

Administering Agency: Nevada County Human Resources

Contract No. _____

Contract Description: Administration of the County's Flexible Spending Arrangement, Dependent Care Flex Agreement and Healthcare Reimbursement Accounts and Third-Party Retiree Benefit Administration and COBRA Administration

PROFESSIONAL SERVICES CONTRACT

THIS PROFESSIONAL SERVICES CONTRACT ("Contract") is made at Nevada City, California, as of September 1, 2025 by and between the County of Nevada, ("County"), and Navia Benefit Solutions ("Contractor") (together, "Parties", individual "Party"), who agree as follows:

1. **Services** Subject to the terms and conditions set forth in this Contract, Contractor shall provide the services described in Exhibit A. Contractor shall provide said services at the time, place, and in the manner specified in Exhibit A.
2. **Payment** County shall pay Contractor for services rendered pursuant to this Contract at the time and in the amount set forth in Exhibit B. The payments specified in Exhibit B shall be the only payment made to Contractor for services rendered pursuant to this Contract. Contractor shall submit all billings for said services to County in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures which Contractor uses for billing clients similar to County. **The amount of the contract shall not exceed One Hundred Two Thousand Dollars (\$102,000.00).**
3. **Term** This Contract shall commence on September 1, 2025. All services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** of: December 31, 2028.
4. **Facilities, Equipment and Other Materials** Contractor shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Contract.
5. **Exhibits** All exhibits referred to herein and attached hereto are incorporated herein by this reference.
6. **Electronic Signatures** The Parties acknowledge and agree that this Contract may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.
7. **Time for Performance** Time is of the essence. Failure of Contractor to perform any services within the time limits set forth in Exhibit A, or elsewhere in this Contract, shall constitute material breach of this contract. Contractor shall devote such time to the performance of services pursuant to this Contract as may be reasonably necessary for the satisfactory performance of Contractor's obligations pursuant to this Contract. Neither Party shall be considered in default of this Contract to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the Party.
8. **Liquidated Damages**
Liquidated Damages are presented as an estimate of an intangible loss to the County. It is a provision that allows for the payment of a specified sum should Contractor be in breach of contract. Liquidated

Damages ☒shall not ☐shall apply to this contract. If Liquidated Damages are applicable to this contract, the Terms are incorporated in Exhibit E, attached hereto.

9. **Relationship of Parties**

9.1. **Independent Contractor**

In providing services herein, Contractor, and the agents and employees thereof, shall work in an independent capacity and as an independent contractor and not as agents or employees of County. Contractor acknowledges that it customarily engages independently in the trade, occupation, or business as that involved in the work required herein. Further, the Parties agree that Contractor shall perform the work required herein free from the control and direction of County, and that the nature of the work is outside the usual course of County's business. In performing the work required herein, Contractor shall not be entitled to any employment benefits, Workers' Compensation, or other programs afforded to County employees. Contractor shall hold County harmless and indemnify County against such claim by its agents or employees. County makes no representation as to the effect of this independent contractor relationship on Contractor's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Contractor specifically assumes the responsibility for making such determination. Contractor shall be responsible for all reports and obligations including but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation and other applicable federal and state taxes.

9.2. **No Agent Authority** Contractor shall have no power to incur any debt, obligation, or liability on behalf of County or otherwise to act on behalf of County as an agent. Neither County nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Contract. Contractor shall not represent that it is, or that any of its agents or employees are, in any manner employees of County.

9.3. **Indemnification of CalPERS Determination** In the event that Contractor or any employee, agent, or subcontractor of Contractor providing service under this Contract is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of County, Contractor shall indemnify, defend, and hold harmless County for all payments on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of County.

10. **Assignment and Subcontracting** Except as specifically provided herein, the rights, responsibilities, duties and services to be performed under this Contract are personal to Contractor and may not be transferred, subcontracted, or assigned without the prior written consent of County. Contractor shall not substitute or replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Contractor shall cause and require each transferee, subcontractor, and assignee to comply with the insurance provisions and information technology security provisions set forth herein, to the extent such insurance provisions are required of Contractor under this Contract. Failure of Contractor to so cause and require such compliance by each transferee, subcontractor, and assignee shall constitute a material breach of this Contract, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

11. **Licenses, Permits, Etc.** Contractor represents and warrants to County that Contractor shall, at its sole cost and expense, obtain or keep in effect at all times during the term of this Contract, any licenses, permits, and approvals which are legally required for Contractor to practice its profession at the time the services are performed.

12. **Hold Harmless and Indemnification Contract** To the fullest extent permitted by law, each Party (the “Indemnifying Party”) hereby agrees to protect, defend, indemnify, and hold the other Party (the “Indemnified Party”), its officers, agents, employees, and volunteers, free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character resulting from the Indemnifying Party’s negligent act, willful misconduct, or error or omission, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the Indemnified Party arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the Indemnified Party) and without limitation, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the Contract. The Indemnifying Party agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Indemnifying Party, using legal counsel approved in writing by Indemnified Party. Indemnifying Party also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against either Party or to enlarge in any way either Party’s liability but is intended solely to provide for indemnification of the Indemnified Party from liability for damages, or injuries to third persons or property, arising from or in connection with Indemnifying Party’s performance pursuant to this Contract. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this Contract.
13. **Standard of Performance** Contractor shall perform all services required pursuant to this Contract in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged in the geographical area in which Contractor practices its profession. All products of whatsoever nature which Contractor delivers to County pursuant to this Contract shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Contractor's profession.
14. **Contractor without additional compensation** Contractor’s personnel, when on County’s premises and when accessing County network remotely, shall comply with County’s regulations regarding security, remote access, safety and professional conduct, including but not limited to Nevada County Security Policy NCSP-102 Nevada County External User Policy and Account Application regarding data and access security. Contractor personnel will solely utilize County’s privileged access management platform for all remote access support functions, unless other methods are granted in writing by County’s Chief Information Officer or his/her designee.
15. **Prevailing Wage and Apprentices** To the extent made applicable by law, performance of this Contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code section 1720, et seq., and shall be in conformity with Title 8 of the California Code of Regulations section 200 et seq., relating to apprenticeship. Where applicable:
- Contractor shall comply with the provisions thereof at the commencement of services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. Applicable prevailing wage determinations are available on the California Department of Industrial Relations website at <http://www.dir.ca.gov/OPRL/PWD>.
 - Contractor and all subcontractors must comply with the requirements of Labor Code section 1771.1(a) pertaining to registration of contractors pursuant to section 1725.5. Registration and all related requirements of those sections must be maintained throughout the performance of the Contract.

- Contracts to which prevailing wage requirements apply are subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor and each subcontractor must furnish certified payroll records to the Labor Commissioner at least monthly.
 - County is required to provide notice to the Department of Industrial Relations of any public work contract subject to prevailing wages within five (5) days of award.
16. **Accessibility** It is the policy of County that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall comply with the provisions of the Americans With Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Contractor to provide County contracted services directly to the public, Contractor shall certify that said direct services are and shall be accessible to all persons.
 17. **Nondiscriminatory Employment** Contractor shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or sexual orientation, or any other legally protected category, in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
 18. **Drug-Free Workplace** Senate Bill 1120, (Chapter 1170, Statutes of 1990), requires recipients of State grants to maintain a "drug-free workplace". Every person or organization awarded a contract for the procurement of any property or services shall certify as required under Government Code Section 8355-8357 that it will provide a drug-free workplace.
 19. **Political Activities** Contractor shall in no instance expend funds or use resources derived from this Contract on any political activities.
 20. **Levin Act** This contract ☒ shall not ☐ shall be subject to compliance with [Government Code Section 84308](#) (Levine Act), which pertains to campaign contributions of more than \$500 to any member of the County of Nevada Board of Supervisors or any County of Nevada Official who will be making, participating in making, or in any way attempting to use their official position to influence a County decision to approve the contract. If Levine Act Compliance is applicable to this contract, the terms are incorporated in Exhibit G, attached hereto.
 21. **Subrecipient** This contract ☒ shall not ☐ shall be subject to subrecipient status as such: the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 et al (commonly referred to as the "OMB Super Circular" or "Uniform Guidance"). A copy of these regulations is available at the link provided herein for the Code of Federal Regulations. Subrecipient and Contractor determinations
 22. **Debarment** In order to prohibit the procurement of any goods or services ultimately funded by Federal awards from debarred, suspended or otherwise excluded parties, this contract ☒ shall not ☐ shall qualify for debarment suspension monitoring. Contractor shall provide proof of debarment compliance if requested by the County. In addition, the County may (at anytime during the term of the Contract) screen the Contractor at www.sam.gov to ensure Contractor, its principal and their named subcontractors are not debarred, suspended or otherwise excluded by the United States Government in compliance with the requirements of 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.
 23. **Financial, Statistical and Contract-Related Records:**
 - 23.1. **Books and Records** Contractor shall maintain statistical records and submit reports as required by County. Contractor shall also maintain accounting and administrative books and records, program procedures and documentation relating to licensure and accreditation as they pertain to this Contract. All such financial, statistical and contract-related records shall be retained for

five (5) years or until program review findings and/or audit findings are resolved, whichever is later. Such records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records, including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits.

23.2. **Inspection** Upon reasonable advance notice and during normal business hours or at such other times as may be agreed upon, Contractor shall make all of its books and records, including general business records, available for inspection, examination or copying, to County, or to the State Department of Health Care Services, the Federal Department of Health and Human Services, the Controller General of the United States and to all other authorized federal and state agencies, or their duly authorized representatives.

