

---

---

# **Self-Insured Short-Term Disability Plan Advice to Pay (“ATP”) Services Agreement**

## **Plan Sponsored By**

The Village of Tinley Park

## **Effective Date**

7/1/2023

**ATP Services Provided By  
Dearborn Life Insurance Company**

**SHORT-TERM DISABILITY BENEFIT PLAN**

THIS AGREEMENT is effective July 1, 2023 between Dearborn Life Insurance Company (“Claim Administrator”) and The Village of Tinley Park (variously “Employer” and “Plan Sponsor”) with respect to Group Number F018318.

WITNESSETH AS FOLLOWS:

WHEREAS, Employer has established a self-funded employee welfare benefit plan to provide short-term disability benefits to its eligible employees (the “Plan”); and

WHEREAS, Employer, on behalf of the Plan, desires to retain Claim Administrator to provide certain claims administrative services with respect to the Plan (the “Services”);

NOW THEREFORE, in consideration of these promises and the mutual promises and agreement set forth, the parties hereto hereby agree as follows:

I. Responsibilities of the Claim Administrator In addition to the Services to be provided, the Claim Administrator will assume the following responsibilities:

A. During the term of this Agreement, Claim Administrator will perform the Services for all claims submitted by the Employer or eligible Plan employees with a duration equal to or greater than the Plan elimination period as are set forth in the Summary Plan Document (SPD), attached at Appendix D, and subject to the option chosen by the Employer for transitioned claims at Appendix A II.

B. It is understood and agreed that Employer retains full and final authority and responsibility for the Plan and its operation and further that Claim Administrator is empowered to act on behalf of the Employer in connection with the Plan only as expressly stated in the Agreement the Plan is attached to and made part of this Agreement as Appendix D.

C. The Claim Administrator does not insure or underwrite the liability of the Employer under the Plan and has no responsibility for designing the terms of the Plan or the benefits to be provided there under. The Employer retains the ultimate responsibility for claims under the Plan and all expenses incident to the Plan, except as specifically undertaken in this Agreement by the Claim Administrator.

D. Claim Administrator will use ordinary care and due diligence in the performance of its duties under this Agreement. However, Claim Administrator will not be liable for any loss resulting from any delay in the performance of its duties to the extent caused by failure of Employer to perform any of its duties in a timely manner.

E. Claim Administrator will comply with applicable Federal, State, and local laws as they apply to this Agreement. More specifically, but not by way of limitation, the parties agree and accept that the following provisions govern the obligations and rights of the Claim Administrator:

1. ERISA If the Plan Sponsor determines that the Plan is governed by ERISA:

a. In Relation to the Plan. The Employer hereby acknowledges (i) that an employee welfare benefit plan as defined by the Employee Retirement Income Security Act of 1974 and its enabling regulations, as amended, (“ERISA”) must be established and maintained through a separate plan document which may include the terms hereof or incorporate the terms hereof by reference, and (ii) an employee welfare benefit plan document may provide for the allocation and delegation of responsibilities thereunder. However, notwithstanding anything contained in the Plan or any other employee welfare benefit document

**SHORT-TERM DISABILITY BENEFIT PLAN**

of the Employer, the Employer agrees that no allocation or delegation of any fiduciary or non-fiduciary responsibilities under the Plan or any other employee welfare benefit plan of the Employer is effective with respect to or accepted by the Claim Administrator except as set forth in this Agreement.

b. In relation to Plan Claim Administrator/Named Fiduciary(ies). It is understood that the Plan Sponsor determines the legal and tax status of the Plan. It is further understood that the Claim Administrator is not the plan administrator of the Employer's separate employee welfare benefit plan as that term is defined in ERISA. Further, it is understood and agreed that the Employer has a named plan administrator and a named fiduciary within the meaning of § 414(g) of the Internal Revenue Code of 1986, as amended, and said plan administrator serves within the meaning of § 3(16) (A) of ERISA.

