



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: 09/01/15

or Procurement Director Award

Contractor/Vendor Name (DBA): Webster Bank, N.A. dba HSA Bank

Project Title/Description:

Employer Benefit Plan and Health Savings Account Services

Purpose:

Amendment of Award: Replace Contract CT-HR-13*507 with Master Agreement MA-PO-16-008, Version 01, Amendment #03

This Amendment is required to retroactively extend the award of contract CT-HR-13*507 to JP Morgan Chase Bank, N.A. for the period 07/01/09 through 06/30/16; assign all rights, duties and obligations from JP Morgan Chase, N.A. to Webster Bank, N.A. dba HSA Bank via MA -PO-16-008 effective 01/13/15; and increase the contract amount by \$329,633.80 from \$250,000.00 to a cumulative contract amount of \$579,633.80. Annually Human Resources will review and request appropriate amendments of the contract term and amount.

Administering Department: Human Resources

Procurement Method:

Contract CT-HR-13*507 with JP Morgan Chase Bank, N.A. to provide administrative and depository services associated with Health Savings Accounts (HSA) and serve as the legal custodian of HSA for covered individuals under the County's Health Benefit Plan was awarded by the Procurement Director pursuant to a Limited Competition process as prescribed by Pima County Code 11.12.060 - Emergency and other Limited Competition Procurement in the amount of \$250,000.00 for an initial one-year period effective 07/01/08 and included (4) annual renewal options. As of August 17, 2015 the contract has a zero balance and actual contract payments exceed the initial award amount by \$264,115.30. No annual amendments to renew the contract have been executed.

BACKGROUND

The Human resources Department has determined that continuation of this contract with HSA Bank is in the best interests of Pima County.

Effective September 01, 2011, payments to JP Morgan Chase exceeded the \$250,000.00 original award amount by \$264,115.30. This retroactive amendment of award is required to extend the initial contract term to 6/30/16, add funding to the contract and acquire approval of \$264,115.30 of payments made to Chase that exceed the initial award amount, and to add funding to the contract in the amount of \$65,518.50 for services anticipated to be rendered through 6/30/16. The total amount of additional contract funding requested is \$329,633.80.

On January 13, 2015, Webster Bank, N.A finalized an agreement with JP Morgan Chase, N.A., to purchase JP Morgan's Health Savings Account (HSA) business. This amendment of award pursuant to Article 6.3 Assignment of the contract assigns all rights, duties and obligations under this agreement from JP Morgan Chase, N.A., to Webster Bank, N.A. dba HSA Bank.

Attached Documents: MA16*008, Original contract documents, amendments 01, 02, and 03

Program Goals/Predicted Outcomes:

Continuity of services at same cost for both County and Covered Individuals.

Public Benefit:

Cost effective services for both the County and Covered Individuals.

Metrics Available to Measure Performance:

Effectively and securely maintain all Pima County employees' Health Savings Accounts.

Retroactive:

Yes. Amendments for annual renewals and additional funding were not processed.

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ _____ Revenue Amount: \$ _____

Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 16-008

Amendment No.: 03 AMS Version No.: 01

Effective Date: 01/13/15 New Termination Date: 06/30/16

Expense Revenue Increase Decrease Amount This Amendment: \$329,633.80

Funding Source(s): Self-Insurance Trust Fund

Cost to Pima County General Fund: \$329,633.80

Contact: Jennifer Moore, CPPB, Commodity Contracts Office *[Signature]* 8/25/15

Department: Procurement *[Signature]* 8/25/15 Telephone: 520.724.8164

Department Director Signature/Date: _____

Deputy County Administrator Signature/Date: *[Signature]* 8-26-15

County Administrator Signature/Date: *[Signature]* 8/26/15
(Required for Board Agenda/Addendum Items)



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES CONTRACT EXECUTION

Master Agreement No: 16000000000000000008

MA Version: 1

Page: 1

Description: Health Savings Account Services Agreement

I S S U E R	<p>Pima County Procurement Department 130 W. Congress St. 3rd Fl Tucson AZ 85701</p> <p>Issued By: JENNIFER MOORE Phone: 5207248164 Email: jennifer.moore@pima.gov</p>
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T E R M S	<p>Initiation Date: 01-13-2015 Expiration Date: 06-30-2016</p> <p>NTE Amount: \$65,518.50 Used Amount: \$0.00</p>
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V E N D O R	<p>HSA BANK A DIVISION OF WEBSTER BANK</p> <p>605 N 8TH STREET SUITE 320 SHEBOYGAN WI 53081-0939</p>	<p>Contact: Shelly Meyer Phone: 920-803-4235 Email: smeyer@hsabank.com Terms: 0.0000 % Days: 30</p>
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Shipping Method:	Vendor Method
Delivery Type:	STANDARD GROUND
FOB:	FOB Dest, Freight Prepaid
Modification Reason	
<p>This Master Agreement is issued pursuant to an Amendment of Award by the Pima County Board of Supervisors 09/01/15. This MA assigns CT 13*507 to HSA Bank effective on the date of assumption 01/13/15. Amendment 03 adds \$329,633.80 of which \$264,115.30 was initially spent on CT-HR-13-507. This MA 16*08 not-to-exceed amount will be limited to \$65,518.50 for the period 09/01/15 - 06/30/15.</p>	

This Master Agreement incorporates the attached documents, and by reference all instructions, Standard Terms and Conditions, Special Terms and Conditions, and requirements that are included in or referenced by the solicitation documents used to establish this agreement. All Transactions and conduct are required to conform to these documents.

Number of Attachments: 0

Attachment Names:



MASTER AGREEMENT DETAILS

Master Agreement No: 16000000000000000008

MA Version: 1

Page: 2

Line Description

Line	Description	UOM	Unit Price	Stock Code	VPN	MPN
1	Monthly Maintenance Fee per Account					
	Discount	EA	\$1.55			
	0.0000 %					

In addition, for notices to Bank, a mandatory copy, but such copy shall not be sufficient in itself to constitute notice, shall be sent to:

Webster Bank, National Association
145 Bank Street
Waterbury, CT 06702
Attn: General Counsel

FROM:

If to Employer:
Pima County
Attention: Gayl Hayes
150 W. Congress, 4th Floor
Tucson, AZ 85701

TO:

If to Employer
Pima County Human Resources Department
Attention: Human Resources Director
150 W. Congress, 4th Floor
Tucson, AZ 85701

DELETE: Exhibit A.1 – Schedule of Fees to the Health Savings Account Service Appendix, as incorporated by the agreement, and **REPLACE** with Exhibit A.2 Schedule of Fees to the Health Savings Account Service Appendix as attached to this Amendment.

ADD: Exhibit C - Participant HSA Fee and Interest Schedule (2 Pages). It shall be the responsibility of the Bank to distribute such to Account Holders.

CONTINUED

EFFECT:

Except to the extent amended hereby, all provisions and conditions of the Contract shall continue in effect as Pima County Employee Benefit Plan and HSA Services Agreement (Master Agreement MA-PO-160000000000000008) and shall remain enforceable and binding in accordance with the terms.

(Master Agreement MA-PO-160000000000000008 shall be amended annually for the review of funds required for Administrative Fees pertaining to that annual period.)

The language and numbers in parentheses are for reference by Pima County only.

The effective date of this amendment shall be January 13, 2015.

The remainder of this page is intentionally left blank.

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

IN WITNESS WHEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

APPROVED:

Chair, Board of Supervisors

Date

CONTRACTOR:

HSA Bank, a division of Webster Bank NA

Charlotte Kienbaum SUP
Signature

Charlotte E Kienbaum SUP Director of Ops
Name and Title (Please Print)

8/17/15
Date

ATTEST

Clerk of Board

APPROVED AS TO FORM:

[Signature]
Tobin Rosen, Deputy County Attorney

8/25/15
Date

APPROVED AS TO CONTENT

[Signature]
Department Head

8/24/15
Date

Exhibit A.2 - Schedule of Fees
HSA SERVICE AGREEMENT
Health Savings Account Service Appendix

Fees Paid by Employer - Administrative Services: Not to Exceed Annually \$ 70,680.00

Standard HSA Employer Fees	Fee	Notes
Monthly Program Fee	Waived	Covers employer administration capabilities, including comprehensive account management and client service suite.
Monthly Maintenance Fee/Account*	\$ 1.55	Covers all aspects of participant account administration, including Cash Account and Investment Account.
Monthly Minimum Maintenance Fee	No Charge	Minimum Charge applied if number of eligible accounts is less than 100
Optional Fees		
Enrollment		
Account Set-up Fee (Online or Batch)	No Charge	
Paper Application Fee*	\$ 20.00	
Online Enrollment Customization	\$ 3,000.00	
Onsite Employee Meeting Support	\$ 2,000.00	Per day, does not include travel expenses.
Funding		
ACH Returns	\$ 10.00	Per Transaction Charge. Part of Enrollment & Funding Error Charges
Wire		
Standard Transaction	\$ 5.00	
Exceptions	\$ 30.00	
Check & Paylist	Not Available	Check to lockbox for reserve account funding only. No paylist
Reversals/Corrections/Contribution Redesignations	\$ 10.00	Per Transaction charge. Part of Enrollment & Funding Error Charges
Individual ACH Credit from Employer	No Charge	
Repetitive Individual ACH Debit	No Charge	
Maintenance		
Manual Updates	\$ 10.00	Per Transaction charge. Part of Enrollment & Funding Error Charges
Reporting		
Standard Reporting Package	No Charge	
Card Stock		
Standard Card	No Charge	Replaced at no charge every three years
Custom Card Ultra graphic Logo	\$ 2,000.00	Minimum charge. To be priced based on volume.
Marketing & Communications		
Standard Adoption Kit	No Charge	Assumes distribution via PDF.
Customization of Adoption Kit	\$ 2,500.00	Minimum Charge. To be priced based on volume.
Printing of Adoption Kit	TBD	Pricing can be provided for print costs
Welcome Kits		
Fulfillment Customization & Branding	\$ 2,500.00	Black & White Only
Website		
Standard	No Charge	
Custom Branding	\$ 5,000.00	
Maintenance (for custom branding)	\$ 2,000.00	Per build.
Training		
Enrollment Season Support*	\$ 2,000.00	Per day, does not include travel expenses. Contractor will onsite support for a single 2-3 day window during each annual enrollment period. Contractor will host ten (10) training webinars annually to support Annual enrollment
Onsite Training	\$ 2,000.00	Per day, does not include travel expenses. 1 day
Investments		
Custom Slate	TBD	Pricing TBD based on client requirements.
Statements		
Custom Logo on statement	\$ 2,000.00	One-time set-up fee.
Custom phone # on statement	\$ 2,000.00	One-time set-up fee.

*Default is paid by Employer. Can be paid by Employee.

Exhibit A.2 - Schedule of Fees
Employer Benefit Plan and HSA Services Agreement
Health Savings Account Service Appendix

Fees Paid by HSA Account Holder

Participant Fee Schedule

Cardholder Fees	Fees	Notes
Monthly Maintenance Fee /Account*	\$ 1.55	Cobra:Covers comprehensive account management and client service suite for employer
Monthly Maintenance Fee /Account	Waived	If paid by employer
Paper Application Fee*	\$ 20.00	Per application
<u>Card Transactions</u>		
ATM withdrawal - Domestic	No Charge	
ATM Withdrawal - International	No Charge	
ATM Balance Inquiries	No Charge	
Denials	No Charge	
Signature POS Trans - Domestic	No Charge	
Pin POS Transaction - Domestic	No Charge	
Signature POS Trans - International	No Charge	
Pin POS Transaction - International	No Charge	
Cash Advances	\$ 10.00	
Card Replacement (Lost/Stolen)	\$ 12.00	
Expedited Card Replacement	\$ 10.00	
Additional Card	\$ 2.50	2 free cards for each account
<u>Checks (optional)</u>		
Check writing	No Charge	
Check book	\$ 10.65	Book of 50 checks. Includes Tax
Non-Sufficient Funds	\$ 20.00	
Lost Checkbook	\$ 30.00	
Stop Check Service (one check)	\$ 10.00	
Duplicate Check	\$ 10.00	
<u>Funding</u>		
Returned deposit or EFT	\$ 10.00	
<u>Rollout/Account Closure</u>		
Check Issuance (for Acct Closure)	No Charge	
<u>Additional</u>		
Return of Excess Contr/Mist Contribute/Distrib	\$ 20.00	
Copy of Tax Statement	No Charge	
Online Statement	No Charge	
Copy of Paper Statement by Mail	\$ 1.00	Available online at no charge
<u>Investments</u>		
<u>Monthly Maintenance Fee/Account*</u>	No Charge	
Trading Online	No Charge	
Broker assisted trades (per call)	\$ 10.00	

Exhibit C Participant HSA Fee and Interest Schedule

Health Savings Account Fee and Interest Schedule

Effective as of June 1, 2015



HSA Bank wants you to understand the fees associated with your Health Savings Account (HSA). For details regarding the general terms and conditions that apply to your HSA, see the Deposit Account Agreement and Disclosures for Health Savings Accounts.