23.3. **Audit** Contractor shall permit the aforesaid agencies or their duly authorized representatives to audit all books, accounts or records relating to this Contract, and all books, accounts or records of any business entities controlled by Contractor who participated in this Contract in any way. All such records shall be available for inspection by auditors designated by County or State, at reasonable times during normal business hours. Any audit may be conducted on Contractor's premises or, at County's option, Contractor shall provide all books and records within fifteen (15) days upon delivery of written notice from County. Contractor shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charge of five percent (5%) or more of the correct amount owed during the audit period.

24. **Termination**

- A. A material breach, as defined pursuant to the terms of this Contract or otherwise, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this Contract, or both, without notice.
- B. If Contractor fails to timely provide in any manner the services materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) calendar days written notice to Contractor**.
- C. Either Party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by registered mail in conformity with the notice provisions, below. In the event of termination not the fault of Contractor, Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Contractor shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which Contractor has no control.
- D. County, upon giving **thirty (30) calendar days written notice** to Contractor, shall have the right to terminate its obligations under this Contract at the end of any fiscal year if County or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

In the event this Contract is terminated:

- 1) Contractor shall deliver copies of all writings prepared by it pursuant to this Contract. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.
- 2) County shall have full ownership and control of all such writings delivered by Contractor pursuant to this Contract.
- 3) County shall pay Contractor the reasonable value of services rendered by Contractor to the date of termination pursuant to this Contract not to exceed the amount documented by Contractor and approved by County as work accomplished to date; provided, however, that in no event shall any

payment hereunder exceed the amount of the Contract specified in Exhibit B, and further provided, however, County shall not in any manner be liable for lost profits which might have been made by Contractor had Contractor completed the services required by this Contract. In this regard, Contractor shall furnish to County such financial information as in the judgment of County is necessary to determine the reasonable value of the services rendered by Contractor. The foregoing is cumulative and does not affect any right or remedy, which County may have in law or equity.

25. **Intellectual Property** Contractor will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of County. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Contractor unconditionally and irrevocably transfers and assigns to County all right, title, and interest, including all copyrights and other intellectual property rights, in or to the "works made for hire." Unless required by law, Contractor shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Contract, without County's prior express written consent. To the extent County provides any of its own original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto, to Contractor during this Contract, such information shall remain the property of County, and upon fifteen (15) days demand therefor, shall be promptly delivered to County without exception.
26. **Waiver** One or more waivers by one Party of any major or minor breach or default of any provision, term, condition, or covenant of this Contract shall not operate as a waiver of any subsequent breach or default by the other Party.
27. **Conflict of Interest** Contractor certifies that no official or employee of County, nor any business entity in which an official of County has an interest, has been employed or retained to solicit or aid in the procuring of this Contract. In addition, Contractor agrees that no such person will be employed in the performance of this Contract unless first agreed to in writing by County. This includes prior Nevada County employment in accordance with County's Personnel Code.
28. **Entirety of Contract** This Contract contains the entire Contract of County and Contractor with respect to the subject matter hereof, and no other contract, statement, or promise made by any Party, or to any employee, officer or agent of any Party, which is not contained in this Contract, shall be binding or valid.
29. **Alteration** No waiver, alteration, modification, or termination of this Contract shall be valid unless made in writing and signed by all Parties, except as expressly provided in Section 22, Termination.
30. **Governing Law and Venue** This Contract is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. The venue for any legal proceedings regarding this Contract shall be the County of Nevada, State of California. Each Party waives any federal court removal and/or original jurisdiction rights it may have.
31. **Compliance with Applicable Laws** Contractor and any subcontractors shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the services or type of services to be provided by this Contract.
32. **Confidentiality** Contractor, its employees, agents and or subcontractors may come in contact with documents that contain information regarding matters that must be kept confidential by County, including personally identifiable patient or client information. Even information that might not be considered

confidential for the usual reasons of protecting non-public records should be considered by Contractor to be confidential.

Contractor agrees to maintain confidentiality of information and records as required by applicable federal, state, and local laws, regulations and rules and recognized standards of professional practice.

Notwithstanding any other provision of this Contract, Contractor agrees to protect the confidentiality of any confidential information with which Contractor may come into contact in the process of performing its contracted services. This information includes but is not limited to all written, oral, visual and printed patient or client information, including but not limited to: names, addresses, social security numbers, date of birth, driver's license number, case numbers, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data.

Contractor shall not retain, copy, use, or disclose this information in any manner for any purpose that is not specifically permitted by this Contract. Violation of the confidentiality of patient or client information may, at the option of County, be considered a material breach of this Contract.

33. **Additional Contractor Responsibilities**

- A. To the extent Contractor is a mandated reporter of suspected child and/or dependent adult abuse and neglect, it shall ensure that its employees, agents, volunteers, subcontractors, and independent contractors are made aware of, understand, and comply with all reporting requirements. Contractor shall immediately notify County of any incident or condition resulting in injury, harm, or risk of harm to any child or dependent adult served under this Contract.
- B. Contractor will immediately notify County of any active complaints, lawsuits, licensing or regulatory investigations, reports of fraud or malfeasance, or criminal investigations regarding its operations. Contractor agrees to work cooperatively with County in response to any investigation commenced by County with regard to this Contract or the clients served herein, including providing any/all records requested by County related thereto.
- C. Contractor shall employ reasonable background check procedures on all employees, prospective employees, volunteers and consultants performing work involving direct contact with minor children or dependent adults under this Contract, including fingerprinting and criminal records checks, sexual offender registry checks, and reference checks, including both personal and professional references.

34. **Information Technology Security Requirements** This contract ☐ shall not ☒ shall be subject to Exhibit E, "Information Technology Security," which is attached and incorporated by this reference. Contractor's failure to comply with the requirements in Exhibit E is a material breach of this Agreement.

35. **Artificial Intelligence Technology (AI Technology)** includes any machine learning, deep learning, or artificial intelligence ("AI") technologies, such as statistical learning algorithms, models (including large language models), neural networks, and other AI tools or methodologies, as well as all software implementations and related hardware or equipment capable of generating content (e.g., text, images, video, audio, or computer code) based on user-supplied prompts.

County Data includes all information, data, materials, text, prompts, images, or other content provided to the Contractor under this Agreement or any other agreements between the Contractor and the County.

Responsibilities and Training:

Contractor is responsible for all information in the machine learning model, intellectual property rights associated with the information, and software and coded instructions used to generate AI content. County is responsible for the accuracy, utility and formulation of prompts and other inputs used to access the AI services and for decisions made, advice given, actions taken, and failures to take action based on AI

content generated from AI services, except for AI content that is generated from erroneous or non-existing information in Contractor's machine learning models or from malfunctioning AI service software.

Contractor shall not use, or permit any third party to use, County Data to train, validate, update, improve, or modify any AI Technology, whether for Contractor's benefit or that of a third party, without the County's prior written authorization, which the County may grant or withhold at its sole discretion.

36. **Notification** Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the Parties as follows:

COUNTY OF NEVADA:		CONTRACTOR:	
Nevada County Human Resources		Navia Benefit Solutions	
Address:	950 Maidu Avenue, Suite 260	Address	707 S Grady Way, Suite 350
City, St, Zip	Nevada City, CA 95959	City, St, Zip	Renton, WA 98057
Attn:	Krysta Malonson	Attn:	Tina Boyd
Email:	krysta.malsonson@nevadacountyca.gov	Email:	tboyd@naviabenefits.com
Phone:	530-265-7189	Phone:	425-452-3510

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

SIGNATURES APPEAR ON NEXT PAGE

Authority: All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the Parties have executed this Contract to begin on the Effective Date.

COUNTY OF NEVADA:

By: _____ Date: _____

Printed Name/Title: Susan Kadera, Interim Director of Human Resources

Approved as to Form – County Counsel:

By: _____ Date: _____

CONTRACTOR: Navia Benefit Solutions

By: _____ Date: _____

Name: _____ Tina Boyd

* Title: _____ Secretary

By: _____ Date: _____

Name: _____

* Title: _____

****If Contractor is a corporation, this Contract must be signed by two corporate officers; one of which must be the secretary of the corporation, and the other may be either the President or Vice President, unless an authenticated corporate resolution is attached delegating authority to a single officer to bind the corporation (California Corporations Code Sec. 313).***

Exhibits

A. [Schedule of Services, Charges and Payments](#)

B. [Privacy Rights Act](#)

C. [Insurance Requirements](#)

D. [Schedule of HIPAA Provisions](#)

E. [Information Technology Security](#)

[Summary Page](#)

EXHIBIT A

SCHEDULE OF SERVICES, CHARGES AND PAYMENTS

BENEFIT PLAN SERVICE SCHEDULE(S) AND FEES

Employer has established one or more of the following Benefit Plans (the “Plan” or “Plans”) for purposes of providing benefits administration and/or reimbursement of certain eligible expenses incurred by Covered Individuals:

- Cafeteria Plan Document and Forms
- Health and Dependent Care Flexible Spending Arrangements
- Health Reimbursement Arrangements
- Section 132 Transportation and Parking Plan
- Code Section 223 Health Savings Account

In addition, Employer may offer one or more of the following other Plans for purposes of complying with applicable laws or providing additional benefits:

- Wellness Plan
- Educational Assistance Program
- Adoption Assistance Program
- Federal COBRA Administration
- Direct Billing or Direct Billing Administration

Employer has asked Navia to assist it with its administrative obligations under one or more of the Plans identified above. The specific Plan-related Services are described in each Schedule. Only those Services chosen by Employer pursuant to an Application and for which the applicable Fee is paid as set forth in the Fee section of each Schedule (or, as set forth below with respect to additional requested Services), will be provided by Navia.