c. In relation to Claim Administrator's responsibilities. The Employer hereby delegates to the Claim Administrator the discretionary authority to administer claims in accordance with the terms of the Plan and to make initial claim determinations concerning the availability of Plan benefits and final review and benefit determinations for appealed claims. The Claim Administrator hereby acknowledges and agrees that it will act as an ERISA fiduciary to the Plan solely with respect to its performance of such claims processing services and the Employer acknowledges and agrees that the Claim Administrator will not have any other fiduciary duties or responsibilities under the Plan. In particular, but not in limitation of the foregoing, the Employer acknowledges and agrees that the Claim Administrator will have no discretionary authority under its agreement with the Employer except as otherwise set forth in this Agreement. The Employer further agrees and acknowledges that the Claim Administrator will have no authority or obligation to act on behalf of the Plan or Plan participants or beneficiaries as a fiduciary or otherwise with respect to any litigation, including litigation by participants or beneficiaries for benefits under the Plan, except as may be required under the Claim Administrator's indemnification obligations under this Agreement or its obligations to act as a fiduciary in its claims processing and payment services function as herein set forth or as may specifically be provided for elsewhere in this Agreement.

**2. HIPAA**

Neither the Claim Administrator nor the Services provided by Claim Administrator is subject to the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") which specifically exempts disability income benefits from its provisions. As such, Claim Administrator is not a business associate of Employer.

**3. GLBA**

Claim Administrator is a financial institution as defined in Title V of the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102) ("GLBA") and, therefore, subject to GLBA. Claim Administrator will comply with the privacy provisions GLBA and its applicable implementing regulations. Claim Administrator will at all times during the term of the Agreement use reasonable care to maintain the confidentiality of non-public personal information ("NPI") of Participants and will not make any use of NPI beyond the purpose for which it was disclosed, nor will it transfer NPI to a third-party, except as provided in this Agreement and as permitted by GLBA. All of the undertakings and obligations relating to confidentiality and non-disclosure of NPI, whether contained in this paragraph or elsewhere in this Agreement, and whether of Employer or Claim Administrator, will survive the termination of this Agreement for whatever reason.

**SHORT-TERM DISABILITY BENEFIT PLAN****II. Responsibilities of Employer**

A. Employer will use its best efforts to cooperate with and assist Claim Administrator, as applicable, in the performance of the Claim Administrator's duties hereunder, it being understood that the Employer, as sponsor and/or plan administrator of the Plan is responsible for interpreting the Plan and will have access to Participant data, all of which is necessary for Claim Administrator to effectively and efficiently perform the Services required by this Agreement. For purposes of this Agreement, a "Participant" (or "participant") is an employee covered by the Plan.

B. Employer will furnish on a timely basis to Claim Administrator Plan information and data regarding participants in the Plan ("Participants") as the Claim Administrator may require from time to time to perform the Services including, but not limited to, the following:

1. All documents by which the Plan is established which are relevant and necessary to the provision of Services by Claim Administrator and which are attached hereto as Appendix D.

2. Such information with respect to the Participants as may be necessary for Claim Administrator to determine eligibility for Plan benefits and the amount of benefits payable under the Plan, and to calculate the Administrative Service Fee in accordance with Section III and Appendix A of this Agreement.

3. Such information with respect to Plan benefits which will enable Claim Administrator to prepare accurately any Plan cost estimates or reports required in Appendix A or to assist in the preparation of any materials for distribution.

4. Timely notice of any change in a Participant's status under the Plan. All such notifications must be furnished in a format mutually agreed to by the parties and must include all information required by the Claim Administrator to effect such changes.

5. Clerical errors in keeping or reporting data relative to coverage under this Agreement will not invalidate coverage that would otherwise be validly in force or continue coverage which would otherwise validly terminate. Such errors will be corrected by the Claim Administrator subject to the terms and conditions of this Agreement and the Claim Administrator's reasonable administrative practices in the administration of the Plan including, but not limited to, those related to timely notification of a change in a Participant's status. The Employer is liable for any benefits paid for a terminated Participant until the Employer has notified the Claim Administrator of such Participant's termination.

C. The Claim Administrator will provide a full and fair review of any determination of a claim, and any other determination made in accordance with the benefits and procedures detailed in the Plan. After exhaustion of all remedies offered by the Claim Administrator, a Participant may appeal all adverse determinations with the Employer for a final review and determination. The Claim Administrator will cooperate in providing claim information.

