NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Online Application for Financial Assistance

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APPLICATION SUBMISSION DATE - 10/24/2016 12:22:19 PM
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APPLICATION NUMBER: 209423

Application Date:	10/24/2016
Who is your NJEDA contact?	Christina Fuentes
Products Selected:	Grow New Jersey Program
Application Fee:	$5,000
Payment Method:	BYCHECK

Applicant Organization Information

Applicant Organization Name: (legal name without abbreviations)	Conner Strong & Buckelew Companies, LLC
Federal Employer's I.D. No. (FEIN):	21-0718159
Doing Business As Name:	N/A
Holding Company Name:	N/A
Authorized Representative:	John Muscella
Authorized Representative Title:	Chief Financial Officer
Authorized Representative Email Address:	jmuscella@connerstrong.com
Is the Organization's address the same as the Contact's address?	YES
County:	Burlington
Telephone Number:	(856)552-4500
Website Address:	www.connerstrong.com
Number of Employees:	334
Media Contact Name	Daniel Fee
Media Contact Telephone Number	2157043160
Media Contact Email Address	dan@echo-group.com
NAICS Number:	524298

(To find this number, look to the federal determination provided when the applicant entity was formed, or visit the following link to determine based upon current business functions, http://www.census.gov/epcd/www/naics.html.)

Nature of Business:	Conner Strong & Buckelew is a national firm offering clients advice and solutions in risk, strategy and people.

Please provide a detailed company background and profile, together with a brief history and description of the applicant's business (including principal products and services) :
Conner Strong & Buckelew, founded in 1959, is among America's largest risk management, employee benefits and

Conner Strong & Buckelew, founded in 1959, is among America's largest risk management, employee benefits and insurance consulting firms. It has offices in New York, New Jersey, Pennsylvania, Delaware and Florida. The national firm is an industry leader in providing high-risk businesses with comprehensive solutions to prevent losses, manage claims, and drive bottom line growth. Its employee benefits practice focuses on providing best-in-class benefits administration, health and wellness programs and strategic advisory services.

The company provides risk and insurance services to a wide-range of industries including but not limited to aviation, construction, education, healthcare, hospitality & gaming, life science & technology, public entity and real estate. Additionally, Conner Strong & Buckelew and its affiliates offer a number of innovative and specialty solutions which include captive strategies, construction wrap-ups, executive risk, safety and risk control, and private client services.

Year Established:	1959
Ownership Structure:	Limited Liability Co.
State of Incorporation/Formation:	NJ

List all Officers, Directors or Owners with a 10% or more interest.

Name	Position	US Citizen	Permanent Resident
See Attached Disclosure of Ownership	Owner/Partner - 100%	NA	NA

Principal Bank Reference Information

Bank Name	Contact Name	Contact Telephone Number	Contact Email Address
M&T Bank	Bill Cornelius	(856)889-1847	wcornelius@mtb.com

Legal Information

Name of counsel to applicant:	Heather A. Steinmiller
Address:	40 Lake Center Executive Park 401 Rt. 73 North, Suite 300, P.O. Box 989, Marlton, NJ 08053
Telephone:	(856)552-4784
E-mail:	hsteinmiller@connerstrong.com

Accountant Information

Accountant name:	George Beppel
Address:	Ragone, Lacatena, Fairchild & Beppel, 76 E. Euclid Avenue, Suite 200, Haddonfield, New Jersey 08033
Telephone:	(856) 795-9650
E-mail:	gbeppel@rlfbcpa.com

Has the applicant, or any related parties, previously received EDA assistance? NO

Applicant Contact Information

Salutation:	Mr.
First Name:	John
Middle Initial:	
Last Name:	Muscella
Suffix:	
Title:	Chief Financial Officer
Company:	Conner Strong & Buckelew
Mailing Address:	401 Rt. 73 North, Suite 300
Address Line 2:	PO Box 989
City/Town:	Marlton

State:	NJ
ZIP Code:	08053
Telephone Number:	856-552-4770 Ext.
Fax Number:	856-552-4771
Email Address:	jmuscella@connerstrong.com

Consultant Contact Information

Contact Name:	N/A
Contact Title:	N/A
Company:	N/A
Address:	N/A
Address Line 2:	
City:	N/A
State:	NJ
ZIP Code:	11111
Phone:	(111)111-1111
Email:	A@A.COM

Project Information

Project Location

Street Address:	Caruso Place
Address Line 2:	
City/Town:	Camden City
State:	NJ
ZIP Code:	08102
County:	Camden

Block	Lot
81.06	3.01
81.06	3.02

Census Tract:	340076103.00
Is the project located on property that was wholly or substantially damaged or destroyed as a result of a Federally-declared disaster?	NO

Current Location

Street Address:	401 Rt. 73 North, Suite 300
Address Line 2:	
City/Town:	Marlton
State:	NJ
ZIP Code:	08053
Is the current location leased or owned?	LEASED
When does the lease end?	2019-03-01
Reason for leaving:	Applicant wants to consolidate its dual headquarters and the existing space is too small to accommodate both existing sites.
Square Footage:	53,212

Square Footage:	55,212
Timeframe for moving out:	3/1/2019

Alternate Location

Street Address:	1601 Market Street
Address Line 2:	
City/Town:	Philadelphia
State:	PA
ZIP Code:	19130
Will the Alternate location leased or owned?	LEASED
Square Footage:	95,378
Estimated capital investment (different from total projects):	4735517.60

Project Description

Please provide a narrative description as fully and precisely as possible of the project, including acquisition, lease and renewal terms, construction or expansion plans, current and future uses by the applicant, size of existing and proposed facility, and/or project occupant(s) of the building(s) and/or equipment to be acquired or upgraded:

The Applicant proposes to relocate its office headquarters to Camden, NJ. The Applicant currently has dual headquarters located in Marlton NJ and Philadelphia, PA. The Applicant will move 172 employees (157 Grow qualified) from Marlton to Camden; move 98 employees (96 Grow qualified) from Philadelphia to Camden; and create 15 new jobs in Camden. Camden Waterfront Development Overview: The proposed Camden Tower Office Building, identified as building "C-1" on the Camden Master Plan prepared by Robert A.M. Stern Architects dated August 1, 2016, is part of the Liberty Property Trust (Liberty Property Trust and Liberty Property Limited Partnership are collectively referred to as "LPT") comprehensive vision for a mixed-use urban waterfront comprised of office, retail, and residential space, and accompanying structured and surface level parking in the City of Camden. The development site presently consists of eight separate tax lots, and is located north of Market Street, south of Pearl Street, and west of Delaware Avenue, in close proximity to the Benjamin Franklin Bridge. The entirety of the site is currently utilized as surface level parking lots. The various lots located within the development site are currently owned by the New Jersey Economic Development Authority ("EDA"), the City of Camden Redevelopment Agency ("CRA"), and Camden Town Center, LLC ("CTC"). In October of 2004, CTC and the EDA entered into a Development and Option Agreement for the redevelopment properties. However, attempts to redevelop the site have been unsuccessful for the twelve year period. In August of 2015, LPT entered in an Agreement of Sale and Purchase to acquire 100% of the membership interest in CTC. Immediately prior to Closing, CTC will exercise its option to purchase the EDA redevelopment properties and it, or LPT, will act as the overall project developer for the waterfront site. The various tax lots will be consolidated and entered into a condominium regime. CTC will sell the individual condo "units," or parcels within the condominium regime, to various end users. Overview of C-1 Building Ownership and Space Allocation: The condominium unit encompassing buildings C-1 and P-1 will be sold to Camden Partners Tower Equities, LLC ("Landlord"), a Garden State Grown Zone Development entity. Landlord will enter into a build-to-suit contract with LPT for construction of the multi-tenant office building C-1 and parking garage P-1 at the condo unit site. Upon delivery of the office building and parking garage, Landlord will lease the building to Camden Partners Operating Company, LLC ("Operating Company"). Operating Company will sublease the office building and parking garage to three tenants, The Michaels Organization, LLC ("Michaels"), NFI, L.P. ("NFI") and Conner Strong & Buckelew, LLC ("Conner Strong") (collectively "Tenants"). The proposed office building C-1 and the parking garage P-1 are located upon present Block 81.06, Lots 3.01 and 3.02 as identified on the Tax Map of the City of Camden. The proposed office building will consist of thirteen stories with a gross area of 420,602 sf and a total rentable area of 386,900 sf. Building space will be specifically occupied by the three Tenants as follows: • NFI will occupy Floors 4, 5, and 6 totaling 88,233 sf. • Michaels will occupy Floors 7, 8, and 9 totaling 88,233 sf. • Conner Strong will occupy Floors 10, 11, and 12, along with the corporate conference center with related facilities on Floor 13 totaling 90,000 sf. General space within the building that will be allocated to, or shared by each Tenant includes: • 20,118 sf of mechanical space on Floor 1; • 12,314 sf of retail/restaurant space on Floor 1; • 9,323 sf of retail/restaurant space on the mezzanine level; • 32,499 sf in amenity space (cafeteria and fitness center); • 28,697 sf of Floor 3 will be shared mail room and conference space; • 17,387 sf of mechanical space on Floor 14; and • 96 sf helipad There is a total of 120,434 sf of general space within the C-1 building allocated to the three Tenants. The proposed parking garage P-1 will contain 785 parking spaces, all of which will be restricted to the exclusive use of the C-1 Tenants. Overview of Total Capital Investment and Allocation of Landlord's Investment amongst Tenants: Landlord and each Tenant have executed a term sheet for the construction and lease of the building. Tenants will lease space within the building and garage as set forth above. The term sheet also provides a fit out allowance for each Tenant that will include interior improvements to the core and shell, furniture fixtures and equipment, relocation costs and other Landlord costs associated with the construction of the building. A budget with line item costs/sf is attached hereto. The total cost of construction of the C-1 core and shell and the P-1 garage will be $188,420,300. The total cost of the Landlord's allowance for fit out and other costs included in the capital expense is estimated at $81,249,000. Other Landlord costs eligible toward the Tenant's capital expense amount to $22,153,182. Pursuant to N.J.A.C. 19:31-18.2, a business that leases a qualified business facility is deemed to have acquired the capital investment made or acquired by the landlord if pertaining primarily to the premises of the qualified business facility, and, if pertaining generally to the qualified business facility being leased, shall be allocated to the premises of the qualified business facility on the basis of the gross leasable area of the premises in relation to the total gross leasable area in the qualified business facility. Accordingly, the three tenants will be deemed to have acquired the total capital investment made by the landlord that pertains directly to their business

be deemed to have acquired the total capital investment made by the landlord that pertains directly to their business facility and a pro rata portion of the landlord's capital investment pertaining to the general building space. The GrowNJ statute states that within a mixed-use building, retail facilities in an amount up to 7.5% of the project may be included in the mixed-use project application for a grant of tax credits along with the non-retail facilitates. N.J.S.A. 34:1B-244.e. The three Tenants will solely occupy a total of 266,466 sf in the C-1 building. Of the 266,466 sf, NFI will solely occupy 88,233 sf, or 33.1 percent, Michaels will solely occupy 88,233 sf or 33.1 percent, and Conner Strong will solely occupy 90,000 sf or 33.8 percent. The remaining 120,434 sf of space is the shared third floor, retail/restaurant space and other common space within the building, the cost of which is shared pro rata pursuant to N.J.A.C. 19:31-18.2. Each Tenant's share of the Landlord's total capital investment is as follows: • NFI - $96,593,242 • Michaels - $96,593,242 • Conner Strong - $98,635,999 See attached Project Cost spreadsheet that identifies the space allocation, the total project cost, the Tenant's share of the total project costs, and the Tenant's specific capital investment.