Standard Fee¹

Description	Amount
HSA Service Fee (Monthly Account Maintenance Fee) ²	No charge to your account. Your employer covers this fee.

Service Fees¹

Description	Amount	How to Avoid Fee
Debit Card Issuance Fee	\$2.50	We do not charge for the first two Health Benefits Debit Cards on your account.
HSA Returned Item Fee ³	\$10.00	Check your available account balance online before you withdraw funds.
HSA Checkbook Order Fee (50 checks)	\$10.65	Use your Health Benefits Debit Card or online transfers to access your funds.
Printed HSA Account Summary Fee	\$1.00	Elect to receive free e-statements through Internet Banking.
HSA Check Distribution Fee	\$20.00	Use online transfers, through Internet Banking, to access your funds.

Investment Account

You have the option to invest in mutual funds. Your investment application can be completed through the HSA Bank member website.

Investment accounts are not FDIC insured and they are not bank guaranteed. Investment accounts are not a deposit account, or an obligation of HSA Bank, and they may lose value. They are not guaranteed by any federal government agency.

Minimum Account Balance and How We Determine the Interest Rate

There is no minimum account balance required to open a health savings account or to obtain the annual percentage yield disclosed. We use the daily balance method to calculate the interest on your account. The daily balance method applies a daily periodic rate to the principal in the account each day. Interest is compounded monthly and credited monthly. Interest begins to accrue no later than the business day that we receive credit for the deposit of non-cash items (for example, checks). The interest rate and annual percentage yield (APY) is based on the balance in your account. The interest rate and annual percentage yield available on your account is as follows, effective as of June 1, 2015.

Daily Balance	Interest Rate	APY
\$0.01 or more	0.40%	0.40%

This interest rate is subject to change at our discretion at any time. Fees may reduce your earnings.

¹ You may incur a lesser fee than that disclosed to you when your account has insufficient funds to cover the entire amount of the fee.

² If your employment status changes, your HSA Service Fee may change.

³ Distributions from your Health Savings Account presented in the form of checks, ACH withdrawals or other electronic means will be returned unpaid if there are insufficient funds in your account to cover the amount of the withdrawal, and you will be charged a returned item fee.

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CONTRACT	
NO.	<u>11-26-J-140841-0708</u>
AMENDMENT NO	_____
This number must be used on all invoices, contracts and documents related to this contract.	

JPMORGAN CHASE BANK, N.A.

EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT

**JPMORGAN CHASE BANK, N.A. EMPLOYER BENEFIT PLAN
AND
HSA SERVICES AGREEMENT**

Pima County ("Employer") has asked JPMorgan Chase Bank, National Association ("Bank") to provide administrative services ("Services") for certain employee benefit plans ("Benefit Plans") and Health Savings Account ("HSA") arrangements as described in this Employer Benefit Plan and HSA Services Agreement ("Agreement"). In consideration of the mutual promises contained in this Agreement, Employer and Bank agree as follows:

ARTICLE I. INTRODUCTION

1.1 Effective Date and Term

The effective date of this Agreement is July 1, 2008 ("Effective Date"), and this Agreement will continue until such time as this Agreement is terminated as set forth herein. Each Appendix attached hereto (each, a "Service Appendix") is incorporated into by reference and made a part of this Agreement. A Service Appendix may have a later effective date than this Agreement to the extent that Employer and Bank agree to the terms set forth in the Service Appendix after the Effective Date of this Agreement. The responsibilities of the parties set forth in the Service Appendices are in addition to any responsibilities set forth in this Agreement. If there is a conflict between the Service Appendices and this Agreement, the Agreement controls.

1.2 Scope of Undertaking-Generally

Employer understands that Bank is and will remain an independent contractor and will not be deemed an employee of Employer, a partner or engaged in a joint venture with Employer, or governed by any legal relationship other than that of independent contractor. Bank's only obligation under this Agreement is to the Employer and nothing under this Agreement shall be deemed to confer any responsibility on Bank to any person covered under the Benefit Plans ("Covered Individual") or any employee of Employer who is enrolled in an HSA ("HSA Account Holder"). Employer acknowledges that Bank is not an accounting or law firm and no services provided by Bank in accordance with this Agreement will be construed as tax or

legal advice as a result of providing such services. This Agreement sets forth certain rights and obligations of Employer and Bank and the terms of this Agreement shall apply to any assignee or successor of Employer and/or Bank.

ARTICLE II. EMPLOYER RESPONSIBILITIES

Employer will be responsible for the items described in this **Article II** and any additional items described in the Service Appendices attached hereto.

2.1 Employer's Responsibilities

Employer has sole responsibility for the establishment and operation of the Benefit Plans. Employer shall have sole discretionary authority and responsibility for construing and interpreting the provisions of the Benefit Plans and deciding all questions of fact and/or interpretation arising under the Benefit Plans. Employer will not represent to Covered Individuals or to any third party that Bank is the "Plan Administrator" as that term is generally defined in the Employee Retirement Income Security Act of 1974, and the regulations issued thereunder (as amended from time to time, "ERISA") Section 3(16) (without regard to whether ERISA applies or not). It is Employer's sole responsibility and duty to ensure compliance with all applicable laws and regulations, and Bank's provision of Services does not relieve Employer of this obligation. Bank's responsibility under this Agreement is to assist Employer with certain Benefit Plan responsibilities as expressly assumed hereunder. Employer understands that it is Employer's responsibility to pay any fee or

penalty arising from the Benefit Plans that is assessed by the Internal Revenue Service, the Department of Labor, and/or other Federal or State governmental agencies.

2.2 Payments to Bank

(a) In consideration for the Services provided by Bank in accordance with this Agreement, Employer agrees to pay to Bank the applicable Service Charges in accordance with **Article IV** of this Agreement. Notwithstanding any provision herein to the contrary, Employer and Bank intend and agree that any funds submitted by Employer to Bank with respect to any Benefit Plan: (i) are and shall remain the general assets of Employer; (ii) are not "plan assets" within the meaning of ERISA (without regard to whether ERISA applies) and (iii) were never held in an account, fund, or trust bearing the name of a Benefit Plan or any participants or beneficiaries thereof.

(b) Employer further represents and agrees that: (i) neither it nor any of its employees, directors, representatives, fiduciaries, Benefit Plans (or any entity performing services for Employer or such plans), any of its predecessors, successors or assigns have represented or will represent to any Covered Individual that a separate account, fund, or trust is being held on behalf of the Benefit Plans that may be used to provide or secure benefits under the Benefit Plans; and (ii) Except as otherwise agreed between Bank and Employer, Employer shall advise the Covered Individuals of the Benefit Plans that the benefits under the Benefit Plans shall at all times be paid out of the general assets of Employer.

2.3 Information to Bank

Employer will furnish the information determined by Bank to be necessary to satisfy its responsibilities under this Agreement in a format required by Bank. Such information will be provided to Bank in the time and in the method agreed to by Employer and Bank. Bank shall assume that all such information provided to Bank by Employer or a designee of Employer

(e.g., another third party administrator) is complete and accurate and Bank is under no duty to question the completeness or accuracy of such information. Employer understands that Bank cannot perform its duties under this Agreement without complete, accurate and timely information and that Bank shall have no liability to Employer or any Covered Individual or HSA Account Holder as a consequence of incomplete, inaccurate and/or untimely information provided to Bank by Employer, a Covered Individual, an HSA Account Holder or a third party who has provided information to Bank at Employer's request (e.g., a prior or existing service provider). Employer understands that an additional fee may be required if Bank is required to take corrective action as a result of such incomplete, inaccurate or untimely information. Employer shall make its books, records, facilities, systems and personnel relating to its obligations and performance under this Agreement available for review and audit when required by applicable laws or by State or Federal bank or other regulatory authorities with jurisdiction over Bank.

2.4 Indemnification by Employer

Employer shall defend, indemnify and hold Bank and all of its direct and indirect officers, directors, employees, agents, successors and assigns harmless from and against any and all losses, liabilities, damages (including taxes), and all related costs and expenses, including reasonable legal fees and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties (collectively, "**Losses**") due to, arising from or relating to third party claims, demands, actions or threat of action (whether in law, equity or in an alternative proceeding) arising from or relating to its negligent or intentional acts or omissions. The terms of this **Section 2.4** do not apply to the extent of any Losses attributable to Bank's material breach of its obligations under this Agreement, gross negligence or willful misconduct.

2.5 Consent of Covered Individuals and HSA Account Holders

Except as otherwise set forth in this Agreement, Employer is solely responsible for obtaining from Covered Individuals and HSA Account Holders all authorizations or consents required by applicable law that are necessary to perform the Services. Employer understands and acknowledges that Bank is under no obligation to obtain any authorizations or consents or to verify or confirm that Employer has obtained the appropriate authorizations or consents.

ARTICLE III. BANK'S RESPONSIBILITIES

3.1 General

Bank shall make available to Employer the Services described in the Services Appendices attached hereto.

3.2 No Liability for Claims and Expenses

Bank does not insure or underwrite the Benefit Plan liability of Employer and is not financially responsible for the claims payable under and/or expenses incident to the Benefit Plans. Bank has no duty or obligation to defend any legal action or proceeding brought to recover benefits under the Benefit Plans; however, Bank will provide to Employer and/or Employer's legal counsel, upon request and subject to any limitations described in this Agreement or applicable laws, any documentation in Bank's possession that may relate to such claim for benefits and/or expenses.

3.3 Benefit Plan Documents and Forms

Bank may provide Employer with sample documents and forms related to administration of the Benefit Plans for which Bank provides related Services under this Agreement. Such sample documents and forms have been prepared in accordance with the standard of care set forth in Section 3.5. Nevertheless, the

Employer understands and acknowledges that it is the Employer's responsibility, in accordance with Section 2.1 of this Agreement, to ensure that all Benefit Plan documents and forms, including any template or sample documents and forms provided to Employer by Bank in accordance with this Agreement, comply with the applicable laws and regulations.

3.4 Recordkeeping

Bank will maintain usual and customary records in Bank's possession that relate to the Services. Nothing in this Agreement relieves Employer of any duty imposed by law or contract regarding the maintenance of records or from employing adequate audit, accounting and review practices.

3.5 Care and Diligence

Bank shall perform the Services exercising reasonable care and diligence and in a manner that other similarly-situated prudent service providers in the same industry performing the same services would exercise. Bank will not be liable to Employer for actions taken in good faith. Bank shall not be considered in breach of this Agreement if Bank refuses to perform services generally required under this Agreement if the manner in which Employer desires such Services to be performed requires material changes to Bank's existing standard operating procedures or is not in accordance with applicable law.

3.6 Non-Discretionary Duties; Additional Duties

The Services to be performed by Bank under this Agreement shall be ministerial in nature and will generally be performed in accordance with the terms of the Benefit Plans established by the Employer and Bank's standard operating procedures. Bank and Employer may agree to additional duties by amending this Agreement in accordance with Section 6.3.

This is an Official Copy of the Public County Court Records and is to be used only for Public County Court Records.

3.7 Third Party Vendors

Nothing express or implied in this Agreement prohibits Bank from performing the Services itself, through an affiliate or by contracting with a third party contractor to assist Bank in the performance of the Services hereunder including, without limitation, an affiliate or third party contractor located outside of the United States of America. Bank may add or change subcontractors at any time without notice to Employer. Bank shall be responsible for any and all acts and omissions of any affiliate or third party contractor assisting Bank in performing duties under this Agreement to the same extent it is responsible for its own acts and omissions under the terms of this Agreement and pursuant to any applicable laws and regulations.

3.8 Customer Service and Electronic Administrative Services

To the extent set forth in the applicable Service Appendices, Bank may provide certain electronic administrative services. Bank shall not be deemed in default of this Agreement, nor held responsible for, any cessation, interruption or delay in the performance of its obligations to provide such services hereunder due to the causes described in Section 6.12 of this Agreement.

3.9 Electronic Payment Cards

Bank may issue to Covered Individuals and HSA Account Holders a debit card(s) ("Card") as set forth in the applicable Service Appendices. Cards will be subject to an agreement between Bank and the Covered Individual and/or HSA Account Holder, Bank's applicable consumer privacy policy(ies) and other Card-related materials, including instructions for Card activation. All Cards shall identify Bank as the issuer and shall include such other names, logos, service marks and trademarks as Bank may in its sole discretion require.

3.10 Service Documentation

Bank or a third party contractor may provide to Employer certain documentation (written or electronic) related to the Services ("Service Documentation"). All Service Documentation is copyrighted property of Bank or its third party contractors. Employer shall not reproduce, modify, edit or otherwise change the Service Documentation without the prior written consent of Bank unless the foregoing rights are provided for within the applicable Service Documentation. Any Service Documentation provided to Employer in electronic format shall be accompanied by a non-exclusive license solely to reproduce such materials in electronic or paper form; provided, however, that such reproductions shall not be modified, edited, or otherwise changed in any manner without Bank's prior written consent.