D. The Employer will make all payments to eligible Participants who are owed benefit payments under the Plan.

**SHORT-TERM DISABILITY BENEFIT PLAN****III. Payment of Administrative Service Fees and Reimbursement of Claim Expenses****A. Administrative Service Fee**

1. The Claim Administrator will invoice the Employer on a monthly basis for an Administrative Service Fee (“Fee”) in an amount as indicated in Appendix B. All payments must be received by the Claim Administrator no later than the Due Date. For purposes of the Administrative Service Fees, the Due Date is the first day of the month for which Services are to be provided. If unpaid by the Due Date, Claim Administrator will provide Employer written notice of failure to pay, and Employer will have fifteen (15) business days from the date of receipt of the notice to cure the non-payment (“Cure Period”). If the Administrative Service Fee remains unpaid after expiration of the Cure Period, Claim Administrator may terminate this Agreement as provided in Section VIII below. The Administrative Service Fee is guaranteed for 24 months from the Effective Date of this Agreement.

2. Notwithstanding the provisions of paragraph 1, the Claim Administrator will have the right to change the Administrative Service Fee on the first anniversary of this Agreement or any subsequent anniversary date on giving not less than thirty (30) days prior written notice to the Employer. In addition, the Fee may be adjusted by Claim Administrator effective on the date on which increased expenses are incurred by reason of:

a. amendments or changes made by Employer to the Plan which would materially affect Claim Administrator’s provision of the Services or would result in a material change to the type or scope of Services in effect as of the Effective Date of this Agreement. Claim Administrator will have thirty (30) days to review the potential changes to the Services. After the review, Claim Administrator may request modification of the Administrative Service Fees. Employer will have thirty (30) days to review the request. If Employer does not agree to the request for modification, Claim Administrator may terminate this Agreement, without cause, on thirty (30) days notice to Employer. If Employer does agree to the requested modification, the change will become effective as of the next Due Date; or

b. increased expenses incurred by reason of a ruling, or other determination by an Insurance Department having jurisdiction, to the effect that the Administrative Service Fee is an insurance premium and subject to the premium tax provisions of the applicable statutes. This provision will apply retroactively to any prior period with respect to which Claim Administrator is required to pay a premium tax on such Administrative Service Fee.

**B. Reimbursement for Claim Benefits Expenses**

The Employer will reimburse the Claim Administrator for the full amount of extraordinary Loss Adjustment Expenses (“LAE”), including but not limited to, Independent Medical Examinations (IMEs), Functional Capacity Evaluations (FCEs), Peer Reviews, Surveillance, or Vocational Rehabilitation Services. Copies of medical files or doctor reports are not considered extraordinary LAE. The Claim Administrator will obtain approval from the Employer before incurring an extraordinary LAE. The Claim Administrator will invoice the Employer on a monthly basis as described in Appendix B for all extraordinary LAE paid during the month. All invoices for reimbursements of extraordinary LAE must be paid by the Due Date as stated in Appendix B. If unpaid, this Agreement will terminate as provided in this Agreement.

**SHORT-TERM DISABILITY BENEFIT PLAN****IV. Indemnification**

A. Claim Administrator hereby agrees to indemnify and hold harmless Employer, its directors, officers, and employees from and against any and all loss, damages, expense or liability including reasonable costs and attorney's fees, or other cost or obligation incurred in connection with any third-party claims, lawsuits, demands, settlements or judgments asserted with respect to the Plan or this Agreement arising out of acts or omissions of the Claim Administrator or its directors, officers or employees which have been adjudged to be (i) grossly negligent, dishonest, fraudulent or criminal or (ii) in material breach of the terms of this Agreement.

B. The Employer agrees to indemnify and hold harmless the Claim Administrator and its directors, officers and employees against any and all loss, liability, damages, penalties and expenses, including attorneys' fees, or other cost or obligation incurred in connection with any third-party claims, lawsuits, demands, settlements or judgments asserted against the Claim Administrator resulting from or arising out of claims, lawsuits, demands, settlements or judgments brought against the Claim Administrator in connection with the design or administration of the Plan, unless the liability therefore was the direct consequence of the acts or omissions of the Claim Administrator or its directors, officers or employees and is adjudged to be (i) grossly negligent, dishonest, fraudulent or criminal or (ii) in material breach of the terms of this Agreement; provided, however, notwithstanding anything herein to the contrary pursuant to Audit Section VII below, the Claim Administrator will be responsible for the correction of claim payment calculation errors by the Claim Administrator.

