



BASIC FMLA EASE ADMINISTRATION AGREEMENT

BASIC assists employers in complying with the Family Medical Leave Act, as amended ("FMLA").
_____ ("Employer") employs fifty (50) or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year and, therefore, is subject to FMLA. For the purpose of this agreement, the term "employee" means the employee of the Employer.

In consideration of the mutual promises set forth in this Basic FMLA Administration Agreement ("Agreement"), effective _____, BASIC and the Employer agree to the provisions set forth below.

SECTION I: DUTIES OF BASIC

BASIC agrees to assist the Employer In carrying out the duties and responsibilities regarding the FMLA. Specifically, BASIC agrees:

1. To provide timely notices to employees, via US Mail, upon a potential qualifying event, of FMLA rights, obligations and consequences relating to the such employee's annual FMLA entitlement, certification requirements, the employee's status as a "key employee" and restoration to the same or an equivalent job upon return from FMLA leave within five business days after receiving notification of the potential qualifying event;
2. To provide medical certification forms, via US Mail, to employees that are to be completed by a licensed health care provider within five business days after receiving notification of the potential qualifying event;
3. To provide timely notices, via US Mail, to employees of the result of any decision regarding FMLA qualification based on medical certification from health care provider within five business days after receiving the certification form;
4. To assist the Employer with FMLA record keeping and notification regulations by recording dates and increments of time FMLA leave is taken by FMLA eligible employees, storing copies of employee notices of leave and records and documents relating to certifications, recertification or medical histories of employees or employees' family member, created for purposes of FMLA. All records will be held for no less than three years;
5. To provide consistent, non-biased FMLA administration to the Employer;
6. To track each employee's 12-month qualifying period and produce standard reports based on Employer's data;
7. To track state-related leave plans if the Employer is doing business in states that have qualified plans;
8. To provide a web-based system for the designated staff of the Employer to notify BASIC of FMLA events and for reporting FMLA time used;
9. To attend any audit held by the Department of Labor or a hearing by any governmental agency or bureau, regarding the Employer's compliance with FMLA and provide at the audit or hearing records and documentation demonstrating compliance with FMLA. Employer is required to pay for any travel or living expenses incurred by the staff of BASIC, which will be discussed

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and approved by Employer in advance.

10. To provide the designated staff of the Employer with reports confirming that proper notice has been given to qualified employees and to provide current and updated Information to Employer regarding compliance with FMLA, including any changes or modifications to FMLA and the steps required to comply with the changes.

SECTION II: DUTIES OF THE EMPLOYER

Employer agrees:

1. To provide to BASIC'S home office, on forms provided by BASIC, that includes the following information, as well as any change that may occur, as it relates to each employee:
 - a. Name, address, home telephone number and office telephone number of each employee;
 - b. Social Security Number, gender, and marital status of each employee;
 - c. Whether the employee is married to another employee and the identity of immediate family members of employee;
 - d. Number of hours that each employee is regularly scheduled to work;
 - e. Whether the employee is considered to be a "key employee" as that term is defined by the FMLA;
 - f. Employee's date of hire and date of termination of employment;
 - g. Employee's number of hours applied to FMLA each payroll;
2. To provide to BASIC'S home office copies of the following information, and any change that may occur, as it relates to the Employer's workforce and policies:
 - a. Sick and Personal time, Vacation, Paid Time Off, Health Insurance, Attendance, Workers' Compensation, Medical Leave and Family Medical Leave Act policies;
 - b. Number of employees within a 75-mile radius and number of Full-Time equivalents (FTEs);
3. To provide BASIC with up-to-date, pertinent information relating to the balance of time under the FMLA that each employee is eligible to take during the 12-month qualifying period as of the effective date of this Agreement. The parties agree that BASIC may rely on and act in accordance with any information or other instruction believed by BASIC in good faith to be genuine and properly given;
4. To send out required COBRA forms upon the expiration of the approved FMLA leave if the employee fails to return to work;
5. To post the required notice of FMLA rights in conspicuous places, as required by the FMLA;
6. To inform employees whether and how premiums payments are to be made in order to maintain insurance benefits, the consequences if they fail to do so and the employee's potential liability to repay any premiums by the Employer during the employee's unpaid FMLA leave if the employee fails to return to work after taking FMLA leave, as provided by the FMLA;
7. To inform employees whether, and to what extent, paid time off must be exhausted as part of the FMLA leave;
8. To inform employees of any requirement for the employee to present a fitness-for-duty certificate to be restored to employment; and

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9. To include an FMLA leave policy in the employee handbook, if the Employer has an employee handbook.