3.11 Call Center.

Bank will make available to Employer and Covered Individuals/HSA Account Holders a telephone-based support system (live or Interactive Voice Response (IVR)) in accordance with the applicable Service Documentation.

3.12 Bank Liability.

(a) Bank's liability to Employer shall be solely for actual damages incurred by Employer as a direct result of Bank's breach of its standard of care in providing any Service as set forth in this Agreement. Bank is not liable for any indirect, consequential, exemplary, punitive or special damage, loss, cost or expense of any type or nature including, without limitation, loss of business, profits, goodwill, anticipated savings or the loss or corruption of data, regardless of the form of the action or theory of recovery, and even if Bank has been advised of the possibility of any of the foregoing. Bank will not be liable for any action or non-action taken or not taken as the case may be in connection with Employer's instructions (whether written, oral or otherwise).

ARTICLE IV. COMPENSATION

This is an Official Copy of the Pima County Contract executed and filed with Pima County.

4.1 Service Charges

The applicable charges for the Services performed by Bank in accordance with this Agreement are described in the applicable Service Appendices attached hereto (“**Service Charges**”). Bank may revise the Service Charges at any time and for any reason. Such revised Service Charges will be effective no earlier than 30 days after written notice of such revisions is provided to Employer. Service Charges shall be assessed for any month during which Services are performed. Interest and penalties may be imposed on overdue Services Charges in accordance with **Section 4.2** herein.

4.2 Payment of Charges

All Service Charges are due on the first day of each month that this Agreement is in effect; however, there will be a 30 day grace period after which penalties and interest may begin to accrue with respect to any unpaid Service Charges. Unless otherwise provided in an applicable Service Appendix or otherwise prohibited by applicable laws, Bank shall be entitled to retain amounts in any Employer account established by Employer in connection with this Agreement for outstanding Service Charges.

4.3 Third Party Compensation

As set forth herein and in the Service Appendices, Employer understands and agrees that Bank receives compensation from third parties related to certain Services that it may provide hereunder. Such compensation may include, by way of example but not limitation, interchange revenue related to the use of Cards; interest on Employer funds held to pay Benefit Plan benefits; and payments from mutual fund investment options made available to HSA Account Holders. Although these amounts are not paid directly by Employer, this compensation is in addition to other payments Employer makes to Bank for the Services.

4.4 Use of Deposited Funds

Bank may use funds in any deposit account established with Bank pursuant to this Agreement in the same manner that Bank uses funds in any other deposit account established by Bank other than pursuant to this Agreement.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

Employer represents and warrants that: (a) it has all requisite legal and corporate power to execute and deliver this Agreement and other necessary documentation, (b) it has taken all corporate action necessary for the authorization, execution and delivery of this Agreement and other necessary documentation, (c) it has no agreement or understanding with any third party that interferes with or will interfere with its performance under this Agreement, (d) it has obtained and will maintain all rights, approvals and consents necessary to perform its obligations under this Agreement and other necessary documentation, (e) its performance of its obligations under this Agreement will not violate any law, rule, regulation, judgment, decree or order applicable to Employer, and (f) it has taken all action required to make this Agreement a legal, valid and binding obligation of Employer, enforceable in accordance with its terms.

5.2 Disclaimer

EXCEPT AS SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY OTHER REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS, STATUTORY OR IMPLIED INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE VI. GENERAL PROVISIONS

6.1 Counterparts; Entire Agreement; Severability; Headings

(a) This Agreement may be executed in two or more counterparts (including by facsimile), each of which will be considered an original but all of which together will constitute one agreement.

(b) This Agreement (including the Service Appendices and any other documents specifically incorporated into and made a part of this Agreement) embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof (whether oral, written or otherwise and including requests for proposal and sales-related materials). No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement will affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

(c) If a court declares any term of this Agreement invalid, the same will not affect the validity of any other provision, provided that the basic purposes of this Agreement are achieved.

(d) The headings of Articles, 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.

6.2 Compliance; Non-Waiver

Failure by Employer or Bank 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 6.3**.

6.3 Assignment; Amendment

Employer may assign any rights and duties or delegate any obligations under this Agreement with the prior written consent of Bank. This

Agreement will be binding upon each party's respective successors and permitted assigns. This Agreement and its Service Appendices may be amended only by written agreement of duly authorized officers of each party except as otherwise set forth herein. Notwithstanding the foregoing, Bank may revise this Agreement including, without limitation, the provisions of any Service Schedule(s) without prior notice to comply with legal or regulatory requirements.

6.4 Audits

Employer may, at reasonable times and places audit of the books and records specifically related to Bank's performance of the Benefit Plan-related Services under this Agreement each year, subject to 30 days prior written notice to Bank. Audits must be performed during normal working hours and no such audit may last more than three (3) consecutive business days. An employee or an agent of Employer may perform audits provided such employee or agent signs a confidentiality agreement provided by Bank. Each party agrees to provide reasonable assistance and information to the auditors. Employer acknowledges and agrees that if it requests an audit, it will reimburse Bank for all of Bank's reasonable expenses, including copying and labor costs, in assisting Employer to perform the audit.

6.5 Non-Disclosure of Proprietary Information

Employer and Bank each acknowledge that as a result of entering into this Agreement, each party has and will continue to reveal and disclose to the other information that is proprietary or confidential of such party. Employer and Bank agree that each party will: (a) keep such proprietary or confidential information of the other party in strict confidence; (b) not disclose confidential information of the other party to any third parties or to any of its employees not having a legitimate need to know such information; and (c) will not use confidential information of the other party for any purpose not directly related to and necessary for the performance of its

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Courtroom, located at 1000 Main Street, Denver, CO 80202

obligations under this Agreement, and Service Appendices (unless required to do so by a court of competent jurisdiction or a regulatory body having authority to require such disclosure). The receiving party will use the same care and discretion to avoid disclosure, publication or dissemination of any confidential information received from the disclosing party as it uses with its own similar information that it does not wish to disclose, publish or disseminate (but in no event less than a reasonable degree of care). For purposes of this Agreement, confidential information is any information that is not generally known to the public and at the time of disclosure is identified as, or would reasonably be understood to be, confidential and/or proprietary (or words of similar import) including, but not limited to, the parties' respective businesses or finances. The obligations set forth in this Section 6.5 do not apply to any information that the receiving party can demonstrate: (i) the receiving party possessed prior to disclosure by the disclosing party, without an obligation of confidentiality; (ii) is or becomes publicly available without breach of this Agreement by or fault or negligence of the receiving party; (iii) is or was independently developed by the receiving party without the use of any confidential information of the disclosing party; (iv) is or was received by the receiving party from a third party that does not have an obligation of confidentiality to the disclosing party; or (v) was approved for disclosure through a writing signed by the disclosing party prior to such disclosure. It shall not be considered a breach of this Agreement if Bank discloses any information obtained in the course of performing its duties under this Agreement and the Service Appendices as required by applicable law. The terms and conditions of this Section 6.5 shall survive the termination of this Agreement.

6.6 Disclosure of Individually Identifiable Information

(a) If, in the future, the parties agree that Bank will provide Employer Benefit Plan Services to Employer, the parties will negotiate terms and conditions covering the obligations of each party with respect to Covered Individuals' Protected Health Information (as defined in the privacy, security and administrative simplification rules set forth in the Health Insurance Portability and Accountability Act of 1996, and the regulations set forth in 45 C.F.R. 160, 162 and 164, as amended from time to time, "HIPAA").

(b) With respect to HSA Services, Employer understands and acknowledges that Bank is not a "covered entity", "business associate" or "plan sponsor" as those terms are defined by HIPAA. The fact that the Bank may be a business associate with respect to other Services provided in accordance with this Agreement should not be construed to mean that Bank is a business associate for purposes of HSA Services. With respect to HSA Services, Bank expressly disclaims responsibility for duties imposed on covered entities and plan sponsors under HIPAA.

(c) In connection with providing the Services, Bank may use or disclose Personal Information. "Personal Information" means all individually identifiable information relating to Covered Individuals and HSA Account Holders other than Protected Health Information. Bank will only use and/or disclose such Personal Information as is necessary to perform the Services. This may include the disclosure of Personal Information to any affiliates, officers, agents or third party contractors. Bank may contract with third party contractors and others to provide data transmission, storage services or other services to Bank. In any such case, Bank will require that such parties treat Personal Information solely in accordance with Bank's instructions.

6.7 Notices and Communications

All notices between Employer and Bank provided for herein shall be sent by confirmed facsimile; by guaranteed overnight mail/courier,

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Contract executed and entered into in the County of

with tracing capability hand-delivered or by first class United States mail, with postage prepaid (return receipt requested). All notices shall be deemed given only when sent as set forth above to the party to whom the notice is directed, at its address indicated below, except as otherwise set forth in this Agreement. A party may change its address for notices by sending a change of address notice using this notice procedure.

If to Bank:

JPMorgan Chase Bank, N.A.
Attention: Contracts Manager
Mail code IL1-0199
420 W. Van Buren St., 9th Floor
Chicago, IL 60606-3534

If to Employer:

Pima County
Attention: Gayl Hayes
150 W. Congress, 4th Floor
Tucson, AZ 85701

6.8 Termination of Agreement

(a) Either Party may terminate any or all of the Services provided under this Agreement by providing the other Party with no less than ninety (90) days prior written notice. Such notice to be effective on the date specified in such notice.

(b) Bank may terminate any or all Services, in whole or in part, if Employer materially breaches the terms of this Agreement or any Service Appendix and does not cure that material breach within the timeframe specified by Bank in its notice of breach (if any).

(c) Employer may terminate a Service Appendix if Bank materially breaches its obligations under that Service Appendix and does not cure that material breach within thirty (30) days after receipt of Employer's notice.

(d) Each Party may also terminate a Service as set forth in the Service Appendix applicable to such Service.

(e) This Agreement shall terminate automatically with respect to any Benefit Plan Service as of the date the underlying Benefit Plan is terminated.

(f) Bank may terminate any or all Services, in whole or in part, for cause as of the date specified in a termination notice if Employer: (i) files for bankruptcy, (ii) becomes or is declared insolvent, (iii) is the subject of any proceedings (not dismissed within 30 days) related to its liquidation, insolvency or the appointment of a receiver or similar officer, (iv) makes an assignment for the benefit of all or substantially all of its creditors, (v) takes any corporate action for its winding-up, dissolution or administration, (vi) enters into an agreement for the extension or readjustment of substantially all of its obligations, or (vii) recklessly or intentionally makes any material misstatement as to its financial condition.

(g) The rights and obligations of the parties which by their nature must survive termination or expiration of this Agreement in order to achieve its fundamental purposes shall so survive including, without limitation, the following provisions: Sections 2.3, 2.4, 3.12, 5.1, 5.2, 6.1, 6.2, 6.3, 6.5, 6.6, 6.7, 6.9, 6.10, and 6.11. Termination of this Agreement or any Service does not terminate or change Employer's payment obligations hereunder, nor does it release Bank or Employer from its respective obligations that arose before termination.

6.9 Interpretations

The parties hereto acknowledge and agree that both: (a) the rule of construction to the effect that any ambiguities are resolved against the drafting party; and (b) the terms and provisions of this Agreement, will be construed fairly as to both parties hereto and not in favor of or against a party, regardless of which party was generally responsible for the preparation of this Agreement.

This is an Official Copy of the Pima County Contract. For more information, please contact the Pima County Contract Administrator at (520) 797-1000.

6.10 Governing Law and Dispute Resolution

This Agreement will be governed by and construed in accordance with the applicable laws of Arizona, without giving effect to the principles of that state relating to conflicts of laws. Each party irrevocably agrees that any legal action, suit or proceeding brought by it in any way arising out of this Agreement must be brought solely and exclusively in, and will be subject to the service of process and other applicable procedural rules of, the State or Federal court in the state of Arizona, and each party irrevocably submits to the sole and exclusive personal jurisdiction of the courts in Arizona, generally and unconditionally, with respect to any action, suit or proceeding brought by it or against it by the other party. **BOTH PARTIES AGREE TO WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN THE RESOLUTION OF THE DISPUTE OR CLAIM, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN THE PARTIES ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THIS AGREEMENT.**

proximately caused by circumstances beyond Bank's reasonable control including, without limitation, natural disaster, war, terrorism, riot, theft, civil disturbance, labor or union matters, terrorism, legal constraints, court orders or governmental actions/non-actions, the failure of suppliers or subcontractors to substantially meet performance obligations, inability to obtain sufficient materials or services required in the conduct of its business, including Internet access, any change in or the adoption of any law, judgment or decree, or Employer's acts, omissions, negligence or fault.

6.11 No Third Party Beneficiaries

No third party will be deemed to be an intended or unintended third party beneficiary of this Agreement and nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any other person or entity other than Employer, Bank and their respective successors and permitted assigns, any rights, remedies or obligations whatsoever. Bank is obligated under this Agreement only to the Employer, and nothing under this Agreement shall be deemed to confer any obligation on Bank to any Covered Individuals or HSA Accountholders.