**V. Litigation**

A. Each party will immediately advise the other party of any legal actions against it or the other party which involve the Plan and the obligations of either party under the Plan or this Agreement. It is understood and agreed that each party, provided no conflicts of interest exist, will fully cooperate with the other party in the defense of any third-party action arising out of matters related to the Plan and this Agreement.

B. The Claim Administrator will have the sole discretion to determine whether any claim or suit brought against it will be paid, compromised, litigated or appealed. The Claim Administrator will pay all of its costs and legal expenses.

**VI. Limitation of Liability**

Except for the indemnification obligations set forth in this Agreement, Claim Administrator's liability to Employer hereunder will in no event exceed the actual losses or damages caused by Claim Administrator's breach of the Agreement. Except for the indemnification obligations set forth in this Agreement, in no event will Claim Administrator or any of its affiliates, directors, employees or agents, be liable to Employer for any indirect, special, incidental, consequential, exemplary or punitive damages, or any damages for lost profits relating to a relationship with a third-party, however caused or arising, whether or not the parties have been informed of the possibility of their occurrence.

**VII. Audit**

Claim Administrator will maintain appropriate accounts and records to adequately identify and account for the Services provided under this Agreement and such other records as may be required by law. Subject to applicable law, such records will be made available to Employer and/or its authorized representative(s) during regular business hours and on reasonable request, and will be kept by Claim

**SHORT-TERM DISABILITY BENEFIT PLAN**

Administrator for ten (10) years after the termination of this Agreement or as required by law, whichever is longer.

A. The Employer and such authorized representative that have access to the information and files maintained by the Claim Administrator will agree not to disclose any proprietary or confidential information, and to hold harmless and indemnify the Claim Administrator in writing of any liability from disclosure of such information and, if required to do so by the Claim Administrator, will sign a non-disclosure and confidentiality agreement prior to the commencement of the audit. Audits performed on a contingency fee basis will not be allowed or supported by the Claim Administrator. The Employer will be responsible for all costs associated with the inspection or audit. All such audits will be subject to the Claim Administrator's external audit policy and procedures, a copy of which will be furnished to the Employer on request to the Claim Administrator. The audit period will be limited to the most recent twenty-four (24) months and no more than one (1) audit will be conducted during a twelve (12) consecutive-month period.

B. The Claim Administrator will be responsible only for the correction of errors identified in the audit for specific claim payment calculations, subject to the terms and conditions of the Agreement, and will not be responsible for errors calculated to exist in a population of claim payment calculations on the basis of a sample drawn from that population. Further, the Claim Administrator has the right to implement reasonable administrative practices in the administration of this Agreement.

C. During the term of this Agreement and within one hundred eighty (180) days after its termination, the Claim Administrator may, on at least thirty (30) days prior written notice to the Employer, conduct reasonable audits of Employer's and any affiliate of Employer's records which are relevant to this Agreement.

**VIII. Term and Termination of Agreement**

A. This Agreement is effective as of July 1, 2023 and will renew automatically, unless terminated in accordance with the provisions below, for successive periods of twelve (12) months (the "Agreement Period").

B. This Agreement may be terminated by either party on thirty (30) days advance written notice to the other party.

C. This Agreement will terminate immediately as of the earliest of the following dates:

1. As of the date of termination or discontinuance of the Plan, as specified to Claim Administrator by Employer, subject to paragraph D below of this Section.

2. Modification of the Plan, unless this Agreement is amended to make the modified plan the Plan under this Agreement.

3. As of the end of a period of thirty (30) days after written notice has been given by either party to the other's breach of material obligation under this Agreement; provided such breach has not been cured within such thirty (30) day period.

4. Failure of Employer to pay any amounts due as required in V.

5. As of the date Employer:

**SHORT-TERM DISABILITY BENEFIT PLAN**

- a. becomes insolvent;
- b. allows any judgment against Employer to remain unsatisfied or unbonded of record for thirty (30) days or longer.

D. Application of this Agreement to or in any state or other jurisdiction may be discontinued by either party as of the date a penalty will be enforced, or, if later, the end of a thirty-one (31) day period after written notice has been given by either party that determines that it will be penalized by such state or other jurisdiction for proceeding with its performance of duties or services under this Agreement.

E. Termination of this Agreement will not terminate the rights or liabilities of either party arising out of a period prior to such termination.

