any, by any local, state, or federal authority in connection with the Plan.

2.14 The Employer shall promptly notify the AGA of any termination, expiration, lapse, or modification of excess loss insurance.

2.15 The Employer shall maintain any fidelity bond or other insurance as may be required by state or federal law for the protection of the Plan and the Plan Participants.

2.16 The Employer will indemnify AGA and save it harmless from and against any and all loss, liability, cost, damage, expense or other obligation (including any legal fees and expenses and court costs of any nature incurred by AGA) resulting from or arising out of claims, demands or lawsuits against AGA in connection with benefit payments or other services performed under this Agreement except to the extent that AGA's actions have been grossly negligent or in willful violation of the law.

2.17 The Employer will indemnify AGA and save AGA harmless against any liability, expenses, demand or other obligation resulting from or arising out of any tax or similar assessment (federal or state) which (a) AGA may incur with respect to Plan benefits which are the obligation and liability of the Employer; or (b) which are or may be levied on any charges or fees payable by the Employer to AGA under this Agreement.

2.18 The Employer shall keep all information provided by AGA confidential and shall indemnify AGA for all claims, costs, expenses, liabilities and legal fees which result from the dissemination of such information by the Employer or by the AGA, unless such dissemination by the AGA was intentional or constituted gross negligence.

Section Three: Plan Benefit Payments

In order to provide timely claims service, and to comply with applicable governmental regulatory standards, the Employer shall elect one of the following methods or funding the Plan's claims account:

a. Utilize the Employer's Checking Account:

Under this funding option, the Employer will provide an independent bank account that will be utilized for the purpose of generation self-funded claim payments. The Employer agrees to fund this account per the terms of ERISA (29 U.S.C. 1001 et. Seq.). The Employer agrees that funds from this account may also be used by AGA to pay any applicable administrative fees shown in the Fee Schedule to this Agreement. If requested and agreed to by the

Employer, AGA will provide assistance: (1) to reconcile the fund account; (2) initiate check-tracing procedures for missing checks; and (3) monitor the fund balance. Otherwise, these functions will be the responsibility of the Employer. The Employer shall issue stop payment orders on outstanding checks and will notify AGA of said stop payments to enable AGA to issue a replacement check. The Employer is responsible for the bank charges associated with opening, funding, and maintaining the account.

b. Utilize the Employer's Trust:

Under this funding option, AGA will provide the Employer with a draft Trust Document to establish their own 419(e)(3)(b) claims trust account, legal services, and banking arrangements from certain entities as noted on the Fee Schedule. The Employer has established the aforementioned Plan which, includes the direct payment of welfare benefits to and for employees and their dependents from a Fund established pursuant to an agreement, hereinafter referred to as the "Trust Agreement". The Employer shall be the named fiduciary under the Plan with the authority, subject to the provisions of the Trust Agreement, to manage, acquire or dispose of the assets of the Plan. Such authority may be delegated, in whole or in part, to other fiduciaries as may be provided in the Trust Agreement. The Employer agrees to make contributions to the Fund established pursuant to the Trust Agreement in amounts sufficient to provide for the timely payment of claims under the Plan, premiums for insurance or reinsurance purchased for the benefit of the Plan, and other obligations and expenses incurred in the operation of the Plan. The amounts contributed to the Fund are to be held and invested in accordance with the terms of the Trust Agreement. The Employer authorizes AGA to pay claims with assets of the Fund established pursuant to the Trust Agreement.

a. Utilize an AGA Designated Bank Account:

Under this funding option, the Employer agrees to utilize a checking account established by AGA as its claims account at the bank designated by AGA to fund all self-funded claim payments for the Employer. Said account shall be for the sole purpose of paying claims and other expenses of the Plan and shall not be commingled with any other funds controlled by AGA. The Employer agrees to maintain adequate funds in such account at all times to provide uninterrupted claim payment services per the terms of ERISA (29 U.S.C. 1001 et. seq.) Under this option, AGA shall provide adequate information to the Employer to establish the initial claim deposit amount required and provide the Employer with periodic claim funding invoices to replenish the claim account and maintain adequate funding levels. AGA will inform the client of funding level depository requirement changes. AGA will institute check-tracing procedures for missing checks. AGA shall issue stop payment orders on outstanding checks and will issue any necessary replacement checks. The Employer is responsible for the bank charges associated with opening, funding, and maintaining the account.