6.12 Force Majeure

Bank shall not be liable for, and will be excused from, any failure or delay in performance under this Agreement (in whole or in part) to the extent said failures or delays are directly or

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IN WITNESS WHEREOF, Employer and Bank have caused this Agreement to be executed in their names by their undersigned officers, the same being duly authorized to do so.

JPMORGAN CHASE BANK, N.A.
Clare T. Trauth

Signature

Title Clare T. Trauth
Vice President

Date 4-30-08

PIMA COUNTY

Signature J. A. Widigius

Title Procurement Director

Date 4/29/08

APPROVED AS TO FORM
[Signature]
County Attorney

**THIS CONTRACT IS SUBJECT TO
THE PROVISIONS OF A.R.S. § 38-511⁷**

This is an Official Copy of the Pima County
contract executed and to be filed with Pima County.

EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT
HEALTH SAVINGS ACCOUNT SERVICES APPENDIX

This Health Savings Account Service Appendix (“**Service Appendix**”) describes the HSA related-Services (“**HSA Services**”) that JPMorgan Chase Bank, National Association, (“**Bank**”) will provide to Pima County (“**Employer**”) in connection with Employer’s eligible employees who open an HSA custodial account with Bank (“**HSA Account Holders**”). This Service Appendix is incorporated into and made a part of the Employer Benefit Plan and HSA Services Agreement (“**Agreement**”). Capitalized terms used herein but not otherwise defined herein are defined as set forth in the Agreement. The rights and obligations of the parties set forth in this Service Appendix are in addition to any rights and obligations set forth in the Agreement. If there is a conflict between this Service Appendix and the Agreement, the Agreement controls.

I. Term and Termination.

The term (“**Term**”) of this Service Appendix begins on July 1, 2008, (“**Appendix Effective Date**”) and ends on the date that this Service Appendix or the Agreement is terminated in accordance with the terms of the Agreement or the terms hereof (whichever occurs first).

II. Fees and Other Compensation.

(a) Employer agrees to pay the applicable fees for such HSA Services, as set forth in the Schedule of Fees in effect for the Employer attached hereto as **Exhibit A** (as may be amended from time-to-time in accordance with the terms of the Agreement and this Service Appendix).

(b) As is the case with other debit cards issued by Bank, Bank will receive interchange fees from Card use by HSA Account Holders. Such fees may vary, but in all cases will be equal to or less than the highest possible fee for all card transactions.

(c) Affiliates of Bank may receive compensation relating to HSA Investments (defined below) including, but not limited to, sales loads or distribution or 12b-1, transfer agency, record keeping, custody, administration, investment management or other fees.

III. Communications Regarding HSAs.

(a) Employer shall use commercially reasonable efforts to offer the HSA Services provided by Bank directly to its eligible employees including, but not limited to, distributing HSA-related Service Documentation to eligible employees in accordance with Bank’s instructions. Bank has sole discretion to determine the methods made available to eligible employees to apply for an HSA with Bank.

(b) Employer shall not communicate the following to its employees in any form or fashion: (i) that Bank provides services other than those set forth in the Custodial Agreement (as defined below) and other HSA Service Documentation; (ii) that Bank is responsible for funding the HSAs; or (iii) that Bank has any involvement whatsoever with the High Deductible Health Plan (“**HDHP**”) sponsored and maintained by Employer. “**Custodial Agreement**” means the agreement between Bank and an HSA Account Holder that establishes the rights and obligations of Bank and the HSA Account Holder with regard to HSAs established by the HSA Account

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Holder with Bank, and includes any other documents incorporated into and made a part of the Custodial Agreement by reference.

IV. HSA Services.

Bank shall undertake certain actions with regard to the HSAs for Employer as set forth below:

(a) Bank will provide Employer's eligible employees with access to Bank's HSA custodial services once an employee applies for an HSA with Bank and Bank has approved such employee for an HSA. Bank has sole discretion to approve an employee's application for an HSA with Bank. If approved by Bank, Bank will provide custodial services to HSA Account Holders in accordance with the Custodial Agreement and any other HSA-related account documents. Employer further understands that Bank will only offer such custodial services to an eligible employee whose application has been approved by Bank in accordance with its internal policies and procedures and for which the applicable fees ("**Custodial Fees**") have been paid. Nothing in this Agreement prohibits the Employer from paying such Custodial Fees on the HSA Account Holder's behalf.

(b) Bank will implement procedures permitting the HSA to be funded by HSA Account Holders and Employer. Except as expressly set forth in this Agreement, Bank shall have no responsibility with respect to contributions paid to the HSA, other than to receive the contributions paid or transferred to Bank and allocate them in accordance with clear instructions received from the Employer or other contributor or transferor. Bank has no obligation to ensure that contributions to an HSA Account Holder's HSA do not exceed the maximum annual contribution limit applicable to such an HSA Account Holder. Bank shall have no obligation to take affirmative actions to collect monies paid as contributions, such as, by way of example and not limitation, to pursue a check from an HSA Account Holder or other payor that does not clear. In the event that Bank receives contributions from or on behalf of an individual who fails to submit an executed HSA application within a period to be established by Bank, Bank shall refund such contribution to the employee or as Bank otherwise deems appropriate within its sole discretion. To the extent that the instructions provided to Bank with respect to contributions are not clear to Bank, Bank may take reasonable steps to resolve such ambiguity(ies). Bank reserves the right to take such acts in its discretion it deems appropriate with respect to such contributions, including, disgorgement, when it is unable to promptly obtain information sufficient to clarify the ambiguity(ies).

(c) Bank shall have sole discretion to determine whether and under what circumstances to open or close an HSA and accept contributions and transfers of rollover contributions to, or distributions from, an HSA. Bank shall retain sole authority and discretion with respect to whether to place reasonable restrictions on the HSA.

(d) Bank shall be entitled to rely on any instructions provided to it from HSA Account Holders, Employer or any duly authorized third party retained or acting on behalf or for the benefit of any of them and shall have no obligation to test or otherwise verify or confirm the accuracy or completeness thereof, and shall have no responsibility for any actions or inactions taken in accordance with any such instructions received by Bank.

(e) Bank and Employer shall perform their respective tasks as set forth in **Exhibit B** to this Service Appendix.

(f) The Custodial Agreement is a separate agreement to which Employer is not a party and is solely between Bank and the HSA Accountholder. Such agreement does not give Employer any additional rights or obligations. Except as expressly provided herein, or in individual HSA Custodial Agreements entered into with HSA Account Holders, Bank shall have no duty or responsibility with regard to Employer or HSA Account Holders.

(g) Bank is under no obligation to confirm or verify that HSA Account Holders are eligible to establish HSAs in accordance with the requirements of Code Section 223. "Code" means the Internal Revenue Code, and the regulations issued thereunder as amended from time to time.

V. HDHPs.

Employer shall offer a qualifying HDHP, as defined in Code Section 223, during the Term of this Service Appendix. Bank is under no obligation to confirm or verify that such HDHP satisfies the requirements of Code Section 223. Nothing herein shall cause the Bank to be responsible for benefit claims and eligibility determinations with respect to any HDHP sponsored by Employer.

VI. ERISA.

Employer agrees to take all reasonable steps to avoid application of ERISA to the HSAs that HSA Account Holders establish with Bank. Employer understands and acknowledges that Bank is not responsible for any aspect of ERISA's participation, vesting, funding, reporting, disclosure, fiduciary requirements or any other obligation that might apply to the extent that such HSAs are deemed to be subject to ERISA. Bank may terminate this Service Appendix upon written notice and without penalty as of the date that it determines, in its sole discretion, that such HSAs may be subject to ERISA. Alternatively, Bank may, in its sole discretion, choose to continue to provide HSA Services to Employer subject to an additional fee.

VII. HIPAA.

With respect to HSA Services, Employer understands and acknowledges that Bank is not a "covered entity", "business associate" or "plan sponsor" as those terms are defined by HIPAA. The fact that the Bank may be a business associate with respect to other Benefit Plan-related Services provided in accordance with the Agreement should not be construed to mean that Bank is a business associate for purposes of HSA Services. Bank expressly disclaims responsibility for duties imposed on covered entities and plan sponsors under HIPAA.

VIII. Distributions and Access to HSA Funds.

Bank shall provide HSA Account Holders with reasonable access to HSA funds in accordance with the Service Documentation. Bank is under no obligation to ensure that distributions from a HSA Account Holder's HSA are for qualified medical expenses (as defined in Code Section 223). Bank is not responsible for funding reimbursement for any expenses attempted to be paid or reimbursed through the HSA.

IX. HSA Termination and Suspension.

This is an Official Copy of the 2014 County Court Records, assembled and certified with Pine County.

Bank may terminate or suspend any HSA in accordance with the terms of the Custodial Agreement, Cardholder Agreement, HSA Investments terms and conditions and such other account documents as may be provided from time-to-time.

X. Information to be Provided by Employer.

To the extent permitted by applicable State and Federal privacy laws, Employer shall deliver to Bank all information that Bank deems necessary to perform HSA Services. Employer will deliver such information to Bank in the time and manner determined by Bank. Employer represents and warrants that it will obtain from eligible employees all consents and authorizations required under applicable law as necessary to disclose to Bank such information. Bank has no obligation to verify or confirm that such consents or authorizations have been obtained.

XI. HSA Cards.

Bank shall issue Cards to HSA Account Holders. Use of such Cards by HSA Account Holders will be subject to the Custodial Agreement and the Cardholder Agreement and such other documents as may accompany the Card. The “**Cardholder Agreement**” is a separate agreement between the Cardholder and Bank to which the Employer is not a Party.

XII. Online Tools.

Bank will provide Employer and HSA Account Holders with online HSA management tools.

XIII. HSA Investments.

(a) Bank may, in its sole discretion, make available to HSA Account Holders one or more investment opportunities offered in conjunction with the HSA (“**HSA Investments**”).

(b) HSA Investments are made available to HSA Account Holders in accordance with the terms and conditions applicable to the HSA Investments and the Custodial Agreement.

(c) Employer understands and acknowledges that the Bank will only make such HSA Investments available to an HSA Account Holder to the extent that such individual satisfies the eligibility criteria for making HSA Investments established by the Bank, in its sole discretion.

(d) Employer understands and acknowledges the following with respect to the HSA Investments offered to HSA Account Holders in accordance with this Service Appendix:

(i) Bank has engaged the services of a registered investment advisory firm who recommends a variety of mutual funds managed by JPMorgan Institutional Investments, Inc. for acceptance by Bank. JPMorgan Institutional Investments, Inc. is an affiliate of Bank. The registered advisory firm recommends such mutual funds to Bank in accordance with an established investment policy. The funds may change from time to time in accordance with a recommendation from the investment advisory and acceptance by Bank.

(ii) Bank is under no obligation to and will not substitute, replace or delete any mutual funds offered through the HSA at the request of Employer.

This is an Official Copy of the Final County Court Report prepared and certified by the County Clerk.

(iii) Each HSA Account Holder has sole discretion whether to invest in one or more of the funds offered through the HSA Investments program.

(iv) Neither Bank nor its registered investment advisor will provide any investment advice to the HSA Account Holder and neither have any obligation to Employer or to the HSA Account Holder to review or monitor the HSA Account Holder's investment choices. Neither the Bank nor its registered investment advisor shall have liability or responsibility for the HSA Account Holder's investment decisions.

XIV. Lines of Credit.

Bank may, in its sole discretion, make available to HSA Account Holders the opportunity to apply for a line of credit in conjunction with his/her HSA through Bank's affiliate Chase Bank USA, N.A. ("**Chase Bank**"). Lines of credit, if any, will be provided by Chase Bank and not by Bank. Chase Bank has sole discretion to approve a HSA Account Holder's application for a line of credit. If approved by Chase Bank, the line of credit will be provided in accordance with separate line of credit agreement between the HSA Account Holder and Chase Bank.

IN WITNESS WHEREOF, Employer and Bank have caused this Service Appendix to be executed in their names by their undersigned officers, the same being duly authorized to do so.

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION

PIMA COUNTY

By: Clare T. Trauth

By: L. G. Widugiris

Name: Clare T. Trauth
Vice President

Name: L. G. Widugiris

Title: _____

Title: Procurement Director

APPROVED AS TO FORM AND CONTENT
[Signature]
County Attorney

This is an Official Copy of the Pima County contract executed and on file with Pima County.

THIS CONTRACT IS SUBJECT TO THE PROVISIONS OF A.R.S. § 38-511"

EXHIBIT A – SCHEDULE OF FEES
EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT
HEALTH SAVINGS ACCOUNT SERVICE APPENDIX

Fees Paid By Employer: Not To Exceed \$250,000

Baseline HSA Program Fees		Notes
Monthly Program Fee	Waived	Covers comprehensive account management and client service suite for employer.
		Covers all aspects of participant account administration, including Cash

CONTRACT	
NO.	<i>11-26-J-140841-0708</i>
AMENDMENT NO _____	
This number must appear on all invoices, contracts and documents pertaining to this contract.	