F. On termination of this Agreement for any reason, the Claim Administrator will stop furnishing Services. However, if all invoices are paid to the effective date of termination, the Claim Administrator will complete the processing of all requests for benefit determinations for claims received by the Claim Administrator before the effective date of termination (“Run-Off Claims”). The Employer will continue to be liable to the Claim Administrator for reimbursement of all LAE paid by the Claim Administrator for Run-Off Claims, whether or not the determinations for Run-Off Claims have been made by the Claim Administrator as of the date of termination, until all outstanding reimbursements have been made.

G. Immediately on notice of termination of this Agreement for any reason, or as soon as possible thereafter, Claim Administrator will transfer the records and data in its possession that are necessary to administer the Plan to the new administrator, if any. Transfer may be electronic or by paper on agreement of Employer. The Claim Administrator will charge the actual cost of such transfer to the Employer and Employer hereby agrees to repay the cost within thirty (30) days of receipt of an invoice from the Claim Administrator.

H. Other than as set forth in this Section, all duties and obligations of all parties will cease on termination of this Agreement.

**IX. Records**

During the continuance of this Agreement, Employer will have the right to examine any and all records of Claim Administrator relating to Claim Administrator’s performance of its duties under this Agreement. Such examination will be during normal business hours, provided that any examination of individual benefit calculation records will be carried out in a manner agreed to between the parties hereto designed to protect the confidentiality of the individual’s medical information.

**X. Confidential and Proprietary Information**

A. The Parties agree that all Confidential Information will be and was received in strict confidence, will be used only for purposes of the Agreement, and will not be disclosed by a party without the prior written consent of the other party.

Confidential Information will mean all information, and data furnished by the Employer to the Claim Administrator, whether before or after the date hereof and whether in oral, written, electronic or graphic format, including, but not limited to, financial information, business plans, strategic plans, pricing information, designs, procedures, methods of operation, formulas, discoveries, inventions, concepts, ideas, processes, know-how and documentation, whether or not such information or data have been affixed with a restrictive, confidential or proprietary legend of Employer. Confidential Information will not include



## SHORT-TERM DISABILITY BENEFIT PLAN

such information, data and materials as Administrator agrees in writing are not proprietary or confidential to Employer or which (a) are or become publicly available by other than unauthorized disclosure by Administrator; (b) are independently developed by Administrator without use of any Confidential Information; or (c) are received from a third-party who has lawfully obtained such Confidential Information without a confidentiality restriction.

B. The parties acknowledge that each party has developed operating manuals, certain symbols, trademarks, service marks, designs, data, processes, plans, procedures and information, all of which are proprietary information (“Business Proprietary Information”). Neither party will use or disclose to any third-party Business Proprietary Information without prior written consent of the other party. Neither party will use the name, symbols, copyrights, trademarks or service marks of the other party or the other party’s respective clients in advertising or promotional materials without prior written consent of the other part.

C. This Section will survive the termination of this Agreement.

**This Confidentiality Section does not apply for Federal or State income tax or ERISA reporting purposes.**

### XI. General Provisions

#### A. Assignment and Merger

1. No assignment of rights or delegation of duties hereunder in any manner by the Employer will be valid without the prior written consent of the Claim Administrator. Any purported assignment of rights in violation of this Section is void. Notwithstanding the foregoing, any of the functions performed by the Claim Administrator under this Agreement may be performed by an affiliate, subsidiary, parent company, or an independent entity with which the Claim Administrator contracts.

2. The parties may merge with, or be consolidated into, or transfer substantially all of its business and assets to, another corporation. A party will provide ninety (90) calendar days’ advance notice to the other party of any potential change of corporate control or any type of corporate restructure, unless such notice would breach an agreement of confidentiality in which case, the party will notify the other party as soon as possible after the change. On receipt of such notice, the other party may terminate this Agreement.

B. Relationship of Parties Nothing contained in this Agreement will be construed to create the relationship of employer and employee, partnership, or joint venture. Claim Administrator’s authority will be limited to that which is expressly stated in this Agreement. Employer will not exercise any control over the hours, office location, rentals, or employees of Claim Administrator. The parties hereby acknowledge the Claim Administrator’s status as an independent contractor of Employer.