SECTION III: RELATIONSHIP OF PARTIES; TERMINATION

The parties intend that an independent contractor-employer relationship will be created by this Agreement. BASIC shall have exclusive control and direction over its work. BASIC is not an agent or employee for any purpose, and the employers are not employees of BASIC. It is understood that BASIC may, in its sole discretion, enter into an agreement for similar services to be performed for other employers not related to the Employer while this Agreement is in effect with Employer. Further, nothing set forth in this Agreement shall be construed as creating a partnership, joint venture or agency relationship between Employer and BASIC.

This Agreement shall continue in effect until canceled by BASIC or the Employer by providing the other party sixty (60) days written notice of the termination.

SECTION IV: BILLING FOR SERVICES RENDERED; CONFIDENTIALITY

Employer agrees to pay BASIC for services rendered within ten days of receipt of written invoice to Employer. The fees and payment terms are specified in the Fee Schedule that is attached to and incorporated in this Agreement. Both parties agree that this Fee Schedule can be modified and that BASIC will provide no fewer than ninety (90) calendar days' notice ("90-day Notice") of the impending change. The Employer shall have up to thirty (30) days after receipt of the notice to object and give notice of termination of this Agreement. If the Employer does not timely object, the fee modification will become effective upon the expiration of the 90-day Notice. Any unpaid fee shall be immediately due upon termination of this Agreement.

Each party agrees to maintain, on a confidential basis, all information that the other has designated as confidential or proprietary ("Confidential Information") and will not disclose that Confidential Information to any third party (except to consult with their respective attorneys or accountants) unless otherwise required by law. The parties agree to use the Confidential Information to facilitate the performance or enforcement of this Agreement and for no other purpose.

SECTION V: INDEMNIFICATION; COOPERATION

The Employer shall be solely responsible for FMLA compliance prior to the effective date of this Agreement and shall hold BASIC harmless for any action or failure to act in accordance with FMLA prior to such effective date. BASIC will hold the Employer harmless for any action or failure made by BASIC. It shall not be responsible for any action or failure caused by the Employer.

If an employee files any type of claim, lawsuit or charge against the Employer and/or BASIC, alleging a violation(s) of law the Employer and BASIC will cooperate with the other's defense of such claim, lawsuit or charge. The Employer and BASIC will make available to each other upon request any and all documents that either party has in its possession that relate to any such claim, lawsuit or charge. This provision, however, shall not preclude the raising of cross claims or third-party claims between the Employer and BASIC, if the circumstances justify such proceedings. The parties agree that this provision shall survive the termination of this Agreement.

SECTION VI: MISCELLANEOUS PROVISIONS

Each party represents and warrants to the other that execution of and the parties' performance of obligations under this Agreement have been duly authorized by their respective entities and that this is a valid and legal Agreement that is binding on each party and enforceable in accordance with its terms.

Each provision in this Agreement is separate. If any provisions of this Agreement are ever held by a court to be unreasonable, the Parties agree that this Agreement shall be enforced to the extent it is deemed to

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be reasonable and in such a manner as to make this Agreement, as modified, legal and enforceable under applicable laws, and the balance of this Agreement shall not be affected, the balance being construed as severable and independent.

Either party's failure to exercise or delay in exercising any power or right under this Agreement shall not operate as a waiver, or shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of remedies otherwise available in equity or at law.

This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

Without written consent of the other party, neither this Agreement nor any of its benefits or obligations is assignable.

For purposes of this agreement, a signed copy delivered by facsimile or electronically shall be treated by the parties as an original of this agreement and shall be given the same force and effect.

An electronic signature captured within a software system will result in a legally binding contract under applicable state law.

This Agreement shall be governed by and interpreted in accordance with Michigan law.