JPMORGAN CHASE BANK, N.A.

EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT

11-26-J-140841-0708

**JPMORGAN CHASE BANK, N.A. EMPLOYER BENEFIT PLAN
AND
HSA SERVICES AGREEMENT**

Pima County (“**Employer**”) has asked JPMorgan Chase Bank, National Association (“**Bank**”) to provide administrative services (“**Services**”) for certain employee benefit plans (“**Benefit Plans**”) and Health Savings Account (“**HSA**”) arrangements as described in this Employer Benefit Plan and HSA Services Agreement (“**Agreement**”). In consideration of the mutual promises contained in this Agreement, Employer and Bank agree as follows:

ARTICLE I. INTRODUCTION

1.1 Effective Date and Term

The effective date of this Agreement is July 1, 2008 (“**Effective Date**”), and this Agreement will continue until such time as this Agreement is terminated as set forth herein. Each Appendix attached hereto (each, a “**Service Appendix**”) is incorporated into by reference and made a part of this Agreement. A Service Appendix may have a later effective date than this Agreement to the extent that Employer and Bank agree to the terms set forth in the Service Appendix after the Effective Date of this Agreement. The responsibilities of the parties set forth in the Service Appendices are in addition to any responsibilities set forth in this Agreement. If there is a conflict between the Service Appendices and this Agreement, the Agreement controls.

1.2 Scope of Undertaking-Generally

Employer understands that Bank is and will remain an independent contractor and will not be deemed an employee of Employer, a partner or engaged in a joint venture with Employer, or governed by any legal relationship other than that of independent contractor. Bank’s only obligation under this Agreement is to the Employer and nothing under this Agreement shall be deemed to confer any responsibility on Bank to any person covered under the Benefit Plans (“**Covered Individual**”) or any employee of Employer who is enrolled in an HSA (“**HSA Account Holder**”). Employer acknowledges that Bank is not an accounting or law firm and no services provided by Bank in accordance with this Agreement will be construed as tax or

legal advice as a result of providing such services. This Agreement sets forth certain rights and obligations of Employer and Bank and the terms of this Agreement shall apply to any assignee or successor of Employer and/or Bank.

ARTICLE II. EMPLOYER RESPONSIBILITIES

Employer will be responsible for the items described in this **Article II** and any additional items described in the Service Appendices attached hereto.

2.1 Employer’s Responsibilities

Employer has sole responsibility for the establishment and operation of the Benefit Plans. Employer shall have sole discretionary authority and responsibility for construing and interpreting the provisions of the Benefit Plans and deciding all questions of fact and/or interpretation arising under the Benefit Plans. Employer will not represent to Covered Individuals or to any third party that Bank is the “Plan Administrator” as that term is generally defined in the Employee Retirement Income Security Act of 1974, and the regulations issued thereunder (as amended from time to time, “**ERISA**”) Section 3(16) (without regard to whether ERISA applies or not). It is Employer’s sole responsibility and duty to ensure compliance with all applicable laws and regulations, and Bank’s provision of Services does not relieve Employer of this obligation. Bank’s responsibility under this Agreement is to assist Employer with certain Benefit Plan responsibilities as expressly assumed hereunder. Employer understands that it is Employer’s responsibility to pay any fee or

penalty arising from the Benefit Plans that is assessed by the Internal Revenue Service, the Department of Labor, and/or other Federal or State governmental agencies.

2.2 Payments to Bank

(a) In consideration for the Services provided by Bank in accordance with this Agreement, Employer agrees to pay to Bank the applicable Service Charges in accordance with **Article IV** of this Agreement. Notwithstanding any provision herein to the contrary, Employer and Bank intend and agree that any funds submitted by Employer to Bank with respect to any Benefit Plan: (i) are and shall remain the general assets of Employer; (ii) are not "plan assets" within the meaning of ERISA (without regard to whether ERISA applies) and (iii) were never held in an account, fund, or trust bearing the name of a Benefit Plan or any participants or beneficiaries thereof.

(b) Employer further represents and agrees that: (i) neither it nor any of its employees, directors, representatives, fiduciaries, Benefit Plans (or any entity performing services for Employer or such plans), any of its predecessors, successors or assigns have represented or will represent to any Covered Individual that a separate account, fund, or trust is being held on behalf of the Benefit Plans that may be used to provide or secure benefits under the Benefit Plans; and (ii) Except as otherwise agreed between Bank and Employer, Employer shall advise the Covered Individuals of the Benefit Plans that the benefits under the Benefit Plans shall at all times be paid out of the general assets of Employer.

2.3 Information to Bank

Employer will furnish the information determined by Bank to be necessary to satisfy its responsibilities under this Agreement in a format required by Bank. Such information will be provided to Bank in the time and in the method agreed to by Employer and Bank. Bank shall assume that all such information provided to Bank by Employer or a designee of Employer

(e.g., another third party administrator) is complete and accurate and Bank is under no duty to question the completeness or accuracy of such information. Employer understands that Bank cannot perform its duties under this Agreement without complete, accurate and timely information and that Bank shall have no liability to Employer or any Covered Individual or HSA Account Holder as a consequence of incomplete, inaccurate and/or untimely information provided to Bank by Employer, a Covered Individual, an HSA Account Holder or a third party who has provided information to Bank at Employer's request (e.g., a prior or existing service provider). Employer understands that an additional fee may be required if Bank is required to take corrective action as a result of such incomplete, inaccurate or untimely information. Employer shall make its books, records, facilities, systems and personnel relating to its obligations and performance under this Agreement available for review and audit when required by applicable laws or by State or Federal bank or other regulatory authorities with jurisdiction over Bank.

2.4 Indemnification by Employer

Employer shall defend, indemnify and hold Bank and all of its direct and indirect officers, directors, employees, agents, successors and assigns harmless from and against any and all losses, liabilities, damages (including taxes), and all related costs and expenses, including reasonable legal fees and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties (collectively, "**Losses**") due to, arising from or relating to third party claims, demands, actions or threat of action (whether in law, equity or in an alternative proceeding) arising from or relating to its negligent or intentional acts or omissions. The terms of this **Section 2.4** do not apply to the extent of any Losses attributable to Bank's material breach of its obligations under this Agreement, gross negligence or willful misconduct.

2.5 Consent of Covered Individuals and HSA Account Holders

Except as otherwise set forth in this Agreement, Employer is solely responsible for obtaining from Covered Individuals and HSA Account Holders all authorizations or consents required by applicable law that are necessary to perform the Services. Employer understands and acknowledges that Bank is under no obligation to obtain any authorizations or consents or to verify or confirm that Employer has obtained the appropriate authorizations or consents.

ARTICLE III. BANK'S RESPONSIBILITIES

3.1 General

Bank shall make available to Employer the Services described in the Services Appendices attached hereto.

3.2 No Liability for Claims and Expenses

Bank does not insure or underwrite the Benefit Plan liability of Employer and is not financially responsible for the claims payable under and/or expenses incident to the Benefit Plans. Bank has no duty or obligation to defend any legal action or proceeding brought to recover benefits under the Benefit Plans; however, Bank will provide to Employer and/or Employer's legal counsel, upon request and subject to any limitations described in this Agreement or applicable laws, any documentation in Bank's possession that may relate to such claim for benefits and/or expenses.

3.3 Benefit Plan Documents and Forms

Bank may provide Employer with sample documents and forms related to administration of the Benefit Plans for which Bank provides related Services under this Agreement. Such sample documents and forms have been prepared in accordance with the standard of care set forth in Section 3.5. Nevertheless, the

Employer understands and acknowledges that it is the Employer's responsibility, in accordance with Section 2.1 of this Agreement, to ensure that all Benefit Plan documents and forms, including any template or sample documents and forms provided to Employer by Bank in accordance with this Agreement, comply with the applicable laws and regulations.

3.4 Recordkeeping

Bank will maintain usual and customary records in Bank's possession that relate to the Services. Nothing in this Agreement relieves Employer of any duty imposed by law or contract regarding the maintenance of records or from employing adequate audit, accounting and review practices.

3.5 Care and Diligence

Bank shall perform the Services exercising reasonable care and diligence and in a manner that other similarly-situated prudent service providers in the same industry performing the same services would exercise. Bank will not be liable to Employer for actions taken in good faith. Bank shall not be considered in breach of this Agreement if Bank refuses to perform services generally required under this Agreement if the manner in which Employer desires such Services to be performed requires material changes to Bank's existing standard operating procedures or is not in accordance with applicable law.

3.6 Non-Discretionary Duties; Additional Duties

The Services to be performed by Bank under this Agreement shall be ministerial in nature and will generally be performed in accordance with the terms of the Benefit Plans established by the Employer and Bank's standard operating procedures. Bank and Employer may agree to additional duties by amending this Agreement in accordance with Section 6.3.

3.7 Third Party Vendors

Nothing express or implied in this Agreement prohibits Bank from performing the Services itself, through an affiliate or by contracting with a third party contractor to assist Bank in the performance of the Services hereunder including, without limitation, an affiliate or third party contractor located outside of the United States of America. Bank may add or change subcontractors at any time without notice to Employer. Bank shall be responsible for any and all acts and omissions of any affiliate or third party contractor assisting Bank in performing duties under this Agreement to the same extent it is responsible for its own acts and omissions under the terms of this Agreement and pursuant to any applicable laws and regulations.

3.8 Customer Service and Electronic Administrative Services

To the extent set forth in the applicable Service Appendices, Bank may provide certain electronic administrative services. Bank shall not be deemed in default of this Agreement, nor held responsible for, any cessation, interruption or delay in the performance of its obligations to provide such services hereunder due to the causes described in Section 6.12 of this Agreement.

3.9 Electronic Payment Cards

Bank may issue to Covered Individuals and HSA Account Holders a debit card(s) ("Card") as set forth in the applicable Service Appendices. Cards will be subject to an agreement between Bank and the Covered Individual and/or HSA Account Holder, Bank's applicable consumer privacy policy(ies) and other Card-related materials, including instructions for Card activation. All Cards shall identify Bank as the issuer and shall include such other names, logos, service marks and trademarks as Bank may in its sole discretion require.

3.10 Service Documentation

Bank or a third party contractor may provide to Employer certain documentation (written or electronic) related to the Services ("Service Documentation"). All Service Documentation is copyrighted property of Bank or its third party contractors. Employer shall not reproduce, modify, edit or otherwise change the Service Documentation without the prior written consent of Bank unless the foregoing rights are provided for within the applicable Service Documentation. Any Service Documentation provided to Employer in electronic format shall be accompanied by a non-exclusive license solely to reproduce such materials in electronic or paper form; provided, however, that such reproductions shall not be modified, edited, or otherwise changed in any manner without Bank's prior written consent.

3.11 Call Center.

Bank will make available to Employer and Covered Individuals/HSA Account Holders a telephone-based support system (live or Interactive Voice Response (IVR)) in accordance with the applicable Service Documentation.

3.12 Bank Liability.

(a) Bank's liability to Employer shall be solely for actual damages incurred by Employer as a direct result of Bank's breach of its standard of care in providing any Service as set forth in this Agreement. Bank is not liable for any indirect, consequential, exemplary, punitive or special damage, loss, cost or expense of any type or nature including, without limitation, loss of business, profits, goodwill, anticipated savings or the loss or corruption of data, regardless of the form of the action or theory of recovery, and even if Bank has been advised of the possibility of any of the foregoing. Bank will not be liable for any action or non-action taken or not taken as the case may be in connection with Employer's instructions (whether written, oral or otherwise).

ARTICLE IV. COMPENSATION

4.1 Service Charges

The applicable charges for the Services performed by Bank in accordance with this Agreement are described in the applicable Service Appendices attached hereto (“Service Charges”). Bank may revise the Service Charges at any time and for any reason. Such revised Service Charges will be effective no earlier than 30 days after written notice of such revisions is provided to Employer. Service Charges shall be assessed for any month during which Services are performed. Interest and penalties may be imposed on overdue Service Charges in accordance with **Section 4.2** herein.

4.2 Payment of Charges

All Service Charges are due on the first day of each month that this Agreement is in effect; however, there will be a 30 day grace period after which penalties and interest may begin to accrue with respect to any unpaid Service Charges. Unless otherwise provided in an applicable Service Appendix or otherwise prohibited by applicable laws, Bank shall be entitled to retain amounts in any Employer account established by Employer in connection with this Agreement for outstanding Service Charges.

4.3 Third Party Compensation

As set forth herein and in the Service Appendices, Employer understands and agrees that Bank receives compensation from third parties related to certain Services that it may provide hereunder. Such compensation may include, by way of example but not limitation, interchange revenue related to the use of Cards; interest on Employer funds held to pay Benefit Plan benefits; and payments from mutual fund investment options made available to HSA Account Holders. Although these amounts are not paid directly by Employer, this compensation is in addition to other payments Employer makes to Bank for the Services.