C. Applicable Law This Agreement will be governed by applicable federal law and by the laws of the State of Illinois.

#### D. Entire Agreement, Amendment, Copies

1. The parties intend that this Agreement is the final expression of and contains the entire understanding and agreement between the parties. This Agreement replaces and supersedes in their entirety any and all prior or contemporaneous representations, understandings and agreements between the parties with respect to the subject matter of this Agreement. No usage of trade or custom and practice within the

**SHORT-TERM DISABILITY BENEFIT PLAN**

industry, and no regular practice or method of dealing between the parties, will be used to modify, interpret, supplement, or alter in any manner the express terms of this Agreement.

2. This Agreement will not be modified, amended or in any way altered except by an instrument in writing signed by a Vice President of the Claim Administrator and by Employer's designated representative. Such representatives may amend this Agreement and disclaim reliance on modifications purportedly made by anyone else. For purposes of this Agreement, "Agreement" means Sections I through XI hereof and all attached Appendices, which are incorporated herein and made a material part of this Agreement.

3. A copy of the fully executed Agreement, whether scanned, imaged, electronically or digitally transferred, or otherwise reproduced will have the same force and effect including, without limitation, admissibility into evidence for any purpose, as the original executed document.

**E. Dispute Resolution**

1. It is expected that any disputes or differences that may arise under the Agreement will be resolved in the usual course of business. If, however, any dispute does arise between the parties which relates to or arises from the Agreement, whatever its nature, the parties agree to proceed as follows:

2. Either party may notify the other of the matter in dispute and that it wishes to begin the dispute resolution procedure. Within thirty (30) days after notification, a designated representative of Claim Administrator and a designated representative of Employer will meet and confer in an effort to resolve the problem. The parties may, if they wish, agree to mediation or other voluntary form of dispute resolution. If the matter is not resolved within thirty (30) days thereafter (or such further time as the parties may agree), the parties will submit to binding arbitration as follows:

Each party will appoint an individual as arbitrator and the two so appointed will then appoint a third arbitrator. If either party refuses or neglects to appoint an arbitrator within thirty (30) business days, the other party may appoint the second arbitrator. If the two arbitrators do not agree on the third arbitrator within thirty (30) business days of their appointment, each of the arbitrators will nominate three individuals. Each arbitrator will then decline two of the nominations presented by the other arbitrator. The third arbitrator will then be chosen from the remaining two nominations by drawing lots. The arbitration hearing will be held in a place chosen by the party bringing the arbitration or as may be mutually agreed to by the parties.

Each party will have the right to take no more than two (2) depositions of potential witnesses, and each will have the right to serve no more than one (1) set of interrogatories which will not include more than fifty (50) interrogatories. All discovery will be completed within three (3) months after the selection of the third arbitrator. Thereafter, each party will submit its brief of no more than fifty (50) pages to the arbitrators within thirty (30) business days.

The arbitrators will follow judicial formalities or the rules of evidence required by governing law. The law of Illinois will govern this arbitration to the fullest extent permitted by law, excluding the Federal Arbitration Act and the arbitration law of all other states, irrespective of the location of the arbitration proceedings or of the court in which any related judicial proceedings may take place.

The decision rendered by a majority of the arbitrators will be final and binding on both parties. Such decision will be a condition precedent to any right of legal action arising out of the arbitrated dispute which either party may have against the other. Judgment on the award rendered may be

**SHORT-TERM DISABILITY BENEFIT PLAN**

entered in any court having jurisdiction thereof. Each party will pay its own costs and attorneys' fees, the fee and expenses of its own arbitrator, and one-half of the fee and expenses of the third arbitrator. All other expenses of the arbitration will be equally divided between the parties.

Each party's liability to the other hereunder will in no event exceed the actual losses or damages caused by breach of this Agreement. In no event will either party, or any of their respective affiliates, directors, employees or agents, be liable for any indirect, special, incidental, consequential, exemplary or punitive damages, or any damages for lost profits relating to a relationship with a third-party, however caused or arising, whether or not it has been informed of the possibility of their occurrence.

The parties agree, and the appointed arbitrators will agree as part of acceptance of nomination, to keep confidential and not disclose to persons not connected with the arbitration the details of the arbitration proceeding and all information received by them as may be required by process of law.

F. Severability The provisions of this Agreement are severable. If any one or more of such provisions are judicially determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions of this Agreement will nevertheless be binding on and enforceable by the parties to the maximum extent allowable.