ARTICLE I. STANDARD BENEFIT PLAN SERVICES

- 1.1. Employer is solely responsible for the operation and maintenance of the Plans. It is Employer’s sole responsibility and duty to ensure that each Plan complies with the applicable laws and regulations, and Navia’s provision of Services under this Agreement does not relieve Employer of this obligation.
- 1.2. If applicable to the particular Plan, Navia will provide Navia’s standard plan document, summary plan description, and forms to be used by Employer as a template for creating the governing documents for the Plan(s). Such standard documents and forms have been prepared in accordance with the standard of care set forth in the Agreement but are general in nature and do not take into consideration facts and circumstances specific to Employer and Employer’s Plans. Consequently, Navia makes no warranties and representations that such documents and forms will comply with applicable law as they relate to the Plan(s). Navia is not responsible for making any changes or amending the documents. It is Employer’s responsibility to review the documents and ensure they conform to the facts and circumstances specific to Employer and the Plans, and ensure the documents comply with applicable laws. Employer shall also make such documents available to Covered Individuals as required by law.

- 1.3. Employer will provide to Navia timely, accurate and complete information relating to the Covered Individuals and the Plans as is necessary for Navia to satisfy its obligations hereunder. Employer shall provide information in the format and method approved by Navia (consolidated spec file). In the event such information (i.e. data reports and files) requires manual processing or requires a method not in Navia's business process, such processing shall be subject to Fees (Noncompliant File Processing Fee) as provided in the applicable Schedule. In the event that the information is not timely reported or verified, and in the event that there are disbursements made by Navia that would not have been made if the occurrence had been reported on the same day of each such occurrence, then Employer shall be responsible for such disbursements and shall reimburse Navia therefore upon request by Navia. Employer shall be responsible for accurate Participant payroll deductions, reporting of deductions, and W-2 reporting and shall ensure that any terminated employer contacts (human resources, payroll, broker contacts, or other Employer contacts with access to the Website) are immediately reported to Navia on the same day of the occurrence. Employer shall be responsible for any consequences of failing to report such terminations on the same day of the occurrence, including but not limited to the unauthorized disclosure of information to former Employer contacts. Navia is not "a person" who is responsible for administering or providing benefits under the COBRA benefit within the meaning of Internal Revenue Code section 4980B (e)(1)(B). Navia is not responsible for the payment of excise taxes imposed under Internal Revenue Code section 4980B and is not responsible for the preparation or filing of Internal Revenue Service Form 8928. Navia shall provide such information as Employer reasonably requests in order to calculate excise taxes imposed under Internal Revenue Code section 4980B or to prepare IRS Form 8928. With respect to COBRA services, Navia is merely a collection agent for the Employer and any amounts collected belong to the Employer. Employer agrees to reimburse Navia for any taxes, or other similar charges, in connection with COBRA administration, assessed against Navia. Employer understands and agrees that Navia may rely on all information provided to it by Covered Individuals and/or Employer in accordance with this Agreement as true and accurate without further verification or investigation by Navia. Navia shall not be responsible and shall be held harmless for the receipt of inaccurate and/or incomplete information or data files. Navia shall not be responsible for any delays in providing services under this Agreement and any financial or adverse consequences due to the receipt of the inaccurate and/or incomplete information or data files or for Employer's failure to send data files.
- 1.4. If applicable to the Plan(s), Navia will send education and engagement materials in the form of electronic mail campaigns direct to Employees and make enrollment kits (describing the benefit), enrollment forms, online enrollment specification files, and claim forms available on the Website and/or to Employer for distribution to Covered Individuals. Navia is only obligated to process claims submitted to Navia in accordance with the instructions set forth on Navia's claim forms. Navia will process claims in accordance with applicable law, its standard operating procedures, and the terms of the Plan to the extent that such terms are provided to Navia and are consistent with Navia's standard operating procedures. Navia may also provide claims submission capabilities via online and through a smart phone application for certain Plans. If Navia denies a request for reimbursement, Navia will review the 1st level appeal. If the Plan provides for 2 levels of appeal Employer will be responsible for the final determination. Employer shall be the fiduciary and Plan Administrator of the Benefits Plans and shall be responsible for interpreting the Plans, their provisions, terms and conditions and make any and all determinations as to eligibility, appeal, and change in status events, as applicable.

- 1.5 In the event that a Covered Employee is reimbursed less than is otherwise required by the Plans, Navia will promptly adjust the underpayment to the extent that Employer has satisfied its funding obligations as set forth herein. If it is discovered that a Covered Employee was overpaid, or the Covered Employee fails to substantiate an Electronic Payment Card Transaction as required by applicable rules and regulations, Navia will make reasonable attempts to request repayment of overpaid or unsubstantiated Electronic Payment Card claims or offset the ineligible payment against any claims for future eligible expenses in accordance with applicable rules and regulations. If the Covered Employee fails to repay or offset, Navia will notify Employer upon Employer's written request for such report or data. Employer is responsible for taking any additional action permitted or required by law (e.g., including such amounts in income or garnishing wages consistent with applicable laws). Navia shall have no obligation to request repayment or offset to the extent such overpayment is a result of Employer's acts or omissions, such payments were authorized by Employer or Employer has failed to satisfy its funding obligations.
- 1.6 The specific funding requirements are set forth in each Schedule. Generally, Employer shall make sufficient employer funds from its general assets available to pay benefits under the Plan(s). These employer funds shall not be deemed employee salary reductions or plan assets. Employer shall grant Navia withdrawal authority over the account sufficient to enable it to pay benefits. If at any time the amount of benefits payable under the Plan exceeds the amount received Employer shall transfer an amount necessary to fulfill its funding obligations under the applicable Plan(s). Navia will deposit these Employer funds into a separate account to facilitate the payment of claims. Any interest generated by Employer funds deposited into a separate account shall belong to Navia as reasonable compensation under this Agreement. Navia may use such compensation for any legal purpose including, but not limited to, to offset any fees of the financial institution with respect to such account. To the extent that such interest (after deducting applicable fees) is not in excess of The US Prime Rate plus 2-percent, Navia shall be entitled to retain such interest. Navia will deliver interest in excess of these permissible amounts to the Employer and the Employer agrees that it will use such amounts in accordance with applicable laws, including but not limited to ERISA when applicable.
- Navia may suspend processing all benefit payments, electronic payment cards, and any other reimbursements, and distributions in the event Employer fails to make sufficient funds available to pay benefits under the Plan(s) and/or fails to fund the Plan(s) according to the relevant Schedule. Navia shall not be responsible or liable for the funding of claims for benefits under any Plan. If at any time Navia has paid out more in benefits than it has received in funding (based upon either individual Covered Employee accounts or the Plan(s) aggregate balance) Employer shall deliver to Navia an amount equal to that deficit upon Navia's written request. If such funding is not received within two (2) days Navia may suspend all Services including but not limited to suspension of Electronic Payment Cards and benefit reimbursements.
- 1.7 If relevant to the Plan(s), Navia shall provide on-site enrollment meetings and attendance at benefits fairs, as reasonably requested by Employer, for the Fee and costs set forth in the Schedule.
- 1.8 Navia shall provide customer support weekdays, 5 a.m. to 5 p.m. Pacific Time, excluding holidays.

- 1.9 Navia will conduct Nondiscrimination Testing (“NDT”) required under the Code for the attached Schedules. Navia will provide Employer with a Request for Information (“RFI”) form requesting the data necessary to complete the NDT or provide an online version of the RFI. Within a reasonable amount of time after receipt of the requested information, Navia will provide test results, which will be based solely on the information provided by Employer and/or information maintained by Navia in accordance with the Schedule. Such test results are not intended as legal or tax advice and shall not be relied upon as legal or tax advice. Navia is under no obligation to advise Employer regarding specific corrective measures beyond providing the test results.
- 1.10 Employer may review reports summarizing the Plan via the Website. Employer is responsible for reviewing the reports submitted by Navia and notifying Navia of any errors of which it is aware within a reasonable period of time after reviewing them.

ARTICLE II. ELECTRONIC PAYMENT CARD SERVICES

- 2.1. If applicable to the Plan(s) selected in the attached Schedule(s), at Employer’s request and payment of all applicable Fees, the Card Services Provider may make an Electronic Payment Card available to Covered Individuals through which eligible expenses may be paid in accordance with the following terms:
- 2.2. Covered Employees or Employer shall provide to Navia a valid email address for each Covered Employee requesting an Electronic Payment Card.
 - 2.2.1. The Card Services Provider will issue an Electronic Payment Card to each Card Recipient within thirty (30) days of Navia’s receipt of the Covered Employee’s enrollment data or the Covered Employee’s online, electronic mail or form request. Employer understands and acknowledges that the Card Services Provider issues Electronic Payment Cards based solely on the information provided by Employer. Navia and the Card Services Provider have no obligation to verify or confirm that Card Recipients are Covered Individuals.
 - 2.2.2. Card Recipients must agree to use the Electronic Payment Card in accordance with the terms of the Cardholder Agreement that accompanies the Electronic Payment Card. The Electronic Payment Card will be deactivated if the Covered Individual fails to use the Electronic Payment Card in accordance with the Cardholder Agreement or as otherwise required by applicable law.
 - 2.2.3. The Electronic Payment Card may be used by Card Recipients to pay for eligible expenses (as defined by applicable law and the applicable Plan to the extent consistent with Navia’s standard operating procedures) in accordance with the applicable rules and regulations.
 - 2.2.4. Navia will require substantiation of expenses paid with the Electronic Payment Card in accordance with the requirements set forth in the Code and/or other applicable guidance. The Electronic Payment Card will be deactivated if the Card Recipient fails to provide

the requested substantiation in a timely manner as determined by Navia in accordance with Federal guidelines.