4.4 Use of Deposited Funds

Bank may use funds in any deposit account established with Bank pursuant to this Agreement in the same manner that Bank uses funds in any other deposit account established by Bank other than pursuant to this Agreement.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

Employer represents and warrants that: (a) it has all requisite legal and corporate power to execute and deliver this Agreement and other necessary documentation, (b) it has taken all corporate action necessary for the authorization, execution and delivery of this Agreement and other necessary documentation, (c) it has no agreement or understanding with any third party that interferes with or will interfere with its performance under this Agreement, (d) it has obtained and will maintain all rights, approvals and consents necessary to perform its obligations under this Agreement and other necessary documentation, (e) its performance of its obligations under this Agreement will not violate any law, rule, regulation, judgment, decree or order applicable to Employer, and (f) it has taken all action required to make this Agreement a legal, valid and binding obligation of Employer, enforceable in accordance with its terms.

5.2 Disclaimer

EXCEPT AS SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY OTHER REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS, STATUTORY OR IMPLIED INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE VI. GENERAL PROVISIONS

6.1 Counterparts; Entire Agreement; Severability; Headings

(a) This Agreement may be executed in two or more counterparts (including by facsimile), each of which will be considered an original but all of which together will constitute one agreement.

(b) This Agreement (including the Service Appendices and any other documents specifically incorporated into and made a part of this Agreement) embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof (whether oral, written or otherwise and including requests for proposal and sales-related materials). No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement will affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

(c) If a court declares any term of this Agreement invalid, the same will not affect the validity of any other provision, provided that the basic purposes of this Agreement are achieved.

(d) The headings of Articles, 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.

6.2 Compliance; Non-Waiver

Failure by Employer or Bank 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 6.3**.

6.3 Assignment; Amendment

Employer may assign any rights and duties or delegate any obligations under this Agreement with the prior written consent of Bank. This

Agreement will be binding upon each party's respective successors and permitted assigns. This Agreement and its Service Appendices may be amended only by written agreement of duly authorized officers of each party except as otherwise set forth herein. Notwithstanding the foregoing, Bank may revise this Agreement including, without limitation, the provisions of any Service Schedule(s) without prior notice to comply with legal or regulatory requirements.

6.4 Audits

Employer may, at reasonable times and places audit of the books and records specifically related to Bank's performance of the Benefit Plan-related Services under this Agreement each year, subject to 30 days prior written notice to Bank. Audits must be performed during normal working hours and no such audit may last more than three (3) consecutive business days. An employee or an agent of Employer may perform audits provided such employee or agent signs a confidentiality agreement provided by Bank. Each party agrees to provide reasonable assistance and information to the auditors. Employer acknowledges and agrees that if it requests an audit, it will reimburse Bank for all of Bank's reasonable expenses, including copying and labor costs, in assisting Employer to perform the audit.

6.5 Non-Disclosure of Proprietary Information

Employer and Bank each acknowledge that as a result of entering into this Agreement, each party has and will continue to reveal and disclose to the other information that is proprietary or confidential of such party. Employer and Bank agree that each party will: (a) keep such proprietary or confidential information of the other party in strict confidence; (b) not disclose confidential information of the other party to any third parties or to any of its employees not having a legitimate need to know such information; and (c) will not use confidential information of the other party for any purpose not directly related to and necessary for the performance of its

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obligations under this Agreement, and Service Appendices (unless required to do so by a court of competent jurisdiction or a regulatory body having authority to require such disclosure). The receiving party will use the same care and discretion to avoid disclosure, publication or dissemination of any confidential information received from the disclosing party as it uses with its own similar information that it does not wish to disclose, publish or disseminate (but in no event less than a reasonable degree of care). For purposes of this Agreement, confidential information is any information that is not generally known to the public and at the time of disclosure is identified as, or would reasonably be understood to be, confidential and/or proprietary (or words of similar import) including, but not limited to, the parties' respective businesses or finances. The obligations set forth in this **Section 6.5** do not apply to any information that the receiving party can demonstrate: (i) the receiving party possessed prior to disclosure by the disclosing party, without an obligation of confidentiality; (ii) is or becomes publicly available without breach of this Agreement by or fault or negligence of the receiving party; (iii) is or was independently developed by the receiving party without the use of any confidential information of the disclosing party; (iv) is or was received by the receiving party from a third party that does not have an obligation of confidentiality to the disclosing party; or (v) was approved for disclosure through a writing signed by the disclosing party prior to such disclosure. It shall not be considered a breach of this Agreement if Bank discloses any information obtained in the course of performing its duties under this Agreement and the Service Appendices as required by applicable law. The terms and conditions of this **Section 6.5** shall survive the termination of this Agreement.

6.6 Disclosure of Individually Identifiable Information

(a) If, in the future, the parties agree that Bank will provide Employer Benefit Plan Services to Employer, the parties will negotiate terms and conditions covering the obligations of each party with respect to Covered Individuals' Protected Health Information (as defined in the privacy, security and administrative simplification rules set forth in the Health Insurance Portability and Accountability Act of 1996, and the regulations set forth in 45 C.F.R. 160, 162 and 164, as amended from time to time, "HIPAA").

(b) With respect to HSA Services, Employer understands and acknowledges that Bank is not a "covered entity", "business associate" or "plan sponsor" as those terms are defined by HIPAA. The fact that the Bank may be a business associate with respect to other Services provided in accordance with this Agreement should not be construed to mean that Bank is a business associate for purposes of HSA Services. With respect to HSA Services, Bank expressly disclaims responsibility for duties imposed on covered entities and plan sponsors under HIPAA.

(c) In connection with providing the Services, Bank may use or disclose Personal Information. "Personal Information" means all individually identifiable information relating to Covered Individuals and HSA Account Holders other than Protected Health Information. Bank will only use and/or disclose such Personal Information as is necessary to perform the Services. This may include the disclosure of Personal Information to any affiliates, officers, agents or third party contractors. Bank may contract with third party contractors and others to provide data transmission, storage services or other services to Bank. In any such case, Bank will require that such parties treat Personal Information solely in accordance with Bank's instructions.

6.7 Notices and Communications

All notices between Employer and Bank provided for herein shall be sent by confirmed facsimile; by guaranteed overnight mail/courier,

with tracing capability hand-delivered or by first class United States mail, with postage prepaid (return receipt requested). All notices shall be deemed given only when sent as set forth above to the party to whom the notice is directed, at its address indicated below, except as otherwise set forth in this Agreement. A party may change its address for notices by sending a change of address notice using this notice procedure.

If to Bank:

JPMorgan Chase Bank, N.A.
Attention: Contracts Manager
Mail code IL1-0199
420 W. Van Buren St., 9th Floor
Chicago, IL 60606-3534

If to Employer:

Pima County
Attention: Gayl Hayes
150 W. Congress, 4th Floor
Tucson, AZ 85701

6.8 Termination of Agreement

(a) Either Party may terminate any or all of the Services provided under this Agreement by providing the other Party with no less than ninety (90) days prior written notice. Such notice to be effective on the date specified in such notice.

(b) Bank may terminate any or all Services, in whole or in part, if Employer materially breaches the terms of this Agreement or any Service Appendix and does not cure that material breach within the timeframe specified by Bank in its notice of breach (if any).

(c) Employer may terminate a Service Appendix if Bank materially breaches its obligations under that Service Appendix and does not cure that material breach within thirty (30) days after receipt of Employer's notice.

(d) Each Party may also terminate a Service as set forth in the Service Appendix applicable to such Service.

(e) This Agreement shall terminate automatically with respect to any Benefit Plan Service as of the date the underlying Benefit Plan is terminated.

(f) Bank may terminate any or all Services, in whole or in part, for cause as of the date specified in a termination notice if Employer: (i) files for bankruptcy, (ii) becomes or is declared insolvent, (iii) is the subject of any proceedings (not dismissed within 30 days) related to its liquidation, insolvency or the appointment of a receiver or similar officer, (iv) makes an assignment for the benefit of all or substantially all of its creditors, (v) takes any corporate action for its winding-up, dissolution or administration, (vi) enters into an agreement for the extension or readjustment of substantially all of its obligations, or (vii) recklessly or intentionally makes any material misstatement as to its financial condition.

(g) The rights and obligations of the parties which by their nature must survive termination or expiration of this Agreement in order to achieve its fundamental purposes shall so survive including, without limitation, the following provisions: Sections 2.3, 2.4, 3.12, 5.1, 5.2, 6.1, 6.2, 6.3, 6.5, 6.6, 6.7, 6.9, 6.10, and 6.11. Termination of this Agreement or any Service does not terminate or change Employer's payment obligations hereunder, nor does it release Bank or Employer from its respective obligations that arose before termination.

6.9 Interpretations

The parties hereto acknowledge and agree that both: (a) the rule of construction to the effect that any ambiguities are resolved against the drafting party; and (b) the terms and provisions of this Agreement, will be construed fairly as to both parties hereto and not in favor of or against a party, regardless of which party was generally responsible for the preparation of this Agreement.

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Contracts executed and on file with Pima County.

6.10 Governing Law and Dispute Resolution

This Agreement will be governed by and construed in accordance with the applicable laws of Arizona, without giving effect to the principles of that state relating to conflicts of laws. Each party irrevocably agrees that any legal action, suit or proceeding brought by it in any way arising out of this Agreement must be brought solely and exclusively in, and will be subject to the service of process and other applicable procedural rules of, the State or Federal court in the state of Arizona, and each party irrevocably submits to the sole and exclusive personal jurisdiction of the courts in Arizona, generally and unconditionally, with respect to any action, suit or proceeding brought by it or against it by the other party. **BOTH PARTIES AGREE TO WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN THE RESOLUTION OF THE DISPUTE OR CLAIM, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN THE PARTIES ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THIS AGREEMENT.**

6.11 No Third Party Beneficiaries

No third party will be deemed to be an intended or unintended third party beneficiary of this Agreement and nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any other person or entity other than Employer, Bank and their respective successors and permitted assigns, any rights, remedies or obligations whatsoever. Bank is obligated under this Agreement only to the Employer, and nothing under this Agreement shall be deemed to confer any obligation on Bank to any Covered Individuals or HSA Accountholders.

6.12 Force Majeure

Bank shall not be liable for, and will be excused from, any failure or delay in performance under this Agreement (in whole or in part) to the extent said failures or delays are directly or

proximately caused by circumstances beyond Bank's reasonable control including, without limitation, natural disaster, war, terrorism, riot, theft, civil disturbance, labor or union matters, terrorism, legal constraints, court orders or governmental actions/non-actions, the failure of suppliers or subcontractors to substantially meet performance obligations, inability to obtain sufficient materials or services required in the conduct of its business, including Internet access, any change in or the adoption of any law, judgment or decree, or Employer's acts, omissions, negligence or fault.

This is an Official Copy of the Pima County Contract executed and recorded with Pima County.

IN WITNESS WHEREOF, Employer and Bank have caused this Agreement to be executed in their names by their undersigned officers, the same being duly authorized to do so.

JPMORGAN CHASE BANK, N.A.
Clare T. Trauth

Signature

Title Clare T. Trauth
 Vice President

Date 4-30-08

PIMA COUNTY

Signature

Title Y. A. Widigius
 Procurement Director

Date 4/29/08

APPROVED AS TO FORM...

[Signature]
County Attorney

**THIS CONTRACT IS SUBJECT TO
THE PROVISIONS OF A.R.S. § 38-511**

This is an Official Copy of the Pima County
Contract executed and on file with Pima County.

EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT
HEALTH SAVINGS ACCOUNT SERVICES APPENDIX

This Health Savings Account Service Appendix (“**Service Appendix**”) describes the HSA related-Services (“**HSA Services**”) that JPMorgan Chase Bank, National Association, (“**Bank**”) will provide to Pima County (“**Employer**”) in connection with Employer’s eligible employees who open an HSA custodial account with Bank (“**HSA Account Holders**”). This Service Appendix is incorporated into and made a part of the Employer Benefit Plan and HSA Services Agreement (“**Agreement**”). Capitalized terms used herein but not otherwise defined herein are defined as set forth in the Agreement. The rights and obligations of the parties set forth in this Service Appendix are in addition to any rights and obligations set forth in the Agreement. If there is a conflict between this Service Appendix and the Agreement, the Agreement controls.

I. Term and Termination.

The term (“**Term**”) of this Service Appendix begins on July 1, 2008 (“**Appendix Effective Date**”) and ends on the date that this Service Appendix or the Agreement is terminated in accordance with the terms of the Agreement or the terms hereof (whichever occurs first).

II. Fees and Other Compensation.

(a) Employer agrees to pay the applicable fees for such HSA Services, as set forth in the Schedule of Fees in effect for the Employer attached hereto as **Exhibit A** (as may be amended from time-to-time in accordance with the terms of the Agreement and this Service Appendix).

(b) As is the case with other debit cards issued by Bank, Bank will receive interchange fees from Card use by HSA Account Holders. Such fees may vary, but in all cases will be equal to or less than the highest possible fee for all card transactions.

(c) Affiliates of Bank may receive compensation relating to HSA Investments (defined below) including, but not limited to, sales loads or distribution or 12b-1, transfer agency, record keeping, custody, administration, investment management or other fees.