- 1.1 Notices. Any notice to be given hereunder to any Party hereto shall be in writing and delivered personally or by registered or certified national mail service or by any overnight courier service, postage or fees prepaid, addressed to the respective Party at the address set forth in this Agreement.
- 1.2 Arbitration. Any controversy or claim arising out of or relating to this Agreement or the breach thereof, will be settled by arbitration in Michigan in accordance with the Commercial Arbitration Rules of the American Arbitration Association, using three arbitrators, and judgment upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. Any legal or financial services required to resolve any controversy or claim relating to this Agreement shall be paid for by the losing party.
- 1.3 Amendment: Entire Agreement. The Addendum(s) to this Agreement are incorporated herein by reference as if set out herein in their entirety. This Agreement, including the Addendum(s) to this Agreement constitutes the entire agreement between the Parties hereto relating to the subject matter hereof, and supersedes all prior or contemporaneous negotiations, agreements, representations and understandings, whether oral or written, related to the subject matter. This Agreement may be amended only by mutual written agreement of the Parties and no amendment, modification, change, waiver or discharge hereof shall be valid unless in writing and signed by an authorized representative of the Party against which such amendment, modification, change, waiver, or discharge is sought to be enforced.
- 1.4 Section Headings. The Section headings herein are for convenience only and are not intended to affect the meaning or interpretation of this Agreement.
- 1.5 Counterparts. This Agreement may be executed in several counterparts, all of which taken together shall constitute one single agreement between the Parties hereto.
- 1.6 Consents and Approval. Except where expressly provided as being in the sole discretion of a Party, where agreement, approval, acceptance, consent, confirmation, notice or similar action by either Party is required under this Agreement, such action shall not be unreasonably delayed or withheld. An approval or consent given by a Party under this Agreement shall not relieve the other Party from responsibility for complying with the

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requirements of this Agreement, nor shall it be construed as a waiver of any rights under this Agreement, except as and to the extent otherwise expressly provided in such approval or consent.

- 1.7 Further Assurances. Each Party covenants and agrees that, subsequent to the execution and delivery of this Agreement and without any additional consideration, each Party shall execute and deliver any further legal instruments and perform any acts that are or may become necessary to effectuate the purposes of this Agreement.
- 1.8 Performance of Responsibilities. Except as otherwise provided in this Agreement, each Party covenants that it shall perform its responsibilities under this Agreement in a manner that does not infringe, or constitute an infringement or misappropriation of, any patent, copyright, trademark, trade secret or other proprietary rights of any third party; provided, however, that the performing Party shall not have any obligation or liability to the extent any infringement or misappropriation is caused by (i) modifications made by the other Party or its contractors or subcontractors, without the knowledge or approval of the performing Party;(ii) the other Party's combination of the performing Party's work product or Materials with items not furnished, specified or reasonably anticipated by the performing Party or contemplated by this Agreement; (iii) a breach of this Agreement by the other Party; (iv) the failure of the other Party to use corrections or modifications provided by the performing Party offering equivalent features and functionality, or (v)Third Party Software, except to the extent that such infringement or misappropriation arises from the failure of the performing Party to obtain the necessary licenses or required consents or to abide by the limitations of the applicable Third Party Software licenses. Each Party further covenants that it will not use or create materials in connection with the Services, which are libelous, defamatory or obscene.
- 1.9 Covenant of Good Faith. Each Party agrees that, in its respective dealings with the other Party under or in connection with this Agreement, it shall act in good faith.
- 1.10 Severability. In the event that any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any of the other provisions of this Agreement, and this Agreement shall be construed as if such provision(s) had never been contained herein, provided that such provision(s) shall be curtailed, limited, or eliminated only to the extent necessary to remove the invalidity, illegality, or unenforceability.
- 1.11 Waiver; No Oral Modification. No waiver by the Service Provider of any breach by Client of any of the provisions of this Agreement shall be deemed a waiver of any preceding or succeeding breach of this Agreement. No such waiver shall be effective unless it is in writing signed by the Parties hereto, and then only to the extent expressly set forth in such writing. No modification of this Agreement shall be effective unless it is in writing and signed by the Parties hereto, and then only to the extent set forth in such writing._
- 1.12 No Assignment. No benefit or duty under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void.

SECTION VII - UTILIZATION

If the Employer experiences more than 15% utilization of employee FMLA Events during a 12-month period (effective from the date of the contract and subsequent identical 12-month periods), there will be an additional fee as described in the Fee Schedule.

BASIC

Employer: _____

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Revised 1-14-16

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FEE SCHEDULE

The Employer, Agent or BASIC can write in predetermined fee schedule in box below.

| |
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| <p>_____ One Time Setup Fee</p> <p>_____ Monthly Fee</p> <p><u>FMLA Events in excess of 15% of number of employees:</u> \$24.00 each</p> |
|---|

THE EMPLOYER TO INTIAL WITH ACCEPTANCE OF FEES HERE _____

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