- 2.2.5. All Cards will be deactivated on the date this Agreement is terminated, the date that Employer fails to satisfy its funding obligations as set forth herein, the date Employer files for bankruptcy and/or as necessary to prevent fraud or abuse (as determined by Navia).

CAFETERIA PLAN SERVICE SCHEDULE

Employer has established a Code Section 125 Plan to allow eligible employees to pay for their share of certain Benefit Plan coverage with pre-tax salary reductions (including but not limited to Employer contributions).

This Schedule is incorporated into and made a part of the Agreement. The responsibilities of the Parties set forth in this Schedule are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Schedule and any other part of the Agreement with respect to the subject matter of this Schedule, the Schedule will control. In all other conflicts, the Agreement controls. Capitalized terms not otherwise defined herein are defined as set forth in the Agreement.

ARTICLE I. STANDARD SERVICES

1. Navia will provide a sample Code Section 125 plan document, summary plan description, and forms for review by Employer and Employer's legal counsel. Such standard documents and forms have been prepared in accordance with the standard of care set forth in the Agreement but are general in nature and do not take into consideration facts and circumstances specific to Employer and the Benefit Plans. Consequently, Navia makes no warranties and representations that such documents and forms will comply with applicable law as they relate to the Benefit Plans. Navia is not responsible for making changes or amending the documents.
2. All Benefit Plan elections and changes to elections will be processed as instructed by Employer and in accordance with the terms of the sample plan document referenced in 1.1 above and applicable law. Employer will provide Eligible Employees with election and change of election forms provided by Navia. If necessary, for Navia to administer the other Services provided under this Agreement, Employer will collect and submit the completed election forms and/or change of election forms to Navia as soon as possible after receipt of such forms but no later than the effective date of such elections or change of elections. Employer is responsible for determining who is eligible for the Benefit Plan and who has satisfied the requirements to become a Covered Individual in the Benefit Plan. In addition, Employer is ultimately responsible for determining whether a requested change in election is permitted.

**HEALTH FLEXIBLE SPENDING ARRANGEMENT (“HEALTH FSA”) AND DEPENDENT
CARE FLEXIBLE SPENDING ARRANGEMENT (“DAY CARE FSA”) SCHEDULE
BENEFIT PLAN SERVICE SCHEDULE(S) AND FEES**

This Schedule is incorporated into and made a part of the Agreement. The responsibilities of the Parties set forth in this Schedule are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Schedule and any other part of the Agreement with respect to the subject matter of this Schedule, the Schedule will control. In all other conflicts, the Agreement controls. Capitalized terms not otherwise defined herein are defined as set forth in the Agreement. As part of the Services, Employer has asked Navia to assist with Flexible Spending Arrangement (“FSA”) administration as more particularly described in this Schedule below.

1. RESPONSIBILITIES OF NAVIA

1.1. IMPLEMENTATION

Navia shall implement the Plan subject to the Plan Application and the direction and approval of Employer.

1.2. PLAN PROCESSING AND ADMINISTRATION Navia shall:

- 1.2.1. Provide claim reimbursements by check or direct deposit. Such claim reimbursements will be issued within two (2) Business Days after the later of: (1) the scheduled processing date; (2) the date Employer reconciles the Eligibility and Payroll Deduction Report (“EDR”) or submits an approved payroll report; or (3) the receipt of funds as required in the funding section.
- 1.2.2. Provide notification of online availability of the EDR, Disbursement, and Year-to-Date report.
- 1.2.3. Provide annual year-end report within ninety (90) days after the claims Run-Out Period has expired.
- 1.2.4. Perform claims adjudication, including verification of date, service, and cost of service.

1.3. PLAN DESIGN OPTIONS

- 1.3.1. If Employer provides for the Grace Period under IRS Notice 2005-42 (the “Grace Period”) Navia shall process claims against the prior Plan Year for services incurred through the 15th day of the third month following the end of the Plan Year. If applicable, apply any residual balance of Grace Period claims against the current Plan Year benefit.
- 1.3.2. If Employer provides for Carryover Administration under IRS Notice 2013-71 (the “Carryover”) Navia shall:
 - 1.3.2.1. Carry over the lesser of the balance in the Health FSA as of the Carryover Date or the maximum carryover amount set by the Plan, from the previous year into the immediately following Health FSA Plan Year. The “Carryover Date” shall mean

the date on or about the 25th day after the last day of the Plan Year. The “Balance” shall mean Health FSA Plan Year election less disbursements of the Health FSA.

- 1.3.2.2. Reduce the prior year Health FSA election according to the amount of the Carryover.
- 1.3.2.3. Establish a Health FSA election for Covered Employees with Carryover amounts that failed to enroll in the Health FSA in the immediately following Health FSA Plan Year. Monthly participant Fees shall apply as of the Carryover Date.
- 1.3.2.4. Adjudicate and process claims against the carryover amount after the Carryover Date. Upon request, Navia shall apply claims incurred in the immediately following year against unused amounts in the prior year before the Carryover Date.

2. RESPONSIBILITIES OF EMPLOYER

2.1. IMPLEMENTATION

Employer shall timely provide the Plan Application and any other information reasonably necessary for Navia to satisfy its obligations hereunder.

2.2. REPORTING

Employer shall submit an approved payroll file or reconcile the EDR against payroll deductions for each processing date through the Website. If Employer fails to provide the approved payroll file or reconcile the EDR for more than forty-five (45) days from the pay date deduction Navia may suspend claim processing.

3. FEES

3.1. Plan Year Fees: WAIVED

3.2. Monthly Processing and Administration Fees: \$3.40 per month per FSA Covered Employee (\$100/month minimum)

3.3. California Assembly Bill No. 1554 Notice (only provided upon Employer’s written request): \$3.50 per paper notice mailed.

3.4. Enrollment form processing: \$4.00 per enrollment form received and processed.

3.5. Summary Plan Description Fee: \$3.50 per Summary Plan description printed and mailed to Employer or Covered Employees. Provided only upon Employer request.

3.6. Electronic Funds Transfer: \$10.00 per returned item, from attempted deposit in Covered Employee account

3.7. Electronic Funds Transfer: \$10.00 per failed direct debit from Employer account

3.8. Enrollment Meetings and Benefit Fairs: For on-site enrollment meetings and attendance at benefit fairs by Navia:

3.8.1. Employer shall pay to Navia \$75.00 per hour;

- 3.8.2. Air travel and lodging reasonably incurred expenses shall be charged to Employer at Navia's cost;
- 3.9. Plan Document Amendment and Restatement Fee: In the event that Employer wishes to make changes to the Plan, Employer shall pay to Navia the following Fees:
 - 3.9.1. \$150 per amendment provided by Navia.
- 3.10. Ad Hoc Reporting: \$75 per hour for manual reports not part of the Navia reporting suite.
- 3.11. Noncompliant File Processing Fee: \$150 per month.

HEALTH REIMBURSEMENT ARRANGEMENT (“HRA”) SCHEDULE

This Service Schedule is incorporated into and made a part of the Agreement. The responsibilities of the Parties set forth in this Schedule are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Schedule and any other part of the Agreement with respect to the subject matter of this Schedule, the Schedule will control. In all other conflicts, the Agreement controls. Capitalized terms not otherwise defined herein are defined as set forth in the Agreement.

As part of the Services, Employer has asked Navia to assist with HRA administration as more particularly described in this Schedule below.

1. RESPONSIBILITIES OF NAVIA

1.1. IMPLEMENTATION

Navia shall implement the Plan subject to the Plan Application and the direction and approval of Employer.

1.2. PLAN PROCESSING AND ADMINISTRATION Navia shall:

- 1.2.1. Provide claim reimbursements by check or direct deposit. Such claim reimbursements will be issued within two (2) Business Days after the later of: (1) the scheduled processing date; (2) the date Employer reconciles the online contribution report or submits an approved contribution report; or (3) the receipt of funds as required in the funding section.
- 1.2.2. Provide notification of availability of the online contribution report, disbursement, and Year-to-Date report.
- 1.2.3. Provide annual year-end report within ninety (90) days after the claims Run-Out Period has expired.
- 1.2.4. Perform claims adjudication, including verification of date, service, and cost of service.

2. RESPONSIBILITIES OF EMPLOYER

2.1. REPORTING

- 2.1.1. Employer shall report to Navia all new Covered Individuals, and all changes in employment or Covered Individual information, and all terminations of Covered Individuals from the Plan on the same day of such occurrence.
- 2.1.2. Employer is responsible to review and verify all Year-to-Date reports and the information therein, including Covered Individual benefit maximums, contributions and account balances.