Will the project facility be occupied or used by any party other than the applicant?	YES
Is it anticipated that the project location will be purchased or leased?	LEASE

Landlord Contact Information

Contact Name:	Jeffrey Brown
Contact Title:	N/A
Company:	Camden Partners Tower Operations, LLC
Address:	1515 Burnt Mill Road
Address Line 2:	
City:	Cherry Hill
State:	NJ
ZIP Code:	08003
Phone:	(856)794-4648
Email:	jeff.brown@nfiindustries.com
Useable Square Footage leased by the tenant:	90,000
Total Useable Square Footage of the building:	386,900

Asset Type:	Gross Leasable Area (GLA))	Useable Square Feet (USF)
Office	130,677	90,000

Describe how the green building standards posted on EDA's website, here www.njeda.com/GreenBldgGuidance1 and here www.njeda.com/GreenBldgGuidance2, will be incorporated into the proposed project. Also include how renewable energy, energy efficiency technology, and non-renewable resources will be incorporated into the project to reduce environmental degradation and to encourage long-term cost reduction.

Conner Strong & Buckelew will comply with NJEDA green building requirements.

Will the project generate solar energy on the site?	NO

Project Costs

Please enter applicable costs:

New Building Construction	$81,994,169
Environmental Investigations and Remediation Costs	$446,498
Fees - Engineering and Architectural	$719,248
Fees - Legal	$353,313
Interest During Construction	$6,084,000

Fixtures & Equipment, Furniture	$6,473,224
Soft Costs	$408,980
Relocation Costs	$261,544
Security	$392,317
Other (1) - Owners Rep During Construction	$1,307,722
Other (3) - Insurance	$194,984
Total Cost:	$98,635,999

Prevailing Wage

Be advised that projects utilizing financial assistance for construction related costs are subject to state prevailing wage requirements. For further information regarding prevailing wage requirements, please visit the New Jersey Department of Labor and Workforce webpage on prevailing wage requirements located at http://lwd.dol.state.nj.us/labor/wagehour/wagerate/prevailing_wage_determinations.html. Please contact Christina if you have any questions.

Will any of the Project costs be made or paid for by the landlord or through a tenant improvement allowance?	YES
If yes, how much?	$98,635,999

Project Costs - New Building Construction

Provide a brief description of the new construction including number and size of new buildings:

The project includes a high-performance, sustainable office building on the Camden waterfront, comprised of 386,900 rentable square feet, together with a 785 stall parking structure. The office building, identified as C1, will be 13 stories and approximately 258 feet in height. The parking garage structure, identified as P1 will be 5 stories and approximately 56 feet in height with 785 parking spaces.

Square feet of the building: 386,900

Describe all approvals for this project	Status	Date
1. Site Plan Approval	Anticipated	2/15/2017
2. Schematic Drawings	Anticipated	12/1/2016
3. Design Drawings	Anticipated	1/1/2017
4. Construction Drawings	Anticipated	3/1/2017
5. Construction Permits	Anticipated	6/1/2017
6. Historic Review	NA	
7. Traffic/Offsite Improvements	Anticipated	4/16/2017

Project Costs - New Construction

Has construction work begun on project?	NO
Do you have an Architect under contract at the time of this application?	NO
Do you have an Construction Manager under contract at the time of this application?	NO
Do you have an General Contractor under contract at the time of this application?	NO

Project Costs - Environmental Investigations and Remediation Costs

Indicate in detail the present use of the project site:
Surface level parking lots.

Describe status of environmental investigation, including any known or suspected environmental problems:
Phase I, Preliminary Assessment, and Phase II- SI/RA/RAW environmental investigations of the site have been completed. VOCs were identified in the groundwater and soil gas. VOCs and PCBs were identified in the soil in the C1/P1 area at concentrations above the NJDEP remediation standards. This area was identified in previous environmental reports as a former discharge pit associated with historic RCA facility operations at the site.

Sources of Funds

Sources should include categories such as owner's equity, bank financing, and other government support used to finance the completion of the project. The EDA grant request, if successful, should **not** be considered a project financing source since it will be available over time.

Source Name	Source Amount
Building Owner Equity Attributable to Applicant	$29,590,800
Building Owner Debt Attributable to Application	$69,045,199
Total:	$98,635,999

Grant Amount Requested: $98,635,999

Describe how the request was calculated:
The grant amount requested represents the Applicant's pro rata share of the landlord's total cost to construct the building and parking structure, tenant's fit-out expenses and tenant's anticipated costs beyond the landlord's direct costs (see attached project cost sheet).

Desired Grant Term 10

Material Factor

Why is the grant a material factor in the project?
The Applicant will not make the contemplated capital investment in the City of Camden without the requested tax credits.

What are the advantages of the NJ Project location vs. the Alternate location?
The New Jersey project location is favorable because the business was founded in New Jersey and continues to have substantial operations in New Jersey. The business has determined to consolidate its dual headquarters at one new location. The employees that are proposed to be relocated to the new site presently work in New Jersey. Additionally, the proposed New Jersey project location will allow the Applicant to invest in the revitalization of Camden.

What diligence has the company performed in regards to Alternate Location?
The Applicant has retained CBRE to identify Class A office space in Philadelphia, with similar amenities available on site or in close proximity that would be available for lease. CBRE identified a building at 1601 Market Street with at least 107,000 sf that would be available after December 1, 2017. The Landlord has submitted a proposal for the lease of this space, a copy of which is included with the application documents.

Grow New Jersey Program

Location of Corporate headquarters

Address: 401 Rt. 73 North, Suite 300

Address Line 2:

City: Marlton

State: NJ

ZIP Code: 08053

County: Burlington

Country: US

State of Incorporation: NJ

New Jersey Operations

Job Type	Number of Employees	Employment	Relocating to Proposed Site	Current Location of Positions	Employee Type	Number of Hours Per Week	80% of Time at Job Site
Other - Other - See Attached Breakdown by Job Type	3	Retained	NO	Parsippany, New Jersey	W-2	40	NO
Other - See Attached Breakdown by Job Type	157	Retained	YES	Marlton, New Jersey	W-2	40	YES
Other - See Attached Breakdown by Job Tyoe	17	Retained	YES	Marlton, NJ	W-2	40	NO
Other - See Attached Breakdown by Job Type	62	Retained	NO	Various, New Jersey	W-2	40	YES
Other - See Attached Breakdown by Job Type	15	New	YES	N/A	W-2	40	YES
Other - See Attached Breakdown by Job Type	96	New	YES	Philadelphia, PA	W-2	40	YES
Other - See Attached Breakdown by Job Type	2	New	YES	Philadelphia, PA	W-2	40	NO
	Total: 352						

Does the company provide employee health benefits under a group health plan as defined under section 14 of P.L. 1997, c. 146 (C.17B:27-54), a health benefits plan as defined under section I of P.L. 1992, c.162(C.17B:27A-17), or a policy or contract of health insurance covering more than one person issued pursuant to Article 2 of Title 17B of the New Jersey Statutes?

