

PARTICIPATION AGREEMENT

For the

**Builders Exchange
Benefits Plan**

Participation Agreement for the Builders Exchange Benefits Plan

This Agreement is between the Builders Exchange Benefits Plan (the “Plan”) and the _____ (“Participating Employer”) is effective as of the Effective Date as defined below.

1. The Participating Employer agrees that during the term of this Agreement it will remain a member in good standing with the Builders Exchange, Inc. or an affiliated association and the Participating Employer agrees to comply with the terms of the Plan, the Builders Exchange Benefit Plan Trust (the “Trust”) and all applicable statutes. The Participating Employer will be the Plan Sponsor as that term is used by the Employee Retiree Income Security Act (“ERISA”). The Participating Employer agrees they are not entitled to receive protected health information (“PHI”) in any format from the Plan.

2. The Participating Employer may terminate this Agreement as of the end of any month by providing the Plan Administrator a thirty (30) day advanced written notice. The Plan Administrator may terminate this Agreement at any time if the Participating Employer fails to comply with the terms of the Plan, Trust or any applicable statute. The Plan Administrator may terminate this Agreement if the Participating Employer fails to pay the Premium Equivalent Rate when due. The Premium Equivalent Rate is the amount the Participating Employer must pay so that the Participating Employer’s eligible employees (and their spouses and dependents) can become Participants. The Plan Administrator will notify the Participating Employer, in writing, that this Agreement has been terminated.

3. The Participating Employer acknowledges and agrees this is an assessable Participation Agreement. Subject to Paragraph 4, the Participating Employer acknowledges and agrees that if this Agreement terminates for any reason, the Participating Employer will be liable for an assessment of the total legal obligations of the Plan that exceed the amount of any separate reserve fund that is established by the Plan for payment of the legal obligations of the Plan, provided the fund consists only of amounts in excess of the minimum reserves required through the date of such termination determined in proportion to the ratio of the Participating Employer’s enrolled eligible employees and their dependents (“Participants”) at the time of termination to the total number of Participants of all Participating Employers. The Plan Administrator will invoice this assessment and the Participating Employer agrees to contribute the full amount to the Trust within five (5) days. In addition, the Participating Employer also acknowledges and agrees that the Participating Employer is not entitled to any Plan assets when this Agreement terminates unless this Agreement is being terminated in conjunction with the Plan termination and the Participating Employer may receive Plan assets only after all Plan expenses have been paid.

4. The Plan Administrator will, during the term of this Agreement, secure terminal liability insurance which will fully indemnify the Participating Employer’s liability under the Plan except for any unpaid Premium Equivalent Rate attributable to the Participating Employer’s Participants at the time this Agreement terminates. If the terminal liability insurance is ever cancelled for any reason, the Plan Administrator will notify the Participating Employer, in writing at least thirty days in advance, that the terminal liability insurance is being cancelled and the Participating Employer may terminate this Agreement before the terminal liability insurance ends.

5. This Agreement will become effective (the “Effective Date”) on the date this Agreement is signed by both the Plan Administrator and the Participating Employer. This Agreement will remain in effect until terminated in accordance with Paragraph 2. Regardless of any other provision in this Agreement, this Agreement will automatically terminate if the Plan does not have a valid Certificate of Authority issued by the Ohio Department of Insurance pursuant to Chapter 1739 of the Ohio Revised Code.

6. The Participating Employer agrees to fully and immediately indemnify the Plan, Trust, Builders Exchange, Inc. and any of its officers, directors, agents, employees and vendors from any claims. The terms of this Paragraph will remain in effect indefinitely regardless of when or why this Agreement terminates.

7. This Agreement can only be amended, in writing, signed by both parties. To the extent this Agreement is not preempted by Federal law, this Agreement will be governed by the laws of Ohio.

8. Any disputes under this Agreement will be resolved by binding arbitration held in Cuyahoga County, Ohio. Each party will be responsible for its own legal expenses but both parties will share equally the arbitration costs.

9. All notices under this Agreement may be sent electronically except the notices under Paragraphs 2 and 4 which must be sent via certified mail to the following addresses:

Plan Administrator

Participating Employer

John Grandetti

Builders Exchange Benefit Plan

9555 Rockside Road, Suite 300

Valley View, Ohio 44125

10. The Participating Employer acknowledges the Plan is a self-funded multiple employer welfare arrangement, as that term is defined under ERISA and by the Department of Labor. The Plan is funded by the Participating Employers. The Participating Employer acknowledges the

Plan is not a fully insured arrangement and is not covered by the Ohio Life & Health Guaranty Association.

11. The Participating Employer acknowledges that it will have the right to vote, either directly or by proxy, for the Trustees under the Trust.

12. The Participating Employer acknowledges that the Premium Equivalent Rate contributed to the Plan will be comingled with contributions made by all other Participating Employers in the Plan and that all of the assets, once contributed to the Plan will become Plan assets and may be used to pay benefits for any Participant plus Plan expenses. The Participating Employer expressly acknowledges and agrees that neither it or the Participants have any vested or property right of any Premium Equivalent Rate or in any Plan asset. The Participating Employer acknowledges, Subject to Paragraph 3, it has an undividable interest in the assets and liabilities of the Plan in relationship of the Employer's number of Participants in the Plan divided by all Participants in the Plan.

IN WITNESS WHEREOF, the parties have signed this Agreement.

Builders Exchange Benefits Plan Trust

Participating Employer

Signature

Signature

Printed Name

Printed Name

Plan Administrator

Title

Date

Date