3. FEES

- 3.1. Initial Setup Fee: WAIVED
- 3.2. Annual Plan Fee: WAIVED

- 3.3. Monthly Processing and Administration Fees: \$4.00 per month per HRA Covered Individual (\$100/month minimum)
- 3.4. Electronic Funds Transfer: \$10.00 per returned item from attempted deposit in Covered Employee account.
- 3.5. Electronic Funds Transfer: \$10.00 per failed direct debit from Employer account.
- 3.6. Summary Plan Description Fee: \$3.50 per Summary Plan Description printed and mailed to Employer or Covered Employees. Provided only upon Employer request.
- 3.7. Enrollment Meetings and Benefit Fairs: For on-site enrollment meetings and attendance at benefit fairs by Navia:
 - 3.7.1. Employer shall pay to Navia \$75.00 per hour;
- 3.8. Plan Document Amendment and Restatement Fee: In the event that Employer wishes to make changes to the Plan, Employer shall pay to Navia the following Fees:
 - 3.8.1. \$150 per amendment provided by Navia.
- 3.9. Ad Hoc Reporting: \$75 per hour for manual reports not part of the Navia reporting suite.
- 3.10. Noncompliant File Processing Fee: \$150 per month

OTHER BENEFIT PLAN ADMINISTRATION FEDERAL COBRA ADMINISTRATION SCHEDULE

Employer has independently concluded that one or more of its plans that provide medical care (“Health Plans”) are subject to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), as subsequently amended. Consequently, Employer is required to perform certain acts in order to comply with COBRA.

This Schedule is incorporated into and made a part of the Agreement. The responsibilities of the Parties set forth in this Schedule are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Schedule and any other part of the Agreement with respect to the subject matter of this Schedule, the Schedule will control. In all other conflicts, the Agreement controls. Capitalized terms not otherwise defined herein are defined by COBRA or as set forth in the Agreement.

As part of the Services, Navia will provide COBRA-related administrative assistance (the “COBRA Administration”) for designated Health Plans communicated in writing to Navia and as more particularly described in this Schedule below.

1. RESPONSIBILITIES OF NAVIA

- 1.1. Navia shall implement the COBRA Administration subject to the Plan Application and the direction and approval of Employer.
- 1.2. Navia will distribute its standard COBRA General Notice by first class mail or other permitted distribution method to the last known address of each Eligible Employee and, when required by applicable law, the spouse or dependent as soon as reasonably possible but no later than fourteen (14) days after receiving the information necessary to complete and send a COBRA General Notice from Employer. Navia will distribute its standard COBRA Specific Rights Notice and COBRA Election Form by first class mail or other permitted distribution method to the last known address of the Qualified Beneficiary as soon as reasonably possible but no later than fourteen (14) days after receiving the information necessary to complete the COBRA Election Form from Employer, or where applicable, from the Qualified Beneficiary.
- 1.3. Navia has no obligation to resend any COBRA General Notices, COBRA Specific Rights Notice, COBRA Election Forms, late payment reminders, termination notifications, or any other form, document, or communication that is returned undeliverable.
- 1.4. If Navia receives notice from a Qualified Beneficiary that a qualifying event has occurred or a Qualified Beneficiary has been determined to be disabled by the Social Security Administration, and such Qualified Beneficiary is not eligible for COBRA for any reason, Navia will send a notice of ineligibility by first class mail as soon as reasonably possible but no later than fourteen (14) days after receiving notice from such Qualified Beneficiary.
- 1.5. Navia will process the COBRA Election Forms submitted by Qualified Beneficiaries in accordance with applicable law and Employer’s instructions. Employer is responsible for providing all information not otherwise required to be provided by the Qualified Beneficiary that Navia reasonably believes is necessary to process COBRA Election Forms.

- 1.6. Upon Employer's written request, Navia will send an open enrollment materials and open enrollment election form to the last known address of the Qualified Beneficiary to the extent Employer has provided the information necessary to complete and distribute the open enrollment election form. Upon Employer's written request, Navia will also process any mid-year changes in elections in accordance with Employer's Health Plan Document and applicable law.
- 1.7. Navia will notify the Qualified Beneficiary of the COBRA premium and the applicable due dates, as determined by Employer and the applicable due dates.
- 1.8. Navia will collect premiums from Qualified Beneficiaries (or third parties on behalf of Qualified Beneficiaries where applicable). All premiums collected by Navia in accordance with this Schedule will be deposited into a separate account for the use of paying premiums established for such purpose at a financial institution of Navia's choosing. Any interest generated on such account shall belong to Navia as reasonable compensation under this arrangement. Navia may use such compensation for any legal purpose including, but not limited to, to offset any fees of the financial institution with respect to such account. To the extent that such interest (after deducting applicable fees) is not in excess of the US Prime Rate plus 2-percent, Navia shall be entitled to retain such interest. Navia will return interest earned in excess of these permissible amounts to the Employer and the Employer agrees that it will use such amounts in accordance with applicable laws, including but not limited to ERISA when applicable. Premium payments collected by Navia shall at all times be the property of the Employer, and, notwithstanding any terms herein to the contrary, shall be held by Navia acting on behalf of the Employer, except that Navia shall be entitled to retain any interest earned on such payments as well as the 2% surcharge administrative fee paid by such COBRA QB. Navia will send to Employer all premiums collected in accordance with this Schedule, reduced by a 2% administration Fee, by the 20th day following the end of month in which the premiums were collected. Alternatively, Navia will remit collected premiums to appropriate third parties as directed in the New Plan Setup or upon prior written amendment or prior written instruction from Employer. Navia is not responsible for paying the balance of the carrier invoice. Navia shall remit premiums collected but is not responsible for any failure of payment of carrier invoice for premiums not collected.
- 1.9. Navia will send a notice by first class mail to the last known address of the Qualified Beneficiary indicating that COBRA coverage is terminating or has terminated. The notice of termination will be sent as soon as reasonably possible but no later than a reasonable amount of time after COBRA coverage has ended.
- 1.10. Navia will provide responses to inquiries by providers and/or insurance Carriers regarding coverage status of Qualified Beneficiaries. All responses will be based solely on the information provided by Employer and maintained by Navia in accordance with this Schedule.
- 1.11. Navia will provide Employer with monthly remittance reports (an itemized status report of Qualified Beneficiaries). Employer is responsible for reviewing the report posted by Navia and notifying Navia of any errors of which it is aware within fourteen days of the report being posted. Navia is not responsible for any errors due to the Employer's failure to review reports within the required timeframe.

- 1.12. Navia has no responsibility for the payment or reimbursement of health care claims.
- 1.13. Navia may deposit all COBRA premiums it receives in a bank account from which Navia shall remit payments to the Employer as required or permitted under this Agreement. Navia will maintain an accounting of the premiums in the bank account that are allocable to the Employer, adjusted for the remittances and for the reduction for fees.
- 1.14. The scope of Navia's Services as it relates to COBRA includes Qualified Beneficiaries who are receiving COBRA coverage at the Effective Date of this Agreement, Qualified Beneficiaries in their election period that have already received a specific rights notice, Qualified Beneficiaries who have experienced a qualifying event in the thirty days prior to the Effective Date, as well as Qualified Beneficiaries who experience Qualifying Events on or after the Effective Date of this Agreement.

2. RESPONSIBILITIES OF EMPLOYER

- 2.1. Employer shall timely provide the Plan Application and any other information necessary for Navia to satisfy its obligations hereunder.
- 2.2. Employer shall notify all relevant Carriers that Navia is the COBRA administrator before the effective date of the COBRA Administration.
- 2.3. It is Employer's sole responsibility to reconcile the Carrier invoice with the remittance report provided by Navia within thirty 30 days of receipt. Any errors resulting from the failure to do so will be the sole responsibility of Employer.
- 2.4. Employer will provide the required notice data to Navia within 30 days of the date of COBRA Qualifying Event that is due to:
 - 2.4.1. Divorce or legal separation.
 - 2.4.2. Child reaching the limiting age.
 - 2.4.3. Termination of an employee's employment.
 - 2.4.4. Reduction in an employee's hours that results in a loss of coverage under the Health Plan.
 - 2.4.5. Employee's death; or
 - 2.4.6. Employee's entitlement to Medicare that results in a loss of coverage under the Health Plan for the employee's spouse or dependent child.
 - 2.4.7. Knowledge of second qualifying event, notice of disability determination and notice of change in disability status.
 - 2.4.8. If Employer does not provide Navia the complete required notice data until after the 30 – day period expires, Navia will provide the Qualified Beneficiaries their Specific Rights Notice within fourteen (14) days after receiving the data, but

subject to the following condition: if a Qualified Beneficiary timely elects COBRA, Employer will have sole responsibility (a) for any adverse consequences (including, for example, a Carrier's refusal to provide coverage or a stop-loss insurer's refusal to reimburse claims because the Carrier or insurer deems Employer to have provided untimely notice under COBRA) and (b) for ensuring the availability of continuation coverage to the Qualified Beneficiary for the maximum coverage period under COBRA.