YES

Number of existing full-time jobs in NJ to be relocated to the proposed site:	157
Are any jobs listed in the application at risk of being located outside of New Jersey:	YES
Date that the jobs at risk would be expected to leave the State:	3/1/2019

Why are the jobs at risk on that date?
The business is expanding and requires additional space. If the credits are not awarded, the business will seek to relocate to a less expensive location outside of New Jersey.

Number of new full-time jobs to be created at the proposed site:	113
Will all of the new full-time jobs be at the proposed NJ project site at least 80% of the time?	NO
If no, how many jobs are not at the project site 80% of the time?	2
Number of Construction jobs working on this project:	350
List other states New Jersey is in competition with:	Pennsylvania.
What is the approximate start date for the project?	4/16/2017
What is the approximate date of completion for the project? (Completion of the project means the date in which the company would expect to file a CPA certification.)	5/31/2019
Date that company commenced operations in New Jersey:	January 1959
Are any of the employees or capital investment referenced in the application currently subject to a BEIP, BRRAG or HUB agreement?	NO
Has the EDA issued any tax-exempt bonds for the company or participated in any other EDA financings?	NO
Total number of full time employees of the applicant in NJ (which includes Affiliates) at the end of applicant's last tax period:	205
Estimated Total Gross Payroll at the project site:	$25,324,971
Average Annual Salary for Eligible Employees:	[redacted]
Median Annual Salary for Eligible Employees:	$72,050
I certify that my business is not in default with any other program administered by the State of New Jersey:	YES
Is the project going to generate at least 50% of electricity needs via solar?	NO
Is the project on an industrial premises and will the project be for industrial use?	NO
To what LEED standard will the project be built?	LEED Certified.
Is the project located in a mixed use development that incorporates sufficient moderate income housing to accomodate at least 20% of the full-time employees of the business?	NO
Is the project a marine terminal development?	NO
Is the project a Mega project?	YES
Is the applicant a United States headquarters of an automobile manufacturer, retaining at least 400 jobs, and	NO

located in the municipality in which it was located immediately prior to the filing of this application?	
Is the project a Qualified Incubator Facility?	NO
Is the project in one of the following Targeted Industries: Transporation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance, excluding a primarily warehouse or distribution business?	NO
Is the project a Tourism Destination Project?	NO
Is the project a Transit Oriented Development?	YES

Additional Background Information

Businesses applying for eligibility for NJEDA programs are subject to the Authority's Disqualification/Debarment Regulations (the "Regulations"), which are set forth in N.J.A.C. 19:30-2.1, et seq. Applicants are required to answer the following background questions pertaining to the commission of certain actions that can lead to debarment or disqualification from eligibility under the Regulations.

All capitalized terms used in this Questionnaire, except those defined elsewhere herein, shall be defined at the bottom of this form.

Has Applicant, any officers or directors of Applicant, or any Affiliates (collectively, the "Controlled Group") been found guilty, liable or responsible in any Legal Proceeding for any of the following violations or conduct? (Any civil or criminal decisions or verdicts that have been vacated or expunged need not be reported).

1. Commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract, or subcontract thereunder, or in the performance of such contract or subcontract.	NO
2. Violation of the Federal Organized Crime Control Act of 1970, or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, perjury, false swearing, receiving stolen property, obstruction of justice, or any other offense indicating a lack of business integrity or honesty.	NO
3. Violation of the Federal or State antitrust statutes, or of the Federal Anti-Kickback Act (18 U.S.C.874).	NO
4. Violation of any law governing the conduct of elections of the Federal Government, State of New Jersey or of its political subdivision.	NO
5. Violation of the "Law Against Discrimination" (P.L. 1945, c169, N.J.S.A 10:5-1 et seq., as supplemented by P.L. 1975, c127), or of the act banning discrimination in public works employment (N.J.S.A 10:2-1 et seq.) or of the act prohibiting discrimination by industries engaged in defense work in the employment of persons therein (P.L. 1942, c114, N.J.S.A 10:10, et seq.).	NO
6. To the best of your knowledge after reasonable inquiry, violation of any laws governing hours of labor, minimum wage standards, prevailing wage standards, discrimination in wages, or child labor.	NO
7. To the best of your knowledge, after reasonable inquiry, violation of any law governing the conduct of occupations or professions of regulated industries.	NO
8. Debarment by any department, agency, or instrumentality of the State or Federal government.	NO

9. Violation of any of the following prohibitions on vendor activities representing a conflict of interest, or failure to report a solicitation as set forth below:

i. No person shall pay, offer or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any Authority officer or employee or special Authority officer or employee, as defined by N.J.S.A 52:13D-13(b) and (e), with which such person transacts or offers or proposes to transact business, or to any member of the immediate family as defined by N.J.S.A 52:13D-13i, of any such

officer or employee, or partnership, firm or corporation with which they are employed, or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A 52:13D-13g.

ii. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any Authority officer or employee or special Authority officer or employee from any person shall be reported in writing by the person to the Attorney General and the Executive Commission on Ethical Standards.

iii. No person may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such person to, any Authority officer or employee or special Authority officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to the Authority, or with any person, firm or entity with which he or she is employed or associated or in which he or she has an interest within the meaning of N.J.S.A 52:13D-13g. Any relationships subject to this subsection shall be reported in writing to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the Authority officer or employee or special Authority officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

iv. No person shall influence, or attempt to influence or cause to be influenced, any Authority officer or employee or special Authority officer or employee in his or her capacity in any manner which might tend to impair the objectivity or independence of judgment of the officer or employee.

v. No person shall cause or influence, or attempt to cause or influence, any Authority officer or employee or special Authority officer or employee to use, or attempt to use, his or her official position to secure unwarranted privileges or advantages for the person or any other person.