Section Four: Fiduciary Bank Accounts

4.01 AGA shall maintain records clearly showing the deposits and withdrawals from the fiduciary bank account for each insurer with whom it has a written agreement for administrative services. AGA shall furnish, at the request of the insurer, copies of the required records and at specified intervals a periodic accounting of the transactions performed by the AGA pertaining to the business underwritten by the insurer. Withdrawals from the fiduciary bank account shall only be made for the following:

(1) remittance to an insurer entitled to the funds;
(2) deposit in an account maintained in the insurer;
(3) transfer to and deposit in a claim paying account;
(4) payment to a group policyholder for remittance to the insurer entitled to the funds;
(5) payment to AGA for payments due under this Agreement; and
(6) remittance of return premiums to the person entitled to the funds.

AGA shall not pay any claim with money withdrawn from a fiduciary account in which premiums or charges are deposited.

Section Five: Cost of Administration

For each month in which AGA performs duties pursuant to this Agreement, AGA will bill service fees included in the premium billing statement. The amount due shall be determined from the Fee Schedule to this Agreement. Such Fee Schedule will also reflect the service fees charged by other organizations providing services to or on behalf of the Plan.

The Employer is responsible for providing funds to AGA to pay such other organizations' service fees on behalf of the Employer. The Employer shall make payment to AGA of all amounts due within thirty-one days of the first of the billing month.

Section Six: Limits of AGA Responsibilities

It is agreed that AGA is and shall remain an independent contractor with respect to the services performed by AGA pursuant to this Agreement and shall not for any purpose be deemed an employee of the Employer. The Employer and AGA shall not be deemed partners, joint ventures or governed by any legal relationship other than that of independent contractors. AGA does not assume any responsibility for the general policy direction of the Plan, the adequacy of the funding thereof, or any act or omission or breach of duty by any person or firm other than the AGA. AGA is not in any way to be deemed an insurer, underwriter or guarantor with respect to any benefits payable under the Plan. The Employer agrees to indemnify and hold harmless AGA from any claim, liability, cost, loss or damage (including reasonable legal and accounting fees) arising out of the performance by AGA pursuant to this Agreement so long as services are performed in accordance with the terms of this Agreement and not due to gross negligence or willful misconduct. The indemnity provision contained herein shall include, but not be limited to, any action maintained by the Health Care Financing Administration under the Medicare Secondary Payor regulations. These indemnity provisions shall survive the termination of this Agreement.

Section Seven: Termination of the Agreement

7.01 The effective date of this Agreement shall be, and this Agreement shall continue in full force and effect from said effective date until terminated by either of the contracting parties as indicated herein. The Employer may terminate this Agreement on any anniversary of the original Agreement effective date provided a written request to terminate is given to AGA by the Employer at least one month in advance of the anniversary date, unless AGA agrees to waive such notice. The Employer may also terminate this Agreement on any date, provided a written request to terminate the Agreement is given to AGA at least three (3) months in advance of the termination date; such notice to be sent via certified mail return-receipt requested. If Employer terminates Agreement on any date without giving three (3) months notice of termination, AGA reserves the right to assess and bill Employer an amount equal to the revenue lost due to the premature termination of the Agreement (i.e. the administration fees for the balance of the three (3) month period).

7.02 AGA may terminate this Agreement on any anniversary of the original effective date by providing the Employer with a written request to terminate this Agreement; this written request to terminate this Agreement must be provided by AGA to the Employer one (1) month prior to the requested termination date.

7.03 AGA may, at its option, terminate this Agreement effective immediately upon the occurrence of any one or more of the following events or written notice to the Employer:

a. The Employer fails to provide claim account funds in an amount sufficient to provide uninterrupted issuance of claim checks by AGA for benefit payment.
b. The Employer is adjudicated as bankrupt, becomes insolvent, a temporary or permanent receiver is appointed by any court for all or substantially all of the Employer's assets, the Employer makes a general assignment for the benefit of its creditors, or a voluntary or involuntary petition under any bankruptcy law is filed with respect to the Employer and it is not dismissed within the forty-five (45) days of such filing;
c. The Employer fails to pay administrative fees or other fees for the AGA services within one (1) month from the due date of any scheduled billing. In accordance with ERISA, it is the Employer's responsibility to notify all plan participants of the termination.
d. The Employer fails to pay any scheduled excess loss reinsurance premium by its due date. The AGA shall not be held liable for the termination of any reinsurance contract should the reinsurer or its representative, according to policy provisions, terminate such coverage due to non-payment of premium;
e. The Employer has fraudulently withheld or willfully neglected to disclose any material information which would have been grounds for the AGA not to have executed this Agreement;
f. The Employer, through its acts, practices, or operations, exposes the AGA to any existing or potential investigation or litigation.