III. Communications Regarding HSAs.

(a) Employer shall use commercially reasonable efforts to offer the HSA Services provided by Bank directly to its eligible employees including, but not limited to, distributing HSA-related Service Documentation to eligible employees in accordance with Bank’s instructions. Bank has sole discretion to determine the methods made available to eligible employees to apply for an HSA with Bank.

(b) Employer shall not communicate the following to its employees in any form or fashion: (i) that Bank provides services other than those set forth in the Custodial Agreement (as defined below) and other HSA Service Documentation; (ii) that Bank is responsible for funding the HSAs; or (iii) that Bank has any involvement whatsoever with the High Deductible Health Plan (“**HDHP**”) sponsored and maintained by Employer. “**Custodial Agreement**” means the agreement between Bank and an HSA Account Holder that establishes the rights and obligations of Bank and the HSA Account Holder with regard to HSAs established by the HSA Account

Holder with Bank, and includes any other documents incorporated into and made a part of the Custodial Agreement by reference.

IV. HSA Services.

Bank shall undertake certain actions with regard to the HSAs for Employer as set forth below:

(a) Bank will provide Employer's eligible employees with access to Bank's HSA custodial services once an employee applies for an HSA with Bank and Bank has approved such employee for an HSA. Bank has sole discretion to approve an employee's application for an HSA with Bank. If approved by Bank, Bank will provide custodial services to HSA Account Holders in accordance with the Custodial Agreement and any other HSA-related account documents. Employer further understands that Bank will only offer such custodial services to an eligible employee whose application has been approved by Bank in accordance with its internal policies and procedures and for which the applicable fees ("**Custodial Fees**") have been paid. Nothing in this Agreement prohibits the Employer from paying such Custodial Fees on the HSA Account Holder's behalf.

(b) Bank will implement procedures permitting the HSA to be funded by HSA Account Holders and Employer. Except as expressly set forth in this Agreement, Bank shall have no responsibility with respect to contributions paid to the HSA, other than to receive the contributions paid or transferred to Bank and allocate them in accordance with clear instructions received from the Employer or other contributor or transferor. Bank has no obligation to ensure that contributions to an HSA Account Holder's HSA do not exceed the maximum annual contribution limit applicable to such an HSA Account Holder. Bank shall have no obligation to take affirmative actions to collect monies paid as contributions, such as, by way of example and not limitation, to pursue a check from an HSA Account Holder or other payor that does not clear. In the event that Bank receives contributions from or on behalf of an individual who fails to submit an executed HSA application within a period to be established by Bank, Bank shall refund such contribution to the employee or as Bank otherwise deems appropriate within its sole discretion. To the extent that the instructions provided to Bank with respect to contributions are not clear to Bank, Bank may take reasonable steps to resolve such ambiguity(ies). Bank reserves the right to take such acts in its discretion it deems appropriate with respect to such contributions, including, disgorgement, when it is unable to promptly obtain information sufficient to clarify the ambiguity(ies).

(c) Bank shall have sole discretion to determine whether and under what circumstances to open or close an HSA and accept contributions and transfers of rollover contributions to, or distributions from, an HSA. Bank shall retain sole authority and discretion with respect to whether to place reasonable restrictions on the HSA.

(d) Bank shall be entitled to rely on any instructions provided to it from HSA Account Holders, Employer or any duly authorized third party retained or acting on behalf or for the benefit of any of them and shall have no obligation to test or otherwise verify or confirm the accuracy or completeness thereof, and shall have no responsibility for any actions or inactions taken in accordance with any such instructions received by Bank.

(e) Bank and Employer shall perform their respective tasks as set forth in **Exhibit B** to this Service Appendix.

(f) The Custodial Agreement is a separate agreement to which Employer is not a party and is solely between Bank and the HSA Accountholder. Such agreement does not give Employer any additional rights or obligations. Except as expressly provided herein, or in individual HSA Custodial Agreements entered into with HSA Account Holders, Bank shall have no duty or responsibility with regard to Employer or HSA Account Holders.

(g) Bank is under no obligation to confirm or verify that HSA Account Holders are eligible to establish HSAs in accordance with the requirements of Code Section 223. "Code" means the Internal Revenue Code, and the regulations issued thereunder as amended from time to time.

V. HDHPs.

Employer shall offer a qualifying HDHP, as defined in Code Section 223, during the Term of this Service Appendix. Bank is under no obligation to confirm or verify that such HDHP satisfies the requirements of Code Section 223. Nothing herein shall cause the Bank to be responsible for benefit claims and eligibility determinations with respect to any HDHP sponsored by Employer.

VI. ERISA.

Employer agrees to take all reasonable steps to avoid application of ERISA to the HSAs that HSA Account Holders establish with Bank. Employer understands and acknowledges that Bank is not responsible for any aspect of ERISA's participation, vesting, funding, reporting, disclosure, fiduciary requirements or any other obligation that might apply to the extent that such HSAs are deemed to be subject to ERISA. Bank may terminate this Service Appendix upon written notice and without penalty as of the date that it determines, in its sole discretion, that such HSAs may be subject to ERISA. Alternatively, Bank may, in its sole discretion, choose to continue to provide HSA Services to Employer subject to an additional fee.

VII. HIPAA.

With respect to HSA Services, Employer understands and acknowledges that Bank is not a "covered entity", "business associate" or "plan sponsor" as those terms are defined by HIPAA. The fact that the Bank may be a business associate with respect to other Benefit Plan-related Services provided in accordance with the Agreement should not be construed to mean that Bank is a business associate for purposes of HSA Services. Bank expressly disclaims responsibility for duties imposed on covered entities and plan sponsors under HIPAA.

VIII. Distributions and Access to HSA Funds.

Bank shall provide HSA Account Holders with reasonable access to HSA funds in accordance with the Service Documentation. Bank is under no obligation to ensure that distributions from a HSA Account Holder's HSA are for qualified medical expenses (as defined in Code Section 223). Bank is not responsible for funding reimbursement for any expenses attempted to be paid or reimbursed through the HSA.

IX. HSA Termination and Suspension.

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Bank may terminate or suspend any HSA in accordance with the terms of the Custodial Agreement, Cardholder Agreement, HSA Investments terms and conditions and such other account documents as may be provided from time-to-time.

X. Information to be Provided by Employer.

To the extent permitted by applicable State and Federal privacy laws, Employer shall deliver to Bank all information that Bank deems necessary to perform HSA Services. Employer will deliver such information to Bank in the time and manner determined by Bank. Employer represents and warrants that it will obtain from eligible employees all consents and authorizations required under applicable law as necessary to disclose to Bank such information. Bank has no obligation to verify or confirm that such consents or authorizations have been obtained.

XI. HSA Cards.

Bank shall issue Cards to HSA Account Holders. Use of such Cards by HSA Account Holders will be subject to the Custodial Agreement and the Cardholder Agreement and such other documents as may accompany the Card. The “**Cardholder Agreement**” is a separate agreement between the Cardholder and Bank to which the Employer is not a Party.

XII. Online Tools.

Bank will provide Employer and HSA Account Holders with online HSA management tools.

XIII. HSA Investments.

(a) Bank may, in its sole discretion, make available to HSA Account Holders one or more investment opportunities offered in conjunction with the HSA (“**HSA Investments**”).

(b) HSA Investments are made available to HSA Account Holders in accordance with the terms and conditions applicable to the HSA Investments and the Custodial Agreement.

(c) Employer understands and acknowledges that the Bank will only make such HSA Investments available to an HSA Account Holder to the extent that such individual satisfies the eligibility criteria for making HSA Investments established by the Bank, in its sole discretion.

(d) Employer understands and acknowledges the following with respect to the HSA Investments offered to HSA Account Holders in accordance with this Service Appendix:

(i) Bank has engaged the services of a registered investment advisory firm who recommends a variety of mutual funds managed by JPMorgan Institutional Investments, Inc. for acceptance by Bank. JPMorgan Institutional Investments, Inc. is an affiliate of Bank. The registered advisory firm recommends such mutual funds to Bank in accordance with an established investment policy. The funds may change from time to time in accordance with a recommendation from the investment advisory and acceptance by Bank.

(ii) Bank is under no obligation to and will not substitute, replace or delete any mutual funds offered through the HSA at the request of Employer.

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Approved documents are available online only.

(iii) Each HSA Account Holder has sole discretion whether to invest in one or more of the funds offered through the HSA Investments program.

(iv) Neither Bank nor its registered investment advisor will provide any investment advice to the HSA Account Holder and neither have any obligation to Employer or to the HSA Account Holder to review or monitor the HSA Account Holder's investment choices. Neither the Bank nor its registered investment advisor shall have liability or responsibility for the HSA Account Holder's investment decisions.

XIV. Lines of Credit.

Bank may, in its sole discretion, make available to HSA Account Holders the opportunity to apply for a line of credit in conjunction with his/her HSA through Bank's affiliate Chase Bank USA, N.A. ("**Chase Bank**"). Lines of credit, if any, will be provided by Chase Bank and not by Bank. Chase Bank has sole discretion to approve a HSA Account Holder's application for a line of credit. If approved by Chase Bank, the line of credit will be provided in accordance with separate line of credit agreement between the HSA Account Holder and Chase Bank.

IN WITNESS WHEREOF, Employer and Bank have caused this Service Appendix to be executed in their names by their undersigned officers, the same being duly authorized to do so.

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION

PIMA COUNTY

By: Clare T. Trauth

By: L. G. Widugiris

Name: Clare T. Trauth
Vice President

Name: L. G. Widugiris

Title: _____

Title: Procurement Director

APPROVED AS FOLLOWS:
[Signature]
County Attorney

This is an Official Copy of the Pima County contract executed and recorded in Pima County.

THIS CONTRACT IS SUBJECT TO THE PROVISIONS OF A.R.S. § 38-511^a

**EXHIBIT A – SCHEDULE OF FEES
EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT
HEALTH SAVINGS ACCOUNT SERVICE APPENDIX**

Fees Paid By Employer: Not To Exceed \$250,000

Baseline HSA Program Fees	Notes
Monthly Program Fee	Waived Covers comprehensive account management and client service suite for employer.
Monthly Maintenance Fee/Cash Account*	\$ 3.00 Covers all aspects of participant account administration, including Cash Account and Investment Account.
Monthly Minimum Maintenance Fee	No Charge Minimum charge applied if number of eligible accounts is less than 100
Elected Service Fees	
<i>Enrollment</i>	
Account Set-up Fee (Online or Batch)	No Charge
Paper Application Fee*	\$ 20.00
Online Enrollment Customization	\$ 3,000
Onsite Employee Meeting Support	\$ 2,000 Per day, does not include travel expenses.
<i>Funding</i>	
Individual ACH Credit from Employer	No Charge
Repetitive Individual ACH Debit	No Charge
Change to Repetitive ACH Debit	No Charge
ACH Returns	\$ 10.00 Per Transaction Charge.
Wire	
Standard Transaction	\$ 5.00
Exceptions	\$ 30.00
Reversals/Correction/Contribution Redesignations	\$ 10.00 Per Transaction Charge.
<i>Maintenance</i>	
Manual Updates	\$ 10.00 Per Transaction Charge.
<i>Reporting</i>	
Standard Reporting Package	No Charge
Customized Queries	\$ 250 Per query; Additional cost may apply depending on complexity.
<i>Card Stock</i>	
Standard Card	No Charge Replaced at no charge every three years.
Custom Card	\$ 5,000 Minimum charge. To be priced based on volume.
Custom Card Ultra graphic Logo	\$ 2,000 Minimum charge. To be priced based on volume.
<i>Marketing & Communications</i>	
Standard Adoption Kit	No charge Assumes distribution via PDF.
Fulfillment Branding	\$ 2,500 Minimum charge. To be priced based on volume.
<i>Website</i>	
Standard	No charge
Custom Branding	\$ 5,000
Maintenance (for Custom Branding)	\$ 2,000 Per build
<i>Training</i>	
Enrollment Season Support	\$ 2,000 Per day, does not include travel expenses.
Onsite Training	\$ 2,000 Per day, does not include travel expenses.
<i>Investments</i>	
Custom Slate	TBD Pricing TBD based on client requirements.
<i>Statements</i>	
Custom logo on statement	\$ 2,000 One-time set up fee.
Custom phone # on statement	\$ 2,000 One-time set up fee.

The pricing outlined above is considered effective for 90 days from the date of submission. The fees outlined above assume standard technology and service requirements and could be subject to change based upon client requirements.

* The fee schedule outlined above assumes that this fee is paid by Employer. Can also be paid by employee.

This is an Official Copy of the Pinna County Contract executed and on file with Pinna County.