NO

10. Has any member of the Controlled Group been found guilty, liable or responsible for the violation in any Legal Proceedings of any State, Federal or foreign law that may bear upon a lack of responsibility or moral integrity, or that may provide other compelling reasons for disqualification. (Your responses to the foregoing question should include, but not be limited to, the violation of the following laws, without regard to whether any monetary award, damages, verdict, assessment or penalty has been made against any member of the Controlled Group, except that any violation of any environmental law in category (v) below need not be reported where the monetary award damages, etc. amounted to less than $1 million).

i. Laws banning or prohibiting discrimination or harassment in the workplace on the basis of gender, race, age, religion or handicapped status.
ii. Laws prohibiting or banning any form of forced, slave, or compulsory labor.
iii. Laws protecting workers who have reported the wrongdoing of their employers to governmental authorities, commonly referred to as "Whistleblower Laws".
iv. Securities or tax laws resulting in a finding of fraud or fraudulent conduct.
v. Environmental laws.
vi. Laws banning the possession or sale of, or trafficking in, firearms or drugs.
vii. Laws banning anti-competitive dumping of goods.
viii. Anti-terrorist laws.
ix. Criminal laws involving commission of any felony or indictable offense under State, Federal or foreign law.
x. Laws banning human rights abuses.
xi. Laws banning the trade of goods or services to enemies of the United States.
xii. The New Jersey Conflicts of Interest Law, N.J.S.A 52:13D-1, et seq.

NO

11. To the best of your knowledge, after reasonable inquiry, is any member of the Controlled Group a party to pending Legal Proceedings wherein any of the offenses or violations described in questions 1-10 above are alleged or asserted against such entity or person? NO

If the answer to any of the foregoing questions is affirmative, you must provide the following information as an attachment to the application: (i) the case and court in which such matters were tried or are pending; (ii) the charges or claims adjudicated or alleged; and (iii) a brief explanation of the circumstances giving rise to such matters. Also, for affirmative answers to question 1-10, copies of the final judgments, consent orders or administrative findings, as the case may be, that were entered or made in such matters must be attached.

The terms set forth below shall be defined as follows:

"Affiliates" means persons having an overt or covert relationship such that any one of them directly or indirectly controls or has the power to control another.

"Legal Proceedings" means any State, Federal or foreign civil, criminal or administrative proceeding in a court or administrative tribunal in the United States, any territories thereof or foreign jurisdiction.

The Authority reserves the right to require additional clarifying or explanatory information from the applicant ("Applicant") regarding the answers given. If, at any time prior to board action on this application, or, at any time between the date of such action and the execution of a grant agreement with the Authority, the Applicant should become aware of any facts that materially alter or change such answers, or render any of them incomplete, the Applicant shall have a duty to immediately report such facts to the Authority in writing.

Certification of Application

PLEASE NOTE:

Eligibility of financial assistance by the New Jersey Economic Development Authority is determined by the information presented in this application and the required attachments and schedules. Any changes in the status of the proposed project from the facts presented herein could disqualify the project, including but not limited to, the commencement of construction or the acquisition of assets such as land or equipment. Please contact the staff of the EDA before taking any action which would change the status of the project as reported herein. The EDA's regulations and policies regarding the payment of prevailing wages and affirmative action in the hiring of construction workers require the submission of certain reports and certificates and the inclusion of certain provisions in construction contracts. Please consult with the EDA staff for details concerning these matters.(Forms can be found on our website www.njeda.com/forms)

Only Board Members of the governing board of the particular program for which you are applying, by resolution, may take action to determine project eligibility and to authorize the issuance of funds.

I, THE UNDERSIGNED, BEING DULY SWORN UPON MY OATH SAY:

1. I have received a copy of the "Regulation on Payment of Prevailing Wages" and the "Affirmative Action Regulation" and am prepared to comply with the requirements contained therein.

2. I affirm, represent, and warrant that the applicant has no outstanding obligations to any bank, loan company, corporation, or individual not mentioned in the above application and attachments; that the information contained in this application and in all attachments submitted herewith is to the best of my knowledge true and complete and that the bond/loan applied for herein is not for personal, family, or household purposes.

3. I understand that if such information is willfully false, I am subject to criminal prosecution under N.J.S.A. 2C:28-2 and civil action by the EDA which may at its option terminate its financial assistance.

4. I authorize the New Jersey Department of Law and Public Safety to verify any answer(s) contained herein through a search of its records, or records to which it has access, and to release the results of said research to the EDA.

5. I authorize the EDA to obtain such information including, but not limited to, a credit bureau check as it may require, covering the applicant and/or its principals, stockholders and/or investors.

6. I authorize the EDA to provide information submitted to it by or on behalf of the applicant to any bank or State agency which might participate in the requested financing with the EDA.

☑ I am Authorized Signer and I accept the terms and conditions.

Required Attachments

- Division of Taxation Tax Clearance Certificate required. Certificates may be requested through the State of New Jersey's Premier Business Services (PBS) portal online.

  - Under the Tax & Revenue Center, select Tax Services, then select Business Incentive Tax Clearance.
  - If the applicant's account is in compliance with its tax obligations and no liabilities exist, the Business Incentive Tax Clearance can be printed directly through PBS.

Please note: It is the applicant/client's responsibility to maintain a current and clear tax clearance certificate. If a current and clear certificate is not evidenced to EDA at time of closing, EDA will not proceed with closing.

- The Development Subsidy Job Goals Accountability Act

  - Application Addendum

- P.L.2007, C.200

- 3 Years of Financial Statements
- Professional Engineer certification for solar claims, if applicable
- Site Map according to Site Map Specifications
- PDF of the on-line mapping tool found at http://njgin.state.nj.us/OIT_BusinessMap2 with applicant's proposed determination of project eligibility and associated report
- CEO Certification
- List all local and/or state financial assistance being utilized in the proposed project including development subsidies being requested or receiving, other state assistance, low interest rate loans, infrastructure improvements, property tax abatements and exemptions, and training grant assistance. Please specify program name, granting body, dollar amounts or value, terms and status of application.
- Material Factor - The provision of a grant from the Grow New Jersey Program must be a 'material factor' in a company's decision to retain/relocate/expand operations in New Jersey.

