

ADDENDUM A-1

DEBIT CARD SERVICES

Employer's execution of the Services Agreement and selection of the Debit Card indicates Employer's agreement to the following terms:

1. **Definitions.**

- A. Card. The card which is issued to Employees and which is presented to an Eligible VISA ® merchant as payment for Qualified Expenses.
- B. Cardholder Agreement. The Cardholder Agreement entered into between Bank and each Employee who is issued a Card.
- C. Eligible VISA ® Merchant. A merchant authorized to accept the Card for goods or services that are Qualified Expenses.
- D. Flex Accounts. Subaccounts, the funds in which are at all times owned by the Employer, which are administratively maintained for Employees who have enrolled in a Plan for payment of Qualified Expenses and which reflect the Employee's participation in the applicable Plan or Plans.
- E. Group Flex Account. The account that holds all the funds for Employer's Plan, the funds of which are at all times owned by the Employer, and are used to pay Qualified Expenses and settle debit card transactions.
- F. Plan. A plan sponsored by Employer, including but not limited to plans allowed by Internal Revenue Code Section 125 Cafeteria Plans, Section 129 Dependent Care Assistance Accounts, Section 137 Adoption Assistance Accounts, Section 105 health Reimbursement Arrangements, and/or Section 132 Qualified Transportation Plans.
- G. Program. The Card program obtained through CBIZ pursuant to which Employees may access funds in the Flex Accounts by use of a Card at Eligible VISA ® Merchants for payment of Qualified Expenses.
- H. Program Websites. Internet websites which provide services relating to the Program for Employer and for its Employees.
- I. Qualified Expenses. Expenses which are eligible for payment or reimbursement to the Employee under the applicable Plan.
- J. Transaction. Card transactions which access Flex Account(s) pursuant to the Cardholder Agreement.
- K. Unqualified Expenses. Expenses which are not eligible for payment or reimbursement to the Employee under the applicable Plan.

2. **The Program.** Employer's Plan(s) permit it to set aside certain pretax amounts into Flex Accounts for each employee. The Debit Program (the "Program") permits Employees in a Plan to use a VISA ® Debit Card (the "Card") for payment of Qualified Expenses. A card will be issued to an Employee and his/her spouse upon enrollment by the Employee in the Program. Each Card will be accompanied by and subject to a Cardholder Agreement between the Bank issuing the card and the Cardholder. The employee must affirmatively elect to activate the Card before use.

3. **Employer Responsibilities.** Employer is responsible for the following:

- A. Funding. Employer will fund the Group Flex Account. Employer authorizes CBIZ to withdraw funds from its Group Flex account(s) from time to time to pay Qualified Expenses and settle VISA ® card transactions. All funds in the accounts are owned by Employer and not by any Employee. Employer's obligation to make payment for all Transactions is absolute and unconditional and not subject to offset, counterclaims or other defense.
- B. Notification. Employer must notify CBIZ immediately if a Card is lost or stolen or Employer is told or suspects that a Card has been used fraudulently. If Employer does not notify CBIZ, Employer is responsible for all charges incurred using the lost or stolen Card or further fraudulent use. Employer must notify CBIZ immediately when an Employee ceases to be employed by Employer. If Employer does not report that change, Employer is responsible for any use of the Employee's Card that occurs following termination of the Employee's employment.