G. Publicity This Agreement will not be construed to grant either party any right to use any of the other party's or its affiliates' trademarks, service marks or trade names or otherwise refer to the other party in any marketing, promotional or advertising materials or activities. Without limiting the generality of the forgoing, neither party will originate any press release or other public announcement related to this Agreement, whether written or oral, without the prior written consent of the other party's public relations department, except as required by law.

H. Waiver No delay or omission by either party hereto to exercise any right occurring on any noncompliance or default by the other party with respect to any of the terms of this Agreement will impair any such right or power or be construed to be a waiver thereof. A waiver by either of the parties hereto of any of the covenants, conditions or agreements to be performed by the other will not be construed to be a waiver of any succeeding breach thereof or of any covenant, condition or agreement herein contained.

I. Compliance with Laws Both parties represent and warrant that they will at all times comply with all applicable federal, state and local laws applicable to this Agreement and any products or services provided hereunder.

J. Notices Any notice or other document required to be delivered hereunder by either party will be given in writing or delivered personally, sent by U.S. Certified or Registered Mail, Return Receipt Requested, or by nationally recognized overnight courier. Such notices will be deemed to have been given (i) the first business day following the date of delivery if delivered personally, (ii) on the third business day following the date of mailing if mailed by U.S. Registered or Certified Mail, Return Receipt Requested, or (iii) on the date of receipt if delivered for overnight delivery by a nationally recognized overnight courier service. Such notices will be addressed as follows, or to such other address as a party may have furnished to the other party in accordance herewith, except that notice of change of addresses will be effective only on receipt:

**SHORT-TERM DISABILITY BENEFIT PLAN**

If to Employer:  
Village of Tinley Park  
Attn: Village Manager  
16250 Oak Park Ave  
Tinley Park, IL 60477

To Claim Administrator:  
Director, Disability Claims Administration  
Dearborn Life Insurance Company  
701 East 22<sup>nd</sup> Street  
Lombard IL 60148

With a copy of all litigation, regulatory and/or  
compliance notices and correspondence to:  
Vice President, General Counsel  
Dearborn Life Insurance Company  
701 East 22nd Street, Suite 450  
Lombard, IL 60148  
Fax (630) 824-6255  
-And-  
Senior Vice President and Chief Legal Officer  
Health Care Service Corporation  
300 East Randolph  
Mail Drop 15-301  
Chicago, IL 60601

K. Third-Party Beneficiaries Employer’s affiliates, subsidiaries, and parent are third-party beneficiaries of this Agreement. Other than with respect to Employer’s affiliates, this is not a third-party beneficiary contract. Other than Employer’s affiliates, no person or entity other than a party signing this Agreement will have any rights under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as stated herein:

DEARBORN LIFE  
INSURANCE COMPANY

DocuSigned by:  
David Warden

4FF1AE2DD45F48E...  
Name: David Warden

Title: VP, Head of Operations

Date: 6/27/2023

Village of Tinley Park

By: Patrick J. Carr

Name: Patrick J. Carr

Title: Village Manager

Date: 22 June 2023

**SHORT-TERM DISABILITY BENEFIT PLAN****APPENDIX A****ADMINISTRATIVE SERVICES TO BE PERFORMED BY THE ADMINISTRATOR**

ATP Agreement Effective Date: 7/1/2023	
Employer Name: Village of Tinley Park	
Employer Mailing Address: 16250 Oak Park Ave Tinley Park, IL 60477	
Employer Contact Person: Angela Arrigo	Telephone Number: 708-444-5091
E-mail address: aarrigo@tinleypark.org	Fax Number:
Employer Tax ID Number (EIN): 36-6006127	

**I. Claim Services**

Claim Administrator will:

- A. Review and investigate all claims submitted by the Employer or Participant during the term of this Agreement with a duration equal to or greater than the Plan elimination period.
- B. Provide Claim Administrator's standard claim forms and claim filing instructions.
- C. Provide information and assistance to Participants concerning benefit determinations under the Plan.
- D. Adjudicate claims based on the terms of the Employer's Short-Term Disability Plan as defined in the Plan Document or Summary Plan Description.
- E. Make a decision on a claim (approve, pend, deny) within five (5) to seven (7) business days from receipt by Claims Administrator of all information necessary to make a claim decision. The Employer and/or the Participant will be notified of any delays that may occur in the processing of claims.
- F. For all claims, if requested by the Employer, calculate gross and net benefits (net benefit means the gross short term disability weekly benefit less the deductible sources of income) amount payable by the Employer as indicated in section V. Otherwise, Claim Administrator will advise the Employer of the approved claim duration and Employer will calculate gross and net amounts payable. Employer retains its obligation to withhold Employer FICA Social Security and Medicare taxes if applicable. Employer retains its obligation to pay Employer's portion of FICA Social Security and Medicare taxes if applicable.
- G. Notify Participant via written correspondence the decision regarding the Participant's claim for benefits.
- H. Notify Employer via email claim decisions daily whenever a claim decision is rendered.