Fees Paid By HSA Account Holder:

Cardholder Fees		Notes
Paper Application Fee*	\$ 20.00	Covers all aspects of Cash Account administration services.
Monthly Maintenance Fee/Account*	\$ 2.50	
Card Transactions		
ATM Withdrawal - Domestic	No Charge	
ATM Withdrawal - International	No Charge	
ATM Balance Inquiries	No Charge	
Denials	No Charge	
Cash Advances	No Charge	
Signature POS Trans - Domestic	No Charge	
Pin POS Transaction - Domestic	No Charge	
Signature POS Trans - Intl	No Charge	
Pin POS Transaction - Intl	No Charge	
Card Replacement (Lost/Stolen)	\$ 12.00	
Expedited Card Replacement	\$ 10.00	
Additional Card	\$ 2.50	2 free cards for each account
Checks (optional)		
Check writing	No Charge	
Check book	\$ 10.65	Includes tax
Non-sufficient Funds	\$ 20.00	
Lost Checkbook	\$ 30.00	
Stop Check Service (one check)	\$ 10.00	
Duplicate check	\$ 10.00	
Funding		
Returned deposit or EFT	\$ 10.00	
Rollout/Account Closure		
Check Issuance (for Accl Closure)	No Charge	
Additional		
Return of Excess Contr/Mist Contrib/Distrib	\$ 20.00	
Copy of Tax Statement	No Charge	
Online Statement	No Charge	
Copy of Paper Statement by Mail	\$ 1.00	Available online at no charge.
Investments		
Monthly Maintenance Fee/Account*	\$ 2.50	Covers all aspects of Investment Account administration services.
Trading Online	No Charge	
Broker assisted trades (per call)	\$ 10.00	

* The fee schedule outlined above assumes that this fee is paid for by the Employee. Can also be paid by Employer. Please see Employer Fee Schedule.

This is an Official Copy of the Pima County Contract executed and on file with Pima County.

EXHIBIT B – ROLES AND RESPONSIBILITIES
EMPLOYER BENEFIT PLAN AND HSA SERVICES AGREEMENT
HEALTH SAVINGS ACCOUNT SERVICE APPENDIX

	Employer	Bank
Enrollment	<ul style="list-style-type: none"> ✓ Confirm employee identity via existing I-9 process. ✓ Send enrollment data for HSA to Bank in a format supported by Bank ✓ Ensure that it has any necessary authorization to send participant data to Bank 	<ul style="list-style-type: none"> ✓ Send employers soft copies of an enrollment kit including: <ul style="list-style-type: none"> • Introduction letter • Account application • Bank HSA agreements booklet • Fee and Rate Schedule • Frequently Asked Questions about HSA ✓ Accept enrollment data files from Employer ✓ Perform a Customer Identification Process (CIP) verification and Office of Foreign Asset Control (OFAC) list checks ✓ Establish HSAs for participants that have completed these verifications ✓ After receipt of signed application from HSA Account Holder, mail welcome kit and Card mailer.
HSA Contributions	<ul style="list-style-type: none"> ✓ Facilitate payroll deductions for HSA contributions for employees ✓ Send employee and employer contributions to Bank: <ul style="list-style-type: none"> • Funds sent via ACH or wire to account(s) specified by JPMC • If Employer utilizes bulk funding, it must send instructions for funding individual accounts in a file structure specified by JPMC ✓ Ensure that HSA contributions comply with applicable tax requirements (e.g., HSA comparability and/or cafeteria plan discrimination tests). 	<ul style="list-style-type: none"> ✓ Process ACH debit contributions and check and deposit ticket contributions from HSA Account Holders and credit account holders' accounts for these contributions ✓ Process contributions received from Employer for "open" HSAs and credit individual accounts based on Employer's instructions
HSA Withdrawals	<ul style="list-style-type: none"> ✓ Not applicable 	<ul style="list-style-type: none"> ✓ Process checks drawn on Bank received through the banking system ✓ Authorize and settle debit card transactions
Customer Service	<ul style="list-style-type: none"> ✓ Answer or refer questions about health plan coverage, claim submissions, etc. 	<ul style="list-style-type: none"> ✓ Provide toll free number with Live Call Center and Interactive Voice Response system to answer: <ul style="list-style-type: none"> • Enrollment questions • Balance inquiry questions • Transaction inquiry questions

This is an Official Copy of the Pima County Health Savings Account and is the official Pima County.

CONTRACT	
NO.	<u>11-26-J-140841-0708</u>
AMENDMENT NO.	<u>01</u>
This number must appear on all invoices, correspondence and documents pertaining to this contract	

**FIRST AMENDMENT TO
HSA SERVICES AGREEMENT**

This First Amendment (the "First Amendment") to the HSA Services Agreement (the "Agreement") dated as of July 1, 2008, between JPMorgan Chase Bank, N.A. ("Bank"), and Pima County ("Employer") is made as of 7-1, 2010 (the "Effective Date").

Bank and Employer agree to amend the Agreement as follows:

1. Definitions. Capitalized terms used in this First Amendment and defined in the Agreement shall be used herein as so defined, except as otherwise provided herein.

2. Exhibit A. Exhibit A to the Health Savings Account Service Appendix, as incorporated into the Agreement, is hereby deleted in its entirety and replaced with a new Exhibit A in the form attached hereto as Exhibit A-1.

3. Continued Effect. Except to the extent amended hereby, all terms, provisions and conditions of the Agreement, as it may have been amended from time to time, shall continue in full force and effect and the Agreement shall remain enforceable and binding in accordance with its terms.

4. Counterparts. This First Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one and the same document, and each party hereto may execute this First Amendment by signing any of such counterparts.

IN WITNESS WHEREOF, Bank and Employer have caused this Amendment to be executed by their respective authorized officers as of the effective date written above.

JPMORGAN CHASE BANK, N.A.:

PIMA COUNTY:

By: Clare T. Trauth
 Name: Clare T. Trauth
 Title: Vice President

By: L. H. Wislizenus
 Name: _____
 Title: JUN 14 2010

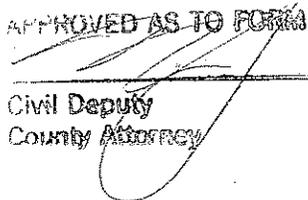
APPROVED AS TO FORM

 Civil Deputy
 County Attorney

EXHIBIT A-1 – SCHEDULE OF FEES
HSA SERVICES AGREEMENT
HEALTH SAVINGS ACCOUNT SERVICE APPENDIX

Fees Paid By Employer:

J.P. Morgan Health Savings Account Administrative Services - Employer Fee Schedule

Standard HSA Employer Fees	Fee	Notes
Monthly Program Fee	Waived	Covers employer administration capabilities, including comprehensive account management and client service suite.
Monthly Maintenance Fee/Account*	\$1.75	Covers all aspects of participant account administration, including Cash Account and Investment Account.
Optional Fees		
<u>Enrollment</u>		
Account Set-up Fee (Online or Batch)	No Charge	
Paper Application Fee*	\$20.00	
<u>Funding</u>		
ACH Returns	\$ 10.00	Per Transaction Charge. Part of "Enrollment & Funding Error" Charges.
Wire		
Standard Transaction	\$ 5.00	
Exceptions	\$ 30.00	
Check & Paylist	Not Available	Check to lockbox for reserve account funding only. No Paylist
Reversals/Correction/Contribution Redesignations	\$ 10.00	Per Transaction Charge. Part of "Enrollment & Funding Error" Charges.
<u>Maintenance</u>		
Manual Updates	\$ 10.00	Per Transaction Charge. Part of "Enrollment & Funding Error" Charges.
<u>Card Stock</u>		
Custom Ultra graphic Logo	\$ 2,000	Minimum charge. To be priced based on volume.
<u>Marketing & Communications</u>		
Standard Adoption Kit	No Charge	Assumes distribution via PDF.
Customization of Adoption Kit	\$ 2,500	Minimum charge. To be priced based on volume.
Printing of Adoption Kit	TBD	Pricing can be provided for print costs
<u>Welcome Kits</u>		
Fulfillment Customization & Branding	\$ 2,500	Black & White Only
<u>Training</u>		
Enrollment Season Support	\$2000*	Does not include travel expenses. 1 day; *JPMC will waive the cost of Enrollment Season support for three (3) years: 2010, 2011 and 2012 enrollment seasons. Per discussions with Pima County, JPMC will provide onsite support for a single 2-3 day window during each annual enrollment period. JPMC will host ten (10) training webinars annually to support Enrollment and Post enrollment activities.
Onsite Training	\$ 2,000	Does not include travel expenses. 1 day
<u>Investments</u>		
Custom State	TBD	Pricing TBD based on request.
<u>Paper Statements</u>		
Custom Contact Information	\$ 2,000	One-time set up fee.
Custom Logo	\$ 2,000	One-time set up fee.

The pricing outlined above is considered effective for 90 days from the date of submission. The fees outlined above assume standard technology and service requirements and could be subject to change based upon client requirements.

* Default is paid by Employer. Can be paid by Employee.

Fees Paid By HSA Account Holder:

J.P. Morgan Health Savings Account - Participant Fee Schedule

Cardholder Fees	Notes	
Monthly Maintenance Fee/Account*		Covers all aspects of participant account administration, including Cash Account and Investment Account.
Paper Application Fee*	\$ 20.00	Per application
<u>Card Transactions</u>		
ATM Withdrawal - Domestic	No Charge	
ATM Withdrawal - International	No Charge	
ATM Balance Inquiries	No Charge	
Denials	No Charge	
Signature POS Trans - Domestic	No Charge	
Pin POS Transaction - Domestic	No Charge	
Signature POS Trans - Intl	No Charge	
Pin POS Transaction - Intl	No Charge	
Cash Advances	\$ 10.00	
Card Replacement (Lost/Stolen)	\$ 12.00	
Expedited Card Replacement	\$ 10.00	
Additional Card	\$ 2.50	2 free cards for each account
<u>Checks (optional)</u>		
Check writing	No Charge	
Check book	\$ 10.65	Book of 25 checks. Includes tax.
Non-sufficient Funds	\$ 20.00	
Lost Checkbook	\$ 30.00	
Stop Check Service (one check)	\$ 10.00	
Duplicate check	\$ 10.00	
<u>Funding</u>		
Returned deposit or EFT	\$ 10.00	
<u>Rollout/Account Closure</u>		
Check Issuance (for Acct Closure)	No Charge	
<u>Additional</u>		
Return of Excess Contr/Mist Contrib/Distrib	\$ 20.00	
Copy of Tax Statement	No Charge	
Online Statement	No Charge	
Copy of Paper Statement by Mail	\$ 1.00	Available online at no charge.
<u>Investments</u>		
Monthly Maintenance Fee/Account*	No Charge	
Trading Online	No Charge	
Broker assisted trades (per call)	\$ 10.00	

J.P. Morgan may change the amount or type of any of the above fees or add additional fees at any time in accordance with the terms of the Custodial Agreement.

* Default is paid by Employer. Can be paid by Employee.

CONTRACT

NOCT-HR-13 00000 00000 00000 507

AMENDMENT NO. 02

This number must appear on all invoices, correspondence and documents pertaining to this contract.

**SECOND AMENDMENT TO
HSA SERVICES AGREEMENT**

This Second Amendment (the "Second Amendment") to the HSA Services Agreement (the "Agreement") dated as of July 1, 2008, between JPMorgan Chase Bank, National Association ("Bank"), and Pima County ("Employer") is made and entered into as of December 28, 2012.

Bank and Employer agree to amend the Agreement as follows:

1. Definitions. Capitalized terms used in this Second Amendment and defined in the Agreement shall be used herein as so defined, except as otherwise provided herein.

2. Exhibit A-1. Exhibit A-1 to the Health Savings Account Service Appendix, as incorporated into the Agreement, is hereby amended as follows:

Effective as of January 1, 2013, the Monthly Maintenance Fee/Account will be reduced from \$1.75 to \$1.55.

4. Continued Effect. Except to the extent amended hereby, all terms, provisions and conditions of the Agreement, as it may have been amended from time to time, shall continue in full force and effect and the Agreement shall remain enforceable and binding in accordance with its terms.

5. Counterparts. This Second Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one and the same document, and each party hereto may execute this Second Amendment by signing any of such counterparts.

*The remainder of this page is intentionally left blank. Signature page follows.

IN WITNESS WHEREOF, Bank and Employer have caused this Second Amendment to be executed by their respective authorized officers as of the date first written above.

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION:

PIMA COUNTY:

By: *Dragana Kosanovic*
Name: Dragana Kosanovic
Title: Vice President

By: *L. G. Widvigius*
Name: L. G. Widvigius
Title: Procurement Director

Employer Attestation:

The undersigned, a duly authorized officer or representative of the Employer, does hereby certify that the Employer has been duly authorized to enter into and perform this Second Amendment and that the person signing above on behalf of the Employer, whose execution of this Second Amendment was witnessed by the undersigned, is an officer, partner, member or other representative of the Employer possessing authority to execute this Second Amendment.

By: *Colin Smith* *
Name: Colin Smith
Title: HR DIVISION MANAGER BY DIR.

* Note: The person signing the attestation shall be someone different from the person signing above on behalf of the Employer.

APPROVED AS TO FORM:

Leslie K. [Signature]
Deputy County Attorney