4. **Unauthorized Use of Cards.** The Employer shall be responsible for any unauthorized use of a Card and will reimburse the Group Flex Account for such unauthorized use unless the Employee to whom the Card was issued did not report the Card as lost, stolen or used without the Employee's authorization within thirty (30) days after information concerning the unauthorized use of the Card is available to the Employee on the Program Website or by telephone or electronic email. In the event the Employee fails to report the card as lost, stolen or used without the employee's authorization, the Employee shall be responsible for reimbursing the Group Flex Account for the unauthorized use.
5. **Suspension/Cancellation of Cards.** Cards may be suspended or cancelled at any time in the discretion of Employer, the bank or CBIZ.
6. **Limitation of Liability.** In no event shall any person be liable for loss of goodwill or for special, indirect, consequential or incidental damages arising from Employer's or any Employee's participation in the Program or the provision of the Program to Employer, regardless whether such claim arises in tort or in contract. CBIZ's liability for any breach of this Agreement shall be limited to the amount of fees paid by Employer to CBIZ for the prior six (6) months immediately preceding the month in which the event occurred that gave rise to the damages.
7. **Authorization for Transactions.** Each time a Card is used, the Transaction is sorted into a Flex Account based on information about the type of VISA[®] Merchant that accepted the Card. The Card can be used only at certain types of merchants, as approved in IRS rulings and regulations as amended from time to time or as otherwise authorized by Employer. An "authorization" through the VISA[®] system is required for processing of most Transactions. When an authorization is required, the authorization will be granted for a proposed Transaction only if there are funds available to the Employee in the Flex Account being accessed. Authorization may be denied if the Transaction amount exceeds available funds in the applicable Flex Account, if Bank or CBIZ believes that the proposed Transaction is not for a Qualified Expense, or if the Transaction limits for single Transaction or if outstanding Transactions are exceeded. Transaction limits are established from time to time and implemented by Bank for security purposes.
8. **Funding of Transactions.** Each day, Bank will settle for all Transactions through the VISA[®] system. CBIZ will reimburse the Bank for the settled Transactions each day. Settled Transactions initiated by Employer's Employees will be deducted that day from the balances that have been deposited on Employer's behalf in the Group Flex Account.
9. **Review of Expenses.** The Card may only be used for the payment of Qualified Expenses and all Transactions are subject to review. Some Transactions will be reviewed and adjudicated automatically. For example, Transactions equal to the Employee's office visit co-pay amount generated by a merchant which is a medical practice will be automatically adjudicated, and no further verification will be required. An e-mail will be sent to each Employee no less often than monthly which will direct the Employee to the Website which includes a statement showing all of the Employee's Transactions. The Employee will be requested to review all receipts and reimburse Employer for use of the Card for any amounts that were not for Qualified Expenses. The Employee will be directed to supply receipts for all remaining Transactions that were not adjudicated automatically. CBIZ is responsible for the review of all Transactions to determine if each Transaction was for Qualified Expenses. If not, or if the Employee does not supply suitable receipts, the Employee must reimburse Employer for the amount of the Transaction.

10. **Reimbursement for Non-Qualified Expenses.** At the time of each Employee's enrollment in the Program and in the Cardholder Agreement, the Employee agrees to reimburse Employer for the amount of any Transaction that was not for a Qualified Expense. For Transactions determined by the Employee, Employer or CBIZ to be for non-qualified expense ("NQE"), the Employee will automatically be notified of a balance due on the Program Website and will be sent an email or a direct mail informing him or her of the amount due. If the Employee does not repay Employer, Employer will be responsible for repayment to the Group Flex Account. Employer may, to the extent allowed by applicable law, withhold the amount at issue for the Employee's pay or may bill the Employee. However, Employer is responsible for determining whether applicable law will permit Employer to withhold such amounts and should consult legal counsel concerning such withholding. If the claim still remains outstanding, Employer must offset the amount thereof against future claims under the Plan for which the expense was incurred. Employer must also take action to ensure that further violations do not occur, including denial of access to the Card. In the event the amount cannot be collected from the Employee, Employer must nevertheless pay such amount to the Group Flex Account and treat the amount due as Employer would any other business indebtedness. Employer should consult its tax advisor on how to handle uncollectible accounts.

FEES AND FUNDING

Additional Card Fees

The fee for extra Cards is \$5.00 charged to participant. Additional Cards are available for qualified dependents or as replacements for lost Cards. Extra Cards can be ordered and paid for by employees at the Program Website. Fees for additional Cards will be deducted from the applicable Employee's Flex Account.

Service Charges for Transactions that are NOT Qualified

When the Card is used to pay for items that are not Qualified Expenses ("NQE"), the IRS requires repayment from the employee.

A transaction is considered a NQE when either: (1) CBIZ, Employer or Employee determines that a portion of a Card Transaction is not a Qualified Expense or (2) the Employee does not respond to a request for "receipt verification" by the requested date.

The Service Charge for each Card Transaction that contains a NQE will be \$10.00. The Service Charge will be added to each Card Transaction containing a NQE. This Service Charge will defray the cost of handling each NQE transaction.

The Service Charge for NQE Transactions will be paid from an employee's Flex Account if the balance therein is sufficient. If not, the amount of the Service Charge will be added to the NQE balance. Payment of NQE Service Charges may be remitted by Employee through the Program Website. The Program Website will be used for "e-check" and credit card remittances.

If the Employee does not repay an amount due (NQE plus related Service Charge) by the requested deadline, the Card will be suspended and the amount due will be collected from the Employer. The IRS requires that this debt be collected by the Employer from the Employee and, in general, handled like any other indebtedness between an Employer and its Employee. The Employer may request CBIZ to reinstate the Card when the indebtedness is resolved.