**SHORT-TERM DISABILITY BENEFIT PLAN**

- I. Keep such records and files of benefit determinations required by law.
  - J. With respect to benefit claim denials or reductions, notify applicable persons of such rights of review as may exist pursuant to applicable law.
  - K. On request, assist the Employer with an analysis of issues involving decisions denying or reducing benefit claims under the Plan.
  - L. Pursuant to Section VIII F, on termination of the Agreement for any reason, stop furnishing Services. However, if all invoices are paid to the effective date of termination, the Claim Administrator will complete the processing of all requests for benefit determinations for Run-Off Claims. The Employer will continue to be liable to the Claim Administrator for reimbursement of all LAE paid by the Claim Administrator for Run-Off Claims, whether or not the payments for Run-Off Claims have been made by the Claim Administrator as of the date of termination, until all outstanding reimbursements have been made.
- II. Transitioned Claims from Prior Administrator (“Run-In Claims”) Select one:
- OPTION 1.** Employer declines to transfer open, active claims from a prior claim administrator as of the effective date of this Agreement.
  - OPTION 2.** Employer requests Claim Administrator to accept open, active claims from the prior claim administrator and supply Services for the remaining duration of each claim. A one-time charge of \$200 per Run-In Claim is due and payable on or before the effective date of this Agreement.
- III. Administrative Services
- A. Assist the Employer in plan benefit development initially and subsequently in connection with revisions to the Plan by providing underwriting services, including estimates of Plan costs and costs of potential Plan revisions.
  - B. Assist the Employer in connection with the general administration of the Plan, including enrollment of eligible persons (provide enrollment forms) and recordkeeping procedures for the ongoing operations of the Plan.
- IV. Employer will:
- A. Maintain and distribute Summary Plan Description (“SPD”) to eligible Plan Participants.
  - B. Pay all Plan benefits due eligible Participants.
  - C. Withhold and remit all taxes applicable to Plan benefits to appropriate taxing agency.
  - D. Retain the responsibility for preparation and delivery of annual Form W-2 statements to Plan benefit recipients under this Agreement.
- V. Claim Services, Select One:
- ATP – Durational *with* Financial Calculations.** The Claim Administrator will review the claims and advise the Employer, on a claim-by-claim basis, via email, of the duration and amount of benefits to be paid. If additional information is needed from the Employee’s attending physician, the

**SHORT-TERM DISABILITY BENEFIT PLAN**

Claim Administrator will obtain the necessary information to continue processing the claim. The Employer issues the check.

**ATP – Durational *without* Financial Calculations.** The Claim Administrator will review the claims and advise the Employer, on a claim-by-claim basis, via email, of the duration of the benefits to be paid. If additional information is needed from the Employee's attending physician, the Claim Administrator will obtain the necessary information to continue processing the claim. The Employer issues the check and performs the benefit calculations.

**SHORT-TERM DISABILITY BENEFIT PLAN**

**APPENDIX B**

**BILLING**

**Administrative Service Fee**

Amount: \$3.03 per Participant per month

Mode of Payment: Monthly in advance of the month for which services are rendered.

Due Date of payment is first of the month for which services are to be provided



**SHORT-TERM DISABILITY BENEFIT PLAN**

**APPENDIX C  
PLAN AND  
SUMMARY PLAN DESCRIPTION**

**Employer's Plan and Summary Plan Description ("SPD") to be attached hereto.**

Select one:

- Employer does not require a Summary Plan Description (SPD) template. Employer has provided a copy of the Plan Document and/or a copy of the SPD which will be made part of this Agreement as Appendix D.
- Employer requests a Summary Plan Description (SPD) document template. Employer understands that it is the Employer's responsibility to provide a complete, finalized SPD to the Claim Administrator prior to the effective date of the Agreement. The SPD is attached to and made part of the Agreement as Appendix D.