7.04 The Employer may request AGA to continue processing claims for a period of time (continuation period), mutually agreed upon in writing between AGA and the Employer, following the date of termination from this Agreement. Provided AGA agrees to perform claims processing services to the Employer during such continuation period, all terms and provisions of this Agreement will continue to apply in full force and effect for the duration of such period except that

in lieu of the termination provision shown above in Section Seven, this Agreement will terminate at the end of the elected time period. An administrative fee shall be charged by AGA to the Employer based upon the total number of Covered Employees enrolled on the first day of the termination month, and shall be paid in advance for services rendered during such period. Such fee shall be based on the fees shown on the Fee Schedule.

Section Eight: Ancillary Services

8.01 Utilization Review Election – If the Employer elects to have AGA assist with the following services with respect to Utilization Review (UR), the fee for such services will be shown on the Fee Schedule. Employer agrees that AGA will provide assistance coordinating and implementing UR services, and agrees to pay to AGA the fees noted in the Fee Schedule for the UR services. AGA will submit payment on behalf of the Employer to the vendor and/or other applicable entity for the UR services. Employer acknowledges that all costs associated with UR are the Employer's responsibility and that AGA has no liability or obligation to the Plan, Employer or Plan Participant for UR services other than those required of AGA in the discharge of its usual duties under the terms of this Agreement.

8.02 Large Case Management – In an effort to encourage the cost-effective expenditure of Plan benefits by prudent and reasonable use of health care facilities and health care service providers without adversely affecting the quality of medical services rendered to Plan Participants, case management may be implemented in those instances deemed appropriate by the Employer. AGA will inform the Employer of situations in which case management implementation may prove cost effective for the Plan. Upon Employer's authorization to implement case management, Employer agrees that AGA will then select a professionally capable Case Management Firm to perform such case management services on behalf of the Plan. Employer agrees AGA may use of the services of the Director of Medical Management for Marketing Diversified Services, Inc. to manage large case management.

8.03 Hospital Audits – Upon AGA's receipt of a hospital bill in excess of $20,000, AGA, at its discretion, will arrange the performance of a preliminary pre-screening of such bill to determine the possible need for an audit of hospital charges. AGA will contact the Employer and request authorization to proceed with the implementation of hospital audit procedures in those instances where the preliminary pre-screening indicates the need for such an audit. Employer agrees AGA may use the services of the Director of Medical Management for Marketing Diversified Services, Inc. to pre-screen and identify the need for possible audits of hospital charges. If such authorization is obtained, AGA will select a professionally capable Hospital Bill Review Firm to perform such audit on behalf of the Plan. Employer agrees to assume the responsibility for the payment of hospital audit expenses.

8.04 Preferred Provider Organization Election – If the Employer elects the use of a Preferred Provider Organization (PPO), Employer agrees that AGA will provide assistance coordinating and implementing PPO services, and agrees to pay AGA the fees for providing said services as set forth in the Fee Schedule. AGA will submit payment on behalf of the Employer to the vendor and/or other applicable entity. Employer acknowledges that the costs associated with providing a PPO are the Employer's responsibility.

8.05 For those Employers electing to establish a Trust Agreement, as indicated in Section Three, procure legal and banking services for the Employer. A separate fee for these services will be payable by the Employer to AGA, as shown on the Fee Schedule. AGA will submit payment on behalf of the Employer to the appropriate vendors. Employer acknowledges that the costs associated with the Trust Agreement are the Employer's responsibility.

8.06 If requested and agreed upon by the Employer, provide and mail certificates of Creditable Coverage to Covered Persons and former Covered Persons, as required under HIPAA, from information supplied by the Employer. Employer is responsible for the payment of such fees as indicated on the Fee Schedule.