- 2.5. Employer will notify Navia, in writing, of the premium rates and will do so at least forty-five (45) days before their effective date. If Employer notifies Navia of new premium rates less than forty-five (45) days before their effective date, Navia may defer implementing the new premium rates to the first day of the first month that occurs more than forty-five (45) days after Employer's notification to Navia. In the event Employer fails to timely report new premium rates to Navia, Employer shall be liable for any resulting consequences, including, but not limited to, funding any premium shortfall, reinstating coverage, or other negative consequence.
- 2.6. If the Carrier requires premium rate payment information within a specific timeframe, it is Employer's responsibility to independently obtain the information from the Website and to provide it to the Carrier.
- 2.7. Employer will promptly notify Navia in writing when Employer becomes aware of address changes of its employees, their spouses, and/or dependent children who are receiving continuation coverage. Navia shall not be responsible for any consequences caused by Employer's failure to promptly notify Navia of address changes.
- 2.8. Employer will promptly notify Navia in writing if it becomes aware that a Qualified Beneficiary who is receiving continuation coverage:
 - 2.8.1. has become entitled to Medicare;
 - 2.8.2. has become covered by another Employer's group Health Plan;
 - 2.8.3. has been determined to be disabled by the Social Security Administration;
 - 2.8.4. has been determined to be no longer disabled by the Social Security Administration;
 - 2.8.5. has become divorced or legally separated; or
 - 2.8.6. no longer is a dependent child according to the terms of the Health Plan.
- 2.9. Employer will promptly notify Navia in writing when the Employer is no longer subject to COBRA.
- 2.10. Employer has the responsibility to pay, or to cause to be paid, all excise taxes required under Internal Revenue Code section 4980B, as and when required, and to file, or to cause to be filed, IRS Form 8928, as and when required.

3. FEES

The COBRA Services are based on the number benefit eligible Employees. The monthly administration Fee is based on the benefit eligible Employee count (“Count”) calculated at the start of each service year and updated upon renewal. Navia reserves the right to update the Count quarterly.

COBRA Fees	
Monthly Minimum Fee	\$100
Participant Count Increase ¹	10%
Initial Set-Up Fee	Waived
Annual Fees	Waived
Base Monthly Administration Fee Per Employee Per Month	\$0.38
2% COBRA Administration Fee ²	Retained or Invoiced by Navia
Miscellaneous Fees	
Manual Data Entry Fee	\$5.00 per Qualified Beneficiary entered
Special Handling ³	\$15.00 per occurrence plus postage
Offboarding Fees	Equal to the last month’s administration fees
Optional Services/Fees	
Mass mailing of initial general notice to all active employees and covered spouses	\$3.00 per notice
Open Enrollment Services	\$20 Fee per kit mailed plus postage

¹If updated counts are not received by the plan renewal date then Navia shall assume a 10% increase from the previous year.

²If this Fee is not added to the COBRA rates or paid by Qualified Beneficiaries, Navia will invoice Employer for the 2% COBRA Fee. If Employer subsidizes the COBRA premium, Navia will deduct the 2% from the monthly remittance or invoice Employer for the additional amount.

³Includes rush notices, non-standard shipping, Employer invoicing of COBRA premiums, etc.

DIRECT BILLING ADMINISTRATION SCHEDULE

This Schedule is incorporated into and made a part of the Agreement. The responsibilities of the Parties set forth in this Schedule are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Schedule and any other part of the Agreement with respect to the subject matter of this Schedule, the Schedule will control. In all other conflicts, the Agreement controls. Capitalized terms not otherwise defined herein are defined as set forth in the Agreement.

As part of the Services, Employer has asked Navia to provide Direct Billing administration (“Direct Billing Administration”) for designated Health Plans as more particularly described in this Schedule below.

1. RESPONSIBILITIES OF NAVIA

- 1.1. Navia shall implement the Direct Billing Administration subject to the Plan Application and the direction and approval of Employer.
- 1.2. Navia shall distribute its standard premium invoices for the premium amount specified by Employer by first class mail to the last known address of each individual identified by Employer as a participant (“Direct Billing Participant”) within 14 days of receipt of information necessary to complete and send such invoice.
- 1.3. Navia shall collect premiums from Direct Billing Participants (or third parties on behalf of Direct Billing Participants where applicable). All premiums collected by Navia in accordance with this Schedule will be deposited into a separate account on behalf of Employer. Timely receipt of premium is understood to mean a postmark date that is on or before expiration of the deadline specified on the invoice.
- 1.4. Navia shall remit all premiums received by Navia to Employer by the 20th day following the end of month in which the premiums were collected. The amount submitted shall equal the net amount due Employer. The net amount due Employer is the aggregate of all Direct Billing Participant premiums timely received by Navia in the preceding month, reduced by a 2% administration Fee. Administrative Fees due from Employer will be charged in accordance with the below Fees. In the event there is insufficient premium collected to offset the administrative Fees due from Employer, a invoice will be sent to Employer itemizing the balance due Navia. Alternatively, Navia will remit collected premiums to appropriate third parties as directed in the New Plan Setup or upon prior written amendment or prior written instruction from Employer. Navia is not responsible for paying the balance of the carrier invoice. Navia shall remit premiums collected but is not responsible for any failure of payment of carrier invoice for premiums not collected.
- 1.5. Navia shall provide a remittance report listing the Direct Billing Participant premiums timely received for the preceding month, and the itemization of the administrative Fees due from Employer. Employer is responsible for reviewing such report for any inaccuracies and promptly notifying Navia thereof.
- 1.6. Navia shall make available real-time detailed reports of Navia’s Direct Billing activities during the preceding month. Information reported will include, but is not limited to, Direct Billing Participant invoices sent, Direct Billing Participant premiums received,

expiration and termination activity, listing of all Direct Billing Participants, and a list of Direct Billing Participants whose premiums remains past due.

- 1.7. Navia shall notify the Direct Billing Participant of the termination of their coverage should any such Participant be found ineligible to continue coverage as a result of non-payment of premium within Employer's timelines.
- 1.8. In the event of termination of this Schedule, Navia shall not be responsible for notifying Direct Billing Participants and eligible participants of such termination and the procedure to be followed to retain or obtain coverage.

2. RESPONSIBILITIES OF EMPLOYER

- 2.1. Employer shall timely provide Navia the Plan Application and any other information reasonably necessary for Navia to satisfy its obligations hereunder.
- 2.2. Employer shall communicate to Navia all necessary deadlines and timelines (election deadline, payment grace period, etc.) in order for Navia to administer the Direct Billing Administration. Employer will provide all information reasonably necessary for Navia to satisfy its obligations hereunder.
- 2.3. Employer shall notify all relevant Carriers that Navia is the Direct Billing administrator by the effective date of the Direct Billing Administration.
- 2.4. It is Employer's sole responsibility to reconcile the Carrier invoice with the remittance report provided by Navia. Any errors resulting from the failure to do so will be the sole responsibility of Employer.
- 2.5. Employer will notify Navia, in writing, of the premium rates and will do so at least forty-five (45) days before their effective date. If Employer notifies Navia of new premium rates less than forty-five (45) days before their effective date, Navia may defer implementing the new premium rates to the first day of the first month that occurs more than forty-five (45) days after Employer's notification to Navia. In the event Employer fails to timely report new premium rates to Navia, Employer shall be liable for any resulting consequences, including, but not limited to, funding any premium shortfall, reinstating coverage, or other negative consequence.
- 2.6. If the Carrier requires premium rate payment information within a specific timeframe, it is Employer's responsibility to independently obtain the information from the Website and provide it to the Carrier.
- 2.7. Employer will promptly notify Navia in writing when Employer becomes aware of address changes for a Direct Billing Participant receiving continuation coverage. In the event Employer fails to timely report an address change to Navia within 48 hours of receipt or notice thereof, Employer shall be liable for any resulting consequences.
- 2.8. If applicable to eligibility of the Plan, Employer will promptly notify Navia in writing if it becomes aware that a Direct Billing Participant who is receiving continuation coverage:

- 2.8.1. has become entitled to Medicare;
- 2.8.2. has become covered by another Employer's group Health Plan;
- 2.8.3. has become divorced or legally separated; or
- 2.8.4. no longer is a dependent child according to the terms of the Health Plan.

3. FEES

The Direct Billing Services are based on the number of Participants. The administration Fee is based on the Participant count ("Count") determined at the start of each service year and updated upon renewal. Navia reserves the right to update the Count quarterly.

Direct Billing Fees	
Monthly Minimum	\$100
Monthly Processing and Administrative Fee	\$3.40 monthly per participant fee
Initial Set-Up Fee	Waived
Annual Fees	Waived
Initial Retiree Setup Fee	Waived
Miscellaneous Fees	
Manual Data Entry Fee	\$5.00 per Qualified Beneficiary manually entered by Navia
Noncompliant File Processing Fee	35% the total monthly administration fee
Special Handling ²	\$15.00 per occurrence plus postage
Offboarding Fees	Equal to the last month's administration fees
Optional Services/Fees	
Open Enrollment Services	\$20 Fee per kit mailed plus postage

¹If updated counts are not received by the plan renewal date then Navia shall assume a 10% increase from the previous year.

²Includes rush notices, non-standard shipping, Employer invoicing of COBRA premiums, etc.

CHARGES AND PAYMENTS

Maximum Limit & Fee Schedule

Contractor's compensation shall be paid according to the terms outlined above. Reimbursement of travel, lodging and miscellaneous expenses is not authorized. All expenses of Contractor, including any expert or professional assistance retained by Contractor to complete the work performed under this Contract shall be borne by Contractor.

Invoices

Invoices shall be submitted to County in a form and with sufficient detail as required by County. Work performed by Contractor will be subject to final acceptance by County project manager(s). Time and materials contracts should request supporting documentation sufficient to substantiate amounts billed including detailed time logs or timesheets indicating hours and activities worked on by each employee, invoices for materials purchased with supporting receipts, and a summary of work performed, or deliverables achieved.

Submit all invoices to:

Nevada County
Human Resources Department
Address: 950 Maidu Avenue, Suite 260
City, St, Zip Nevada City, CA 95959
Attn: Krysta Malonson
Email: Krysta.malonson@nevadacountyca.gov
and HRFinance@nevadacountyca.gov
Phone: 530-265-7189

County will make payment within thirty (30) days after the billing is received with accurate and complete agreed upon supporting documentation and approved by County and as outlined above.

