

THIS AGREEMENT WILL BE POSTED ON THE CPS WEBSITE

**AGREEMENT EXERCISING THE FIRST OPTION TO RENEW THE
FLEXIBLE SPENDING ACCOUNT CLAIMS AND ADMINISTRATIVE SERVICES AGREEMENT
(BENEFIT EXPRESS SERVICES, LLC)**

AGREEMENT EXERCISING THE FIRST OPTION TO RENEW THE FLEXIBLE SPENDING ACCOUNT CLAIMS AND ADMINISTRATIVE SERVICES AGREEMENT ("First Renewal"), is entered into as of January 1, 2017 ("Effective Date"), between the Board of Education of the City of Chicago, a body politic and corporate ("Board") commonly known as the Chicago Public Schools ("CPS") and Benefit Express Services, LLC, an Illinois limited liability company ("BE"), and together with the Board, individually, a "Party" and collectively, the "Parties").

RECITALS

- A. The Board and BE entered into that certain Flexible Spending Account Claims and Administrative Services Agreement dated as of January 1, 2016 ("Original Agreement"), whereby BE administers the Flexible Spending Accounts (as defined in the Original Agreement), established pursuant to Internal Revenue Code Sections 125 and 129, as from time to time amended (also referenced in the Original Agreement as "FSAs") to benefit eligible employees of the Board and their eligible dependents. The Board has three (3) options to renew the Original Agreement for periods of twelve (12) months each, upon the same terms and conditions set forth in the Original Agreement.
- B. BE represents and warrants that it has the requisite skill, knowledge, experience and other resources to continue to perform such services and is ready, willing and able to continue to perform such services as set forth in this First Renewal as of the Effective Date.
- C. Pursuant to the terms of the Original Agreement, the Board desires to exercise the first option to renew the Original Agreement for one (1) year, and BE accepts this first option to renew on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the Parties hereby agree as follows:

1. **Incorporation of Recitals.** The matters recited above are hereby incorporated into and made a part of this First Renewal.
2. **Defined Terms.** All defined and/or capitalized terms used herein shall have the same meaning as set forth in the Original Agreement unless otherwise defined herein or the context clearly requires a different meaning or connotation. The term "Agreement" means collectively the Original Agreement, as renewed by this First Renewal.
3. **First Renewal Term.** This First Renewal is for a term commencing on the Effective Date and ending on December 31, 2017 ("First Renewal Term"), unless terminated sooner as provided herein. The Board shall have two (2) remaining options to renew this Agreement upon completion of the First Renewal Term, for a period of one (1) year each, upon the same terms and conditions as set forth in the Agreement.
4. **Scope of Services.** BE shall continue to provide the services set forth on Exhibit A of the Original Agreement, including, without limitation, the FSA claims administration services ("Services") in accordance with the terms and conditions of this Agreement and all applicable terms and conditions of the Internal Revenue Code ("IRC"). "Services" means, collectively, the services, deliverables, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete or carry out the Services fully and to the standard of performance required in this Agreement. The Board retains final authority with respect to all Services related decisions under the Plan, except as set out in the

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Agreement. The Board may, from time to time, request changes in the scope of Services. Any such changes shall be documented by a written amendment to this Agreement signed by authorized representatives of both Parties and the Board's General Counsel.

5. **Compensation.** Payment for compensation to BE for any and all Services during the First Renewal Term shall be as set out in Exhibit B ("Compensation and Billing") of the Original Agreement. The maximum compensation for the Services provided by BE during the First Renewal Term shall not exceed Two Hundred and Fifty Thousand Dollars (\$250,000.00), the "**Total Maximum Compensation**", with no reimbursement for expenses except as specifically set out in the Agreement. If actual compensation under this Agreement would exceed the Total Maximum Compensation amount based on participation and the fees set out in Exhibit B of the Original Agreement, the Parties acknowledge and agree that BE will not be required to provide Services without compensation. Compensation shall be based on Services actually rendered during the First Renewal Term, and the Board shall not be obligated to pay for any Services not in compliance with this Agreement. In the event of early termination of this Agreement, the Board shall only be obligated to pay for Services rendered up to the date of termination. In no event shall the Board be liable for any costs incurred or Services performed after the effective date of termination as provided in this Agreement, except as specifically set out herein.

6. **Freedom of Information Act.** BE acknowledges that this Agreement and all documents submitted to the Board related to this contract award are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this Agreement is subject to reporting requirements under 105 ILCS 5/10-20.44. BE further acknowledges that this Agreement shall be posted on the Board's website.

7. **Original Agreement.** Except as expressly provided in this First Renewal, all terms and conditions of the Original Agreement are and shall remain in full force and effect during the First Renewal Term.

8. **Counterparts and Electronic Signature.** This First Renewal may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be considered binding for both parties.

9. **Board Approval.** The execution of this First Renewal is subject to approval by the members of the Chicago Board of Education.

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SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, the Parties hereto have caused this First Renewal to be executed by their duly authorized representatives as of the date first written above.

BOARD OF EDUCATION OF THE
CITY OF CHICAGO

By: Frank M. Clark
Frank M. Clark, President

Attest: Estela G. Beltran 3/28/17
Estela G. Beltran, Secretary

BENEFIT EXPRESS SERVICES, LLC

By: Kelly McMillen
Name:

Its: Chief Counsel
Attest: [Signature]

Name: Richard Bakewell

Its: Chief Financial Officer

Forrest Claypool
Forrest Claypool, Chief Executive Officer

Approved as to legal form: [Signature]
By: Ronald L. Mairner
Ronald L. Mairner, General Counsel

Board Report: 16-0928-PR7, 16-1207-AR4-47
CPOR: 15-0810-CPOR-1709, 17-0222-AR4-29