8.07 Any other services requested by the Employer and agreed to by the AGA will be noted on the Fee Schedule.

Section Nine: Relationship with Insurer/Insured Products (where applicable)

9.01 To the extent AGA administers any products provided by an insurer, AGA shall provide to all insured persons written notice (approved by the insurer) describing any written agreement between AGA and the insurer as well as written notice to said insured persons advising them of the relationship between AGA, the policyholder and the insurer. AGA shall not use any advertising for any insured product without the consent of the insurer and shall promptly return to the insurer all policies, certificates, booklets, termination notices or other written communications issued by the insurer upon written demand by the insurer. All premiums or charges related to any insured product billed or collected by AGA

shall separately state premiums or charges paid to an insurer. Additional charges may not be made for a service to the extent that the charge for the service has been paid by the insurer. An insurer that uses the services of AGA has the sole responsibility for the competent administration of benefit programs provided by the insurer. If the AGA administers benefits for more than one hundred (100) covered individuals on behalf of the insurer, the insurer shall, not less than semiannually, review the operations of the AGA. At least one (1) of the semiannual reviews must be an onsite audit of the operations of the AGA. AGA may not enter into an agreement or understanding with an insurer if the effect of the agreement or understanding is to make the amount of a commission, fee, or charge that is payable to the AGA contingent on savings effected in the adjustment, settlement, and payment of losses covered by the insurer's obligations. AGA is not precluded from receiving performance-based compensation for providing hospital auditing services or other auditing services.

9.02 Additionally, to the extent AGA administers any products provided by an insurer, AGA shall:

a. provide a written agreement between the AGA and insurer which will include a statement of functions that the AGA will perform on behalf of the insurer, specify the lines, classes, or types of coverage that the AGA is authorized to administer on behalf of the insurer, contain provisions concerning the standard of underwriting required by the insurer, and be retained by both parties as part of their official records of not less than five (5) years after termination of the agreement;
b. acknowledge AGA or insurer may, with written notice, terminate a written agreement for cause as provided in the written agreement;
c. agree where insurer uses the services of a AGA, the insurer is responsible for determining the benefits, premium rates, underwriting criteria, claims payment procedures that apply to coverage and securing reinsurance;
d. disclose to the insurer charges, fees, and commissions received by the AGA in connection with the provision of administrative services for the insurer, including fees or commissions paid by insurers that provide reinsurance;
e. in situations where a policy is issued to a trustee, provide a copy of the trust agreement and all amendments to it must be furnished by the AGA to the insurer with which the AGA has a written agreement and retain as part of the official records of the AGA for a period of not less than five (5) years after the termination of the trust;

Section Ten: Miscellaneous

10.01 This Agreement, including any Exhibits, represents the entire agreement between the parties, and any modification of this Agreement shall not be binding upon either party unless said modification is expressed in writing and executed by authorized officers of both parties. This Agreement supersedes all previous agreements between the parties concerning the subject matter hereof. There are no oral or written promises, undertakings or agreements of any nature whatever between the parties that are not contained within.

10.02 Each paragraph and provision of this Agreement is severable from the Agreement, and if one provision or a part thereof is rendered invalid, illegal or unenforceable, the remaining provisions shall nevertheless remain in full force and effect and this Agreement shall be construed as if such invalid, illegal or unenforceable provision(s) were omitted.

10.03 Failure by the Employer or AGA to insist upon compliance with any provision of this Agreement at any time or under any given set of circumstances shall not operate to waive or modify such provision or in any manner render it unenforceable, as to any other time or as to any other occurrence, whether circumstances are, or are not, the same. No waiver of any of the terms and conditions of this Agreement shall be valid or of any force or effect unless contained in a written instrument specifically expressing such waiver and signed by persons duly authorized to sign such a wavier on behalf of both parties.

10.04 In the event that either the Employer or the AGA shall default in the performance of the duties and obligations imposed upon it pursuant to the terms of this Agreement or materially breach any of the provisions contained herein, the non-defaulting Party shall be entitled to terminate this Agreement upon delivery of written notice of such termination to the defaulting Party without prejudice to any other rights or remedies available to such Party by reason of the default or breach.

10.05 To the extent not pre-empted by ERISA, this Agreement shall be governed and interpreted in accordance with the laws of the State of Indiana.

10.06 Employer acknowledges that certain individuals employed by the AGA may perform duties for and be compensated by the reinsurer or its managing general underwriter (MGU). However, under no circumstances shall AGA's employee(s) participate in any decision regarding reimbursement by the reinsurer to the Plan and shall not be a member of any claims committee that makes such decisions.

10.07 Employer or its representative may periodically inspect and audit all relevant documents, books, and records of AGA pertaining to its administration of the Plan at mutually agreeable times during the term of this Agreement. If the Employer request copies of records maintained by AGA on Employees behalf, AGA may assess an additional fee to cover the cost of copying or providing said documents, books, and/or records.

10.08 No third party to this Agreement shall gain any rights due to this Agreement or be able to enforce any provision of this Agreement.

10.09All notices required or permitted to be given to AGA under this Agreement shall be in writing, sent by certified mail, return receipt requested, postage prepaid, addressed to the office at:

Automated Group Administration, Inc.
7650 Westfield Drive
Fort Wayne, IN 46825

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on their behalf by their duly authorized representatives' signatures.

City of Fort Wayne

BY: Laura Townsend

PRINTED NAME: Laura Townsend

TITLE: Employee Benefits Manager

DATE: 1-4-11

AGA (Automated Group Administration, Inc.)

BY: Patton Cox

PRINTED NAME: PATTON Cox

TITLE: VP + CMO

DATE: 1-4-11

APPENDIX A
AUTOMATED GROUP ADMINISTRATION, INC.
FEE SCHEDULE

Attached to and made part of the Administrative Services Agreement between AGA and City of Fort Wayne, "Employer". The Employer and AGA hereby agree to the compensation schedules set forth below as being the direct compensation to AGA for any of its services which relate to the Plan. Fees shall be invoiced monthly and shall be payable upon receipt.

AGA Fees {monthly administration fee per Covered Employee per Month (**PEPM**) for the following}:

	PEPM
Medical	$12.50
Dental	$ 2.25
Drug Card	$ .50

Other Fees:

$ 10.75 PEPM for UR and PPO access to Signature Care, Lutheran Preferred, Evolutions Healthcare Systems, Three Rivers Medical Management, Health Plan Services, Heart Product and Out-Patient Surgery/Therapy Precert.

Employer to pay the booklet fees plus shipping per Summary Plan Description booklet printed. AGA reserves the right to charge for mid-year plan changes requested by the Employer. At termination of this Agreement and at the request by the Employer for records transfer, a final fee for forwarding records will be determined.

At termination of this Agreement, at the Employer's request, AGA agrees to continue services, as indicated in Section 7.01 of the Agreement, at the same fees shown in the Fee Schedule, or its proposed renewal fees if termination occurs on or after the renewal date of this Agreement, for a period of three (3) months. The fees, consisting of the AGA Fees and Other Fees, as applicable, on a PEPM fee times the number of Covered Employees based upon the greater of the average number of Covered Employees for the three (3) months immediately prior to the effective date of termination or the last month's number of Covered Employees immediately prior to the effective date of termination. These fees will continue for three (3) months after termination of this Agreement.

IN WITNESS THEREOF, the PLAN ADMINISTRATOR and AGA have executed this Schedule effective January 1, 2011.

City of Fort Wayne

By: Laura Townsend

Title: Employee Benefits Mngr.

Attest: William L. Hesler

Automated Group Administration, Inc.

By: Paxton Cox

Title: VP + CMO

Attest: William L. Hesler

Marketing Diversified Services, Inc.
7605 Westfield Drive
Fort Wayne, IN 46825

CITY OF FORT WAYNE

PLAN DISCLOSURE NOTICE

Federal law requires the following disclosure to and acknowledgement by a plan fiduciary. The following named agent or agents will receive a compensation equal to the following fees and/or percentages of premiums. Marketing Diversified Services, Inc. receives compensation for placing stop loss insurance, actuarial consulting, benefit and claim review, plan analysis review and assistance in enrollment and employee meetings. The compensation for these services is $.75 per employee per month.

AGENTS NAME: John Ryan

Compensation for	**Compensation Paid**
Specific Excess Loss Insurance	10%
Aggregate Excess Loss Insurance	10%
Self Funded Amount	0%

1-4-11
Date

Laura Townsend
Print Name of Plan Fiduciary

Laura Townsend
Signature of Plan Fiduciary

Employee Benefits Mgr.
Title of Plan Fiduciary