A. A full economic analysis of all locations under consideration including such components as, but not limited to the cost effectiveness of remaining in this State versus relocation under alternative plans (e.g. Real Estate listings, Tax or other State/Local financial incentives offered to the applicant and Cost - Benefit Analysis, which may include cost per square foot, real estate tax, tax incentives, training incentives, labor costs, etc.)

B. All lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations

C. All lease agreements, ownership documents, or substantially similar documentation for the potential out-of-state location alternatives, to the extent they exist

D. A description of the 'at risk' nature of the employees that may be leaving the State. Include how such issues as the following will be addressed: mobility, labor and regulatory requirements as applicable (e.g., is the lease at the current facility expiring, will there be stranded assets if the business leaves; is the business' labor force required to be in the State; is a union contract required; is a license required to operate in the State).

E. A specific statement on the role the grant will play in the company's decision-making process to relocate in New Jersey

- Provide the names of the Affiliates (as defined below) that are directly or indirectly controlled by the business that will contribute either Full-Time Employees or Capital Investment at the Qualified Business Facility, by completing the attached Affiliates Chart.

Affiliate means an entity that directly or indirectly controls, is under common control with, or is controlled by the business. Control exists in all cases in which the entity is a member of a controlled group of corporations as defined pursuant to section 1563 of the Federal Internal Revenue Code of 1986 (26 U.S.C. Section 1563) or the entity is an organization in a group of organizations under common control as defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C.

Section 414). A taxpayer may establish by clear and convincing evidence, as determined by the Director of the Division of Taxation in the Department of the Treasury, that control exists in situations involving lesser percentages of ownership than required by the statutes.

- Additional Project Information

A. Project schedule that identifies projected move dates for each site

B. An estimate of the projected retained State tax revenues resulting from the relocation, including State corporate business taxes.

C. A description of the type of contribution the business can make to the long-term growth of the State's economy and a description of the potential impact on the State's economy if jobs are not retained, etc.

D. A description of any capital investments made or to be made by the business at the new business location. Include estimated construction budget.

- Project Occupant Application (available at www.njeda.com/forms)

- Notice Regarding Affirmative Action/Prevailing Wage, and Green Building Requirements, click here for form.

- Copies of permits (New Building Construction)

CEO Certification
GROW NJ
FOR CITIES THAT ARE A GARDEN STATE GROWTH ZONE THAT QUALIFIES UNDER THE MUNICIPAL REHABILITATION AND ECONOMIC RECOVERY ACT

1. I, the undersigned, certify that the provision of the tax credits under the program is a material factor in the business decision to make a capital investment and locate in Camden.

2. I, the undersigned, certify under penalty of law that the representations contained herein are accurate; that I am familiar with the information submitted in this document, including all attachments, and have personally exercised an appropriate degree of due diligence to reasonably ensure that the information contained in this document and all attachments are true accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment I understand that, in addition to criminal penalties, I may be liable for civil administrative penalties and that submitting false information or submitting materially inaccurate information may be grounds for denial, revocation or termination of any award of tax credits for which I may be seeking approval or now hold.

3. I, the undersigned, acknowledge that if the company's award is greater than $4 million annually, the company will be required to remit to the NJEDA an approval fee equal to ½ of 1% of the amount of the incentive award amount, up to the maximum of $500,000, by the first of the month prior to the NJEDA Board meeting in which the request will be submitted for approval. Failure to submit this fee in the time frame outlined above will result in the company s request for approval not moving forward to the NJEDA Board Upon satisfactory completion of the entire review process, and if the award will be proposed in amount greater than $4 million annually, no earlier than 10 days prior to the first of the month, I will be notified by a representative of the NJEDA of the projected NJEDA Board meeting date and the exact amount of the approval fee to facilitate this remittance.

   The approval fee will be held in escrow by the NJEDA pending approval of the award by the NJEDA Board. If, for any reason, the NJEDA Board does not approve the award or the Governor vetoes the minutes of the NJEDA meeting and the approval is denied the NJEDA will return the entire approval fee to the company within ten (10) business days.

4. The certifications above shall be signed by the Applicant's highest level authority as follows:

   i For a corporation by the Chief Executive Officer
   ii For a partnership, by the managing general partner.

(Signature)

President & Chief Executive Officer
(Title)

Michael Tiagwad
(Name, please print)

(Date)

Background:

Conner Strong & Buckelew is among America's largest risk management, employee benefits and insurance consulting firms. The firm is an industry leader in providing high-risk businesses with comprehensive solutions to prevent losses, manage claims, and drive bottom line growth. Its employee benefits practice focuses on providing best-in-class benefits administration, health and wellness programs and strategic advisory services.

The company provides insurance and risk services to a wide-range of industries including but not limited to aviation, construction, education, healthcare, hospitality & gaming, life science & technology, public entity and real estate. Additionally, Conner Strong & Buckelew and its affiliates offer a number of innovative and specialty solutions which include captive strategies, construction wrap-ups, executive risk, safety and risk control, and private client services.

Founded in 1959 with offices in New York, New Jersey, Pennsylvania, Delaware and Florida, Conner Strong & Buckelew has a team of over 300 professionals, serving clients throughout the United States and abroad.

Structure:

Conner Strong & Buckelew Companies, LLC is a Limited Liability Company with the following affiliates with the same common ownership:

- J.A. Montgomery Risk Control Services, LLC
- AIM Administrators, LLC
- PERMA, LLC

The above 3 affiliates are all disregarded entities for tax purposes and operationally act as divisions of Conner Strong & Buckelew Companies, LLC.

Additionally, Conner Strong & Buckelew Companies, LLC has a 51% ownership in Conner Strong & Buckelew/New York, LLC. The remaining 49% is owned by unrelated 3rd parties.

About us:

As mentioned above we have offices in New York, New Jersey, Pennsylvania, Delaware and Florida. We currently operate with dual headquarters out of Marlton, NJ and Philadelphia, PA. The Marlton, NJ office has approximately 174 jobs and the Philadelphia office has approximately 98 current jobs with approximately 15 new growth positions expected prior to 2019. There are 17 jobs in Marlton and 2 jobs in Philadelphia that will relocate to the new site but will not meet the 80% requirement.

The Marlton office primarily houses our Employee Benefits Department, Personal Risk Services Department, all Back Office Departments as well as a few Risk Control and Major Account Department jobs. The Philadelphia Office primarily houses our Major Accounts (Commercial) Department and our Claim Services Department.

Additionally, we have an office in Toms River, NJ and Parsippany, NJ that will NOT be relocating. The Toms River, NJ office houses approximately 31 jobs including the majority of our Risk Control Department along with a few Major Accounts, Employee Benefits and Production Department positions. The Parsippany, NJ office houses approximately 31 jobs including the majority of our Perma Risk Management Department along with a few Major Accounts and Production Department positions.

Conner Strong & Buckelew Companies, LLC
Ownership Disclosure

Applicant Conner Strong & Buckelew Companies, LLC is a wholly owned subsidiary of CS&B Intermediate Holdings, LLC.

CS&B Intermediate Holdings, LLC is a wholly owned subsidiary of CS&B Parent Holdings, LLC.

The following entities own at least 10% of CS&B Parent Holdings, LLC:

- Century Focused Fund IV-CS&B, LP. No individual owns 10% or more of Century Focused Fund IV-CS&B, LP.

- Century CS&B Co-Invest, LP. No individual owns 10% or more of Century CS&B Co-Invest, LP.

- Keystone American II, LLC. The only owner of a 10% or greater interest is a trust established by George E. Norcross, III for the benefit of his family.

Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan

Summary Plan Description

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Introduction

This section describes how the Conner Strong & Buckelew, and its Subsidiaries and Affiliates (the Company) Medical Plan works and other important information about the Plan. It specifically describes benefits provided through the Plan that is self-funded by the Company and administered by AmeriHealth Administrators.

The Plan, through AmeriHealth Administrators provides you and your eligible dependents with coverage for preventive, hospital and emergency care, and gives you the freedom to choose doctors who participate in a network of medical providers or any licensed medical provider. See *How the Medical Plan Works* for more information about how medical services are covered by the Plan.

When you elect medical coverage through the Medical Plan you also receive prescription drug coverage through Express Scripts. See *Prescription Drug Program* for more information about how prescription drugs are covered.

If you have any questions about the Medical Plan or Prescription Drug Program, you can get more information as follows:

- Call AmeriHealth Administrators at 1-800-480-5031 or visit their web site www.MyAHATPA.com
- Call Express Scripts at 1-844-595-4152 or visit their web site at www.Express-Scripts.com

This section in combination with the *Plan Administration* section describes the Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan available to you as an employee of Conner Strong & Buckelew, and its Subsidiaries and Affiliates. For detailed administrative information about the Medical Plan as well as information about the Consolidated Omnibus Budget Reconciliation Act (COBRA) and the Employee Retirement Income Security Act of 1974 (ERISA), see the *Plan Administration* section. Together these two sections are intended to meet ERISA's Summary Plan Description (SPD) requirements.

Eligibility and Enrollment

Eligibility

All Employees who work 30 or more hours per week are eligible and coverage begins on the first day of employment.

When you become eligible, you must enroll within 31 days of your eligibility date. See *Enrollment* for more information on how to enroll.

Eligible Dependents

If you enroll in the Plan, you have the option of covering your eligible dependents. Your eligible dependents include:

- Your legal spouse or Domestic Partner or New Jersey Civil Union partner.
- Your children until the last day of the month in which they reach age 26, including:
  - any legally adopted children,
  - a stepchild,
  - a child placed in your home while adoption procedures are underway,
  - children living with you for whom you are appointed legal guardian by a court and for whom you are financially responsible,
  - a foster child, and
  - a natural born child of a Domestic Partner.
- Children for whom you are required to provide healthcare coverage pursuant to a Qualified Medical Child Support Order (QMCSO). A QMCSO is any judgment, decree, or order (including a settlement agreement) issued by a court or through an administrative process under state law, that creates or recognizes the existence of the right of a child to, or assigns to the child the right to receive benefits for which you are eligible under the Plan.
- Your unmarried handicapped children age 26 and older. A handicapped child is one who is incapable of self-sustaining employment because of mental retardation or physical handicap. The child's handicap must have started before he or she became age 19 and the child must depend primarily on you for support. For a handicapped child to remain covered beyond age 26, you must provide to the Plan proof of the child's incapacity and the date this incapacity began within 31 days of the date on which the child becomes age 26. Coverage will end on the last day of the month in which the child ceases to qualify as a handicapped child.

Enrollment

You may enroll in the medical plans by making your benefit elections within 31 days of becoming eligible for coverage. If you do not enroll when you first become eligible, you may only enroll during annual open enrollment for coverage effective January 1 of the subsequent year, unless you have a qualified status change during the year. See *Making Changes During the Year* for more information.

Coverage Levels

Our Plans' enrollment tiers:

- Single – provides coverage only for you,

- Parent / Child(ren) – provides coverage for you and your child(ren),
- Employee and Spouse – provides coverage for you and your legal spouse or Domestic Partner,
- Family – provides coverage for you, your legal spouse or Domestic Partner and/or your eligible child(ren).

If both you and your spouse work for the Company, you may both elect single coverage or one of you may elect Couple (or Family) coverage. However, you both cannot elect Couple (or Family) coverage.

If You Waive Coverage

You may also waive medical coverage. Note that if you waive medical coverage, you also waive prescription drug coverage for you and your family.

If you waive coverage as a new hire or during annual open enrollment, you must wait until the next annual open enrollment to enroll, unless you have a qualified status change during the year. See *Making Changes During the Year* for more information.

If You Don't Enroll

If you do not enroll when you are a new hire, you and your eligible dependents will *not* receive any medical or prescription drug coverage. You will not be able to enroll for coverage until the next annual open enrollment, unless you have a qualified status change during the year. See *Making Changes During the Year* for more information.

When Coverage Begins

Medical coverage begins on the first day you and your dependents are enrolled, unless you waive coverage or do not enroll. See *Eligibility* for more information.

If you enroll for benefits during annual open enrollment, your elections are effective January 1 of the following year. Your benefit elections remain in effect until December 31 of each year, unless you have a qualified status change during the year. See *Making Changes During the Year* for more information.

Cost of Coverage

The Company shares the cost of providing benefits for you and your enrolled dependents. Your cost for medical coverage is automatically deducted from each paycheck on a before-tax basis.

The cost of coverage may change annually. You will be notified of changes during the annual open enrollment period. Note that the cost for your prescription drug coverage is included in the cost for your medical coverage. You do not pay a separate premium for prescription drug coverage.

The Before -Tax Advantage

When you pay for medical plan coverage with before-tax dollars, your contributions are deducted from your pay before any federal income taxes and Social Security taxes are calculated.

This lowers your taxable income and the amount of income tax you pay. Note that your future Social Security benefits may be slightly lower as a result of before-tax contributions over an extended time period.

It is intended that the benefits provided under the Health Savings Account Plan be provided as a compliant Health Savings Account Plan. Benefit determinations will be made consistent with High Deductible Health Plans applicable under Section 223 of the Internal Revenue Code.

Making Changes During the Year

Mid-Year Election Change Events

Federal law limits the changes employers can allow employees to make to their medical plan elections during the year. Generally, you may make such a change only if you experience a qualified status change that affects eligibility for coverage under the Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan, or in certain other limited situations such as a significant change in cost or coverage of a benefit option.

Following are qualified status changes that allow you to change your medical plan election:

- You marry, legally separate (depending on state law), have your marriage annulled, or divorce,
- Your unmarried dependent gains or loses eligibility due to a change in age or student status,
- You have a baby, adopt a child, have a child placed with you for adoption, have a child live with you that you can claim as a dependent for federal tax purposes, or are required to provide coverage for under a QMCSO,
- You, your spouse or dependent experiences a change in employment status (for example, loss of a job, start of a new job, a strike or lockout, or commencement of or return from a leave of absence, or if you go from full-time to part-time employment or vice versa) that affect benefit eligibility, or
- Your spouse or dependent dies.

Your change in coverage must be consistent with your qualified status change. In addition, your status change must cause a gain or loss of eligibility in the Plan or another employer's plan, and your new election must correspond with the event. For example, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided you request enrollment within 31 days after the marriage, birth, adoption, or placement for adoption.

If you experience a qualified status change, you must notify the Benefits Department of your new election within 31 days of the change and provide proof of the change upon request or you will lose your right to change your election until annual open enrollment or unless you experience a special enrollment event, as described under *Special Enrollment*. Your new election shall take effect prospectively only, but not earlier than the date of the change in status, except in the case of the birth or adoption (or placement for adoption) of a new dependent, as required under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Other Permitted Changes

Cost Changes

If there is a significant increase or decrease in the cost of coverage under our Plan, you may be permitted to:

- In the case of a significant decrease in cost, elect the Plan for the first time if you previously declined coverage, or
- In the case of a significant increase in cost, revoke your existing election and elect coverage under another option providing similar coverage (if no alternative similar coverage is available, you may revoke your election with respect to such coverage).

Coverage Changes

Curtailment or Loss of Coverage

If your coverage under the medical plan is significantly curtailed (so as to constitute a loss of coverage) or ceases entirely, and no other similar coverage is available, you may revoke your existing election for medical coverage. This could occur, for example, if we eliminate the medical plan, if the medical plan is no longer available where you live, or other reasons determined by Conner Strong & Buckelew, and its Subsidiaries and Affiliates.

Addition to or Improvement in Coverage

If we add another medical plan option or significantly improve the medical plan during the year, you may revoke your existing election and instead elect the newly added or newly improved medical plan option.

Changes in Coverage under Another Employer's Plan

If your spouse's or dependent's employer's medical plan allows for a change in your family member's coverage (either during that employer's open enrollment period or due to a mid-year election change permitted under the Internal Revenue Code), you may be able to make a corresponding election change under our medical plan. For example, if your spouse elects family medical coverage during his or her employer's open enrollment period, you may drop your coverage under our medical plan.

Entitlement to Governmental Benefits

If you, your spouse, or a dependent becomes entitled to, or loses entitlement to Medicare or Medicaid, you may make a corresponding change to your election of medical coverage under the medical plan.

Judgment, Decree or Order (including a QMCSO)

If a judgment, decree or order (including a QMCSO) requires our medical plan to provide medical coverage to your child or foster child, then the Plan automatically may change your election to provide coverage for that child. In addition, you may make corresponding changes to your elections under other benefits, to the extent permitted by the Internal Revenue Code.

If the judgment, decree or order requires another person (such as your spouse or former spouse) to provide coverage for the child, then you may cancel coverage for that child if you provide proof that such other person actually provides the coverage for the child.

Special Enrollment Events

Loss of Other Medical Plan Coverage

If you decline medical coverage for yourself, your spouse or dependents under our medical plan because of other health insurance coverage and you, your spouse or dependents subsequently lose that other coverage for reasons other than failure to make any required contributions, you may be able to enroll yourself (if not already enrolled), your spouse and dependents in the Plan. You must request enrollment within 31 days after the other coverage ends.

If you decline medical coverage for yourself, your spouse or dependents under our medical plan because you, your spouse or dependents were enrolled in Medicaid or your state's State Children's Health Insurance Program and you, your spouse or dependents cease to be enrolled in such program as a result of no longer being eligible for the program, you may be able to enroll yourself or your dependents in this Plan in the future, provided that you request enrollment within

60 days after coverage ends. If you, your spouse or dependents become eligible for premium assistance for this Plan from Medicaid or your state's State Children's Health Insurance Program and choose to enroll in this Plan, you must request coverage under this Plan within 60 days after the date you or your dependent become eligible for premium assistance.

See the *Plan Administration* section for more information.

How the Medical Plan Works

Conner Strong & Buckelew, and its Subsidiaries and Affiliates provides you and your eligible dependents with comprehensive medical coverage. The Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan offers three Plans – the "Core" Plan, the "Buy-up" Plan and the High Deductible Healthcare Plan