Payment Schedule

Unless otherwise agreed to by County, all payments owed by County to Contractor under this Contract shall be made by Automated Clearing House ("ACH"). In the event County is unable to release payment by ACH Contractor agrees to accept payment by County warrant.

EXHIBIT B

THE CALIFORNIA PRIVACY RIGHTS ACT OF 2020 SERVICE PROVIDER AGREEMENT

The Exhibit sets out Navia's service provider obligations under the California Privacy Rights Act of 2020 ("CPRA"). Effective January 1, 2023, business must impose written contractual obligations on service providers that process certain personal information. This Exhibit shall be incorporated into and be made part of the Agreement only in the event Navia receives Personal Information from or on behalf of the Employer (hereinafter "Client").

The responsibilities of the Parties set forth in this Exhibit are in addition to any responsibilities set forth in the Agreement. If there is a conflict between this Exhibit and any other part of the Agreement with respect to the subject matter of this Exhibit, this Exhibit will control. In all other conflicts, the Agreement controls.

This Exhibit governs how Navia processes Client Personal Information (as defined below) in connection with Navia's services to Client. Navia agrees to process Client Personal Information according to the following provisions:

1. Definitions:

- (a) **"Business Purpose"** means the use of Client Personal Information for Client's and Navia's operational purposes in connection with Navia's services to Client that are consistent with the obligations under the California Consume Privacy Act (CCPA), including:
 - i. Debugging to identify and repair errors that impair existing intended functionality;
 - ii. Short-term, transient use;
 - iii. Performing services on behalf of Client, including maintaining or servicing benefits, providing customer service, processing or fulfilling transactions, verifying customer information, processing payments, providing analytic services, providing storage, or providing similar services on behalf of Client;
 - iv. Undertaking internal research; and
 - v. Undertaking activities to verify, maintain, and improve the quality of Client's and/or Navia's services.
- (b) **"Client Personal Information"** means all personal information (as defined in the CCPA) that Navia collects or processes from or on behalf of Client in connection with providing services to Client. Client Personal Information does not include:
 - i. Medical information governed by the Confidentiality of Medical Information Act (Part

- 2.6 (commencing with Section 56) of Division 1); or
- ii. Protected health information that is collected by a covered entity or business associate governed by the privacy, security, and breach notification rules issued by the United States Department of Health and Human Services, Parts 160 and 164 of Title 45 of the Code of Federal Regulations, established pursuant to the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191) and the Health Information Technology for Economic and Clinical Health Act (Public Law 111-5).

(c) “Navia Subprocessor” means any natural or legal person that assists Navia in processing Client Personal Information on behalf of Client.

2. Disclosure Limited to Business Purposes. Client is disclosing, and Navia will process, Client Personal Information only for Business Purposes.

3. Navia Obligations:

- (a) CCPA compliance. Navia will process Client Personal Information in compliance with the CCPA. Navia shall notify Client if Navia makes a determination that it can no longer meet its processing obligations under the CCPA.
- (b) No sale or sharing. Navia will not “sell” or “share” (as defined under the CPRA) Client Personal Information.
- (c) Direct business relationship. Navia will not retain, use, disclose or otherwise Process Client Personal Information outside of its direct business relationship with Client, except as expressly permitted by applicable law.
- (d) No other purposes. Navia will not retain, use, or disclose Client Personal Information for any commercial or other purpose other than Business Purposes, except as expressly permitted by applicable laws.
- (e) No personal information combinations. Navia will not combine Client Personal Information with personal information that Navia receives from, or on behalf of, other persons, or collects from its own interaction with a consumer, except as expressly permitted by applicable law.
- (f) Subprocessors. Navia shall bind Navia Subprocessors by written contracts that comply with applicable law. Navia may engage Navia Subprocessors and provide notice to Client upon Client’s written request.
- (g) Consumer rights requests. Navia will provide clients with commercially reasonable support to handle requests made by their employees pursuant to the CCPA.
- (h) Security measures. Navia shall implement reasonable security procedures and practices appropriate to the nature of Client Personal Information to protect Client Personal Information from unauthorized or illegal access, destruction, use, or modification.

Audit Rights: Navia also will provide the client with support in the event the client seeks information on Navia’s data privacy or security compliance activities, or an inspection of Navia’s facilities, subject to reasonable time, place, and manner limitations and to the client’s entering a reasonable written confidentiality agreement, and in exchange for a reasonable fee.

EXHIBIT C

INSURANCE REQUIREMENTS

Insurance. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, or employees. Coverage shall be at least as broad as:

1. **Commercial General Liability CGL:** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage. The Automobile Liability policy shall be endorsed to include Transportation Pollution Liability insurance MCS-90, covering materials to be transported by Contractor pursuant to the contract.
3. **Workers’ Compensation:** Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Cyber Liability:** Insurance, with limit not less than **\$2,000,000** per occurrence or claim, **\$2,000,000** aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this Contract and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
5. **Technology Professional Liability Errors and Omissions Insurance:** Appropriate to Contractor’s profession and work hereunder, with limits not less than **\$2,000,000** per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this Contract and shall include, but not be limited to, claims involving infringement of intellectual property, copyright, trademark, invasion of privacy violations, information theft, release of private information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
 - a. The policy shall include or be endorsed to include ***property damage liability coverage*** for damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of County in the care, custody, or control of Contractor.

If Contractor maintains broader coverage and/or higher limits than the minimums shown above, County requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to County

Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status: County, its officers, employees, agents, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of the work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, then through the addition of both CG 20 10, CG 20 25, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions are used.)
2. **Primary Coverage** For any claims related to this contract, **Contractor's insurance shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects County, its officers, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, employees, agents, and volunteers shall be excess of Contractor's insurance and shall not contribute with it.
3. **Umbrella or Excess Policy** The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.
4. **Notice of Cancellation** This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to County.
5. **Waiver of Subrogation** Contractor hereby grants to County a waiver of any right to subrogation which any insurer or said Contractor may acquire against County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.
6. **Sole Proprietors** If Contractor is a Sole Proprietor and has no employees, they are not required to have Workers Compensation coverage. Contractor shall sign a statement attesting to this condition, and shall agree they have no rights, entitlements or claim against County for any type of employment benefits or workers' compensation or other programs afforded to County employees.
7. **Self-Insured Retentions** must be declared to and approved by the County. The County may require the Contractor to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention. The Policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds **\$25,000** unless approved in writing by the County. Any and all deductibles and SIRs shall be the sole responsibility of the Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. County may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment

Expenses, will satisfy the SIR or deductible. County reserves the right to obtain a copy of any policies and endorsements for verification.

8. **Acceptability of Insurers:** Insurance is to be placed with insurers authorized to conduct business in the State with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to County.
9. **Claims Made Policies** if any of the required policies provide coverage on a claims-made basis:
 - a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - b. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
 - c. If the coverage is canceled or non-renewed, and not replaced with another **claims-made policy form with a Retroactive Date**, prior to the contract effective date, Contractor must purchase "extended reporting" coverage for a minimum of **five (5)** years after completion of contract work.
10. **Verification of Coverage** Contractor may be requested to furnish County with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and the County reserves the right to request a copy of the Declarations and Endorsement page of the CGL policy listing all policy endorsements to County before work begins. Failure to obtain and provide verification of the requested/required documents prior to the work beginning shall not waive Contractor's obligation to provide them. County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
11. **Subcontractors** Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.
12. **Special Risks or Circumstances** County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
13. **Premium Payments** The insurance companies shall have no recourse against County and funding agencies, its officers, and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.
14. **Material Breach** Failure of Contractor to maintain the insurance required by this Contract, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Contract.
15. **Certificate Holder** the Certificate Holder on insurance certificates and related documents should read as follows:

County of Nevada
950 Maidu Ave.
Nevada City, CA 95959

Upon initial award of the Contract to your firm, you may be instructed to send the actual documents to a County contact person for preliminary compliance review.

Certificates which amend or alter the coverage during the term of the Contract, including updated certificates due to policy renewal, should be sent directly to Contract Administrator.

EXHIBIT D

SCHEDULE OF HIPAA PROVISIONS FOR BUSINESS ASSOCIATES

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) BUSINESS ASSOCIATE AGREEMENT

Contractor acknowledges that it is a “Business Associate” for purposes of this Contract and of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and The Health Information Technology for Economic and Clinical Health Act of 2009 (“HITECH”) per 45 CFR §160.103 and therefore is directly subject to the HIPAA Security Rule, Privacy Rule and Enforcement Rule, including its civil and criminal penalties and shall implement its standards.

Regarding the Use and Disclosure of Protected Health Information:

1. Except as otherwise limited in this Contract, Contractor may use or disclose Protected Health Information (“PHI”) to perform functions, activities, or services for, or on behalf of, County as specified in this contract, provided that such use or disclosure would not violate the Privacy Rule if done by County and is in accordance with the “minimum necessary” policies and procedures of County (see NCPP 200 – Use and Disclosure Policy).
2. Contractor shall comply with all applicable federal and state laws and regulations pertaining to the confidentiality of individually identifiable protected health information (PHI) or personally identifiable information (PII) including, but not limited to, requirements of the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, the California Welfare and Institutions Code regarding confidentiality of client information and records and all relevant County policies and procedures.
3. Except as otherwise limited in this Contract, Contractor may use PHI for the proper management and administration of Contractor or to carry out the legal responsibilities of Contractor provided that the disclosure is required by law or Contractor obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which Contractor disclosed it to the person. And, Contractor shall also ensure that the person notifies Contractor of any instances of which it is aware in which the confidentiality of the information has been breached.
4. Contractor shall not use or further disclose the PHI it creates, receives, maintains or transmits on behalf of County for any purpose other than as permitted or required by this Contract or as required by law.
5. Contractor shall make available PHI to the individual for which it pertains in accordance to applicable law including 45 CFR §164.524
6. Contractor shall make available PHI for amendment and incorporate any amendments to PHI records in accordance with 45 CFR §164.526.
7. Contractor shall track disclosures and make available the information required to provide an accounting of disclosures if requested by the individual or County in accordance with 45 CFR §164.528.
8. To the extent Contractor is to carry out County’s obligations under the Privacy Rule, Contractor agrees to comply with the requirements of the Privacy Rule that apply to County in the performance of such obligations.

Contractor agrees to:

1. Protect the privacy and provide for the security of PHI and electronic Protected Health Information (“ePHI”) created, received, maintained or transmitted by Contractor pursuant to this Contract in accordance with HIPAA, HITECH and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the HIPAA Regulations) and other applicable laws.
2. Develop and maintain a written information privacy and security program that includes administrative, physical and technical safeguards appropriate to the size and complexity of Contractor’s operations and the nature and scope of its activities. Contractor will provide County with information concerning such safeguards as County may reasonably request from time to time.
3. Comply with County policies and procedures related to obtaining, using, disclosing, creating, maintaining and transmitting PHI and ePHI as it relates to this Contract.
4. Ensure sufficient training and utilize reasonable measures to ensure compliance with requirements of this agreement by Contractor’s workforce members who use or disclose PHI (in any form) to assist in the performance of functions or activities under this Contract; and discipline such employees who intentionally violate any provisions of this Contract, including termination of employment. Workforce member training shall be documented and such documents retained for the period of this Contract and made available to County for inspection if requested.
5. Ensure that any subcontractors or agents agree to comply with the same restrictions, conditions and terms that apply to Contractor with respect to this Contract and with applicable requirements of HIPAA and HITECH by entering into a written contract including permissible uses and disclosures and provisions where the subcontractor or agent agrees to implement reasonable and appropriate security measures to protect the information (PHI or ePHI) it creates, receives, maintains or transmits on behalf of Contractor or County with respect to this Contract.
6. Report to County any security incident or any unauthorized use or disclosure of PHI (in any form). Security incidents include attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system and includes breaches of unsecured protected health information as required by 45 CFR §164.410. Contractor shall make this report by the next business day following discovery of the use, disclosure, or security incident. Any unauthorized use or disclosure or security incident shall be treated as discovered by Contractor on the first day on which such use or disclosure or security incident is known to Contractor, including any person, other than the individual committing the unauthorized use or disclosure or security incident, that is an employee, officer or other agent of Contractor, or who should reasonably have known such unauthorized activities occurred. Reports should be made by email to privacy.officer@nevadacountyca.gov or by calling (530) 265-1740
7. Contractor will comply with all applicable breach notification requirements including notifications to the individual/s whose PHI is the subject of a breach, as provided under the HIPAA and HITECH Acts. Contractor shall take prompt corrective action to cure any breach or action pertaining to the unauthorized disclosure of PHI or ePHI.
8. Make Contractor’s internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Contractor on behalf of County available to County upon request. In addition, Contractor will make these items available to the Secretary

- of the United States Health and Human Services for purposes of determining County's or Contractor's compliance with HIPAA and its implementing regulations (in all events Contractor shall immediately notify County of any such request, and shall provide County with copies of any such materials).
9. Contractor agrees that this Contract may be amended from time to time by County if and to the extent required by the provision of 42 U.S.C. § 1171, et seq., enacted by HIPAA and regulations promulgated thereunder, in order to assure that this Contract is consistent therewith.
 10. Contractor acknowledges that a violation of the terms of this exhibit would constitute a material breach of this Contract.
 11. At termination of this Contract, if feasible, Contractor agrees to return or destroy all PHI received from, or created or received by Contractor on behalf of County that Contractor still maintains in any form and retain no copies of such information or, if such return or destruction is not feasible, extend the protections of this Contract to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

EXHIBIT E

INFORMATION TECHNOLOGY SECURITY

1. Notification of Data Security Incident

For purposes of this section, “Data Security Incident” is defined as unauthorized access to the Contractor’s business and/or business systems by a third party, which access could potentially expose County data or systems to unauthorized access, disclosure, or misuse. In the event of a Data Security Incident, Contractor must notify County **in writing as soon as possible and no later than 48 hours after Contractor determines a Data Security Incident has occurred**. Notice should be made to all parties referenced in the “Notices” section of the Agreement. Notice must reference this contract number. Notice under this section must include the date of incident, Contractor’s systems and/or locations which were affected, and County services or data affected. The duty to notify under this section is broad, requiring disclosure whether any impact to County data is known at the time, to enable County to take immediate protective actions of its data and cloud environments.

Failure to notify under this section is a material breach, and County may immediately terminate the Agreement for failure to comply.

2. Data Location

2.1 Contractor shall not store or transfer non-public County of Nevada data outside the United States. This prohibition includes backup data and Disaster Recovery locations. The Contractor will permit its personnel and contractors to access County of Nevada data remotely only as required to provide technical support. Remote access to data from outside the continental United States is prohibited unless expressly approved in advance and in writing by the County.

2.2 The Contractor must notify the County **in writing within 48 hours** of any location changes to Contractor’s data center(s) that will process or store County data. Notice should be made to all parties referenced in the “Notices” section of the Agreement.

3. Data Encryption

3.1 The Contractor shall encrypt all non-public County data in transit regardless of the transit mechanism.

3.2 The Contractor shall encrypt all non-public County data at rest.

3.3 Encryption algorithms shall be AES-128 or better.

4. Cybersecurity Awareness and Training

The County maintains a robust Cybersecurity Awareness and Training program intended to assist employees and contractors with maintaining current knowledge of changing cybersecurity threats and countermeasures. Any contractor that is assigned a County network account will be assigned User Awareness training and must complete it within the time period it is assigned. Training completion progress is monitored by sponsor departments and non-compliant users may have their account suspended or restricted.

The County conducts email Phish testing on a regular basis to expose account holders to the types of potential threats.

Contractor will maintain a Cybersecurity Awareness and Training program for training staff at a minimum of once a year. Contractor will maintain records of the program for review by the County when requested.

SUMMARY OF CONTRACT

Contractor Name Navia Benefit Solutions
Description of Services: Flexible Spending Accounts Administration and Third Party Administrator for Retiree and COBRA dental and vision premium billing

SUMMARY OF MATERIAL TERMS

Max Annual Price:	\$34,000.00	Max Multi-Year Price:	\$102,000.00
		FY 25/26 =	\$34,000.00
		FY 26/27 =	\$34,000.00
		FY 27/28 =	\$34,000.00
Contract Start Date:	9/1/2025	Contract End Date:	12/31/2028
Liquidated Damages:	N/A		

INSURANCE POLICIES

Commercial General Liability	(\$2,000,000)	Cyber Liability	(\$1,000,000)
Worker's Compensation	(Statutory Limits)	Technology Liability	(\$2,000,000)
Automobile Liability	(\$1,000,000)		

FUNDING

Dental Fund (Retiree & COBRA Admin)	4498920036411000 / 521520 / 64100000
Vision Fund (Retiree & COBRA Admin)	4352920036411000 / 521520 / 64100000
General Fund (Flexible Spending Accounts)	0101104016411000 / 521520 / 64100000

LICENSES AND PREVAILING WAGES

Designate all required licenses: None

NOTICE & IDENTIFICATION

COUNTY OF NEVADA:					CONTRACTOR:		
Nevada County Human Resources					Navia Benefit Solutions, Inc.		
Address:	950 Maidu Avenue, Suite 260				Address	707 S Grady Way, Suite 350	
City, St, Zip	Nevada City, CA 95959				City, St, Zip	Renton, WA 98057	
Attn:	Krysta Malonson				Attn:	Tina Boyd	
Email:	krysta.malonson@nevadacountyca.gov				Email:	tboyd@naviabenefits.com	
Phone:	530-265-7189				Phone:	425-452-3510	
Contractor is a: (check all that apply)					EDD Worksheet Required Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Corporation: <input type="checkbox"/>	Calif. <input type="checkbox"/>	Other <input type="checkbox"/>	LLC <input checked="" type="checkbox"/>		Additional Terms & Conditions Included		
Non- Profit: <input type="checkbox"/>	Corp. <input type="checkbox"/>				(Grant Specific) Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Partnership: <input type="checkbox"/>	Calif. <input type="checkbox"/>	Other <input type="checkbox"/>	LLP <input type="checkbox"/>	Limited <input type="checkbox"/>	Subrecipient Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Person: <input type="checkbox"/>	Indiv. <input type="checkbox"/>	DBA <input type="checkbox"/>	Ass'n <input type="checkbox"/>	Other <input type="checkbox"/>			

ATTACHMENTS

Exhibit A: Schedule of Services, Charges and Payments	Exhibit E: Privacy Rights Act
Exhibit B: Insurance Requirements	
Exhibit C: Schedule of HIPAA Provisions	
Exhibit D: Information Technology Security	