

Service Contract

City of Lincolnton (the "Client") and Accretive Global Insurance Services, LLC dba Pierce Group Benefits (Pierce Group Benefits or PGB) agree to enter into this Service Contract for the purpose of communication and enrollment of eligible employees in benefits under the Client's Flexible Benefits Plan for the Benefit Plan Year beginning January 1, 2027. PGB will begin work immediately upon execution of this Contract to ensure that benefit enrollment is available as agreed. As a result, this Contract is considered in full force and effect on the date of execution below by both Parties (hereafter referred to as the "Effective Date").

ARTICLE I – Definitions

A. Plan is defined as the Flexible Benefits Plan together with flexible spending account plan (or plans) maintained by the Client or portions of the plan (or plans).

B. Flexible Spending Account ("FSA") is defined as a health care flexible spending account arrangement or dependent care assistance flexible spending account arrangement, as described in proposed Internal Revenue Service ("IRS") regulations under Internal Revenue Code ("Code") 125.

C. Plan administration (or Administrator) is defined as the Client or the entity named in the documents describing the Plan as responsible for the operation and administration of the Plan.

ARTICLE II – Duties of Pierce Group Benefits

Pierce Group Benefits or its designee will perform the following annual enrollment services during the applicable enrollment period, at no cost to the Client or to any employee of the Client:

A. Conduct group meetings to provide eligible employees an overview of benefits and estimated tax saving examples under the Plan.

B. Enroll all eligible employees who choose to participate in the Plan.

C. At an eligible employee's request, provide an individual review of benefits available under the Plan.

D. Explain the procedure for filing claims for reimbursement of eligible expenses to employees electing to participate in the flexible spending account arrangement and at an eligible employee's request provide claims packets to participants.

E. Ensure proper completion of participant election forms.

F. Arrange for prior approval of the Client for any products to be offered to the Client's employees.

ARTICLE III – Duties of the Client

A. The Client will provide access to all eligible employees annually to Pierce Group Benefits or its designee for the purpose of annual communication and enrollment in the benefits under the Plan. This includes group and/or individual benefit communication sessions and enrollments.

B. The Client will allow Pierce Group Benefits to offer voluntary individual insurance products during the annual enrollment.

C. The Client is responsible for interpreting the provisions of the Plan and determining questions of eligibility for Plan participation.

D. Execute any necessary separate contracts with the third-party administrator with regard to actual claim payment services for the flexible spending account arrangement.

ARTICLE IV – Fees for Services

A. There will be no charge to the Client for enrollment support materials or benefits counselors.

B. Additional programs and services can be provided on a project basis for an additional fee to be disclosed prior to, in writing, and shall be undertaken upon mutual agreement between Pierce Group Benefits and the Client.

C. Pierce Group Benefits retains commission for all applicable lines.

D. The parties agree that Pierce Group Benefits is entitled to the compensation it is receiving for the full term of this Contract. In the event of a termination of this Contract for any reason, the Client agrees that Pierce Group Benefits is entitled to retain commission through the end of the current term of this Contract as compensation for enrollment services provided for that Benefit Plan Year. (As an example: if the Benefit Plan Year runs from July 1st through June 30th and this Contract is terminated prior to June 30th, Pierce Group Benefits is entitled to retain the commission received through June 30th, the end of the Benefit Plan Year).

E. Administration fees, mailing fees, and annual plan service fees including plan document preparation will be arranged between the Client and the third-party administrator. The fee structure will be outlined in a contract between the third-party administrator and the Client.

F. The Client understands and agrees that the fees for services under this Contract may be renegotiated if substantial changes to the Plan would significantly increase the obligations or costs of providing these services with respect to the Plan. Any adjustment to fees would be discussed with the Client prior to adjustment and would be effective as of an agreed upon date outlined in a written amendment signed by both parties.

G. The cost of individual benefit selections is the responsibility of the employee that chooses to participate in a specific voluntary benefit. The Client agrees to payroll deduct these premiums (costs) from the employees' paychecks and remit the premiums to the appropriate provider.

H. Due to the nature of this arrangement it is necessary to add additional products from time to time and shall be done so upon mutual agreement between the Client and Pierce Group Benefits. This is to ensure the appropriate amount of revenue is generated to cover the cost of the fees for the above-mentioned services.

I. The Client agrees that for the duration of this Contract, no competitive benefits shall be offered to their employees by any vendor/carrier. These are defined as any benefit that competes with the benefits offered to the employees of the Client by Pierce Group Benefits and is solicited either at the worksite, virtually, electronically, telephone or any means. It also includes any competing benefit paid for via payroll deduction or directly to the vendor by other means. This would include any additions, upgrades, transfers, etc. on existing plans from any vendor that currently has payroll deductions with the Client. This section is effective from the date this Contract is signed and shall remain in effect until its termination. A copy of the current billings from existing vendors will be attached to this Contract. Also, Pierce Group Benefits shall have the opportunity to submit a bid for any and all supplemental benefits, whether voluntary or employer paid to be offered to the Client and/or their employees.

J. If the Client chooses to utilize a BenAdmin technology, which is Pierce Group Benefits' full-service Benefit Administration Platform to conduct annual enrollment as well as enroll new hires and process terminations throughout the year, there will be a separate fee for that service as outlined in a separate contract.

ARTICLE V – Indemnity

A. Each party to this Contract agrees to hold the other harmless and indemnify the other party against any and all claims, expenses, liabilities, damages and losses arising out of the first party's failure to perform properly its duties and responsibilities under this Contract as permitted by law.

ARTICLE VI – Term of Contract

A. The term of this Contract shall begin on the Effective Date and shall continue for a period of three (3) years from the first day of the Initial Benefit Plan Year. (As an example: if the Contract is executed on January 1, 2024, and the first day of the Initial Benefit Plan Year is July 1, 2024, the initial term of the Contract is from January 1, 2024, through June 30, 2027.) This Contract shall automatically renew for successive three (3) year periods unless terminated by either party in accordance with the terms of this Contract. Either party may choose not to renew this Contract by providing written notice to the other party at least one-hundred and eighty (180) days before the next renewal date.

B. This Contract may be extended to any public agency or body in the State of North Carolina to permit those public agencies or bodies to purchase at contract prices, in accordance with the terms, conditions, and specifications of this Contract. Pierce Group Benefits shall deal directly with each public agency or body regarding order placement, delivery, invoicing, and payment.

ARTICLE VII – Termination

If either party believes the other party has breached the terms of this Contract or that there are other grounds to terminate this Contract for cause, such party shall provide written notice to the other party identifying the alleged breach or cause for termination and allow such party thirty (30) days from receipt of the written notice to cure the alleged breach or cause. If such breach is not cured within that thirty (30) day period, the non-breaching party may provide a thirty (30) day written notice of termination. Either party may terminate this Contract immediately if the other party has engaged in actions that violate State or Federal laws or regulations.

A. All obligations, duties, and responsibilities under this Contract shall cease as of the date of termination of this Contract.

The Service Contract is signed and considered executed as of the last date shown below.

This document must be executed by a person authorized to amend or obtain coverage under the Benefits Plan.

Pierce Group Benefits	City of Lincolnton
BY: _____	BY: _____
Print Name: Raquel Bootes	Print Name: _____
Title: Agency President	Title: _____
Date: _____	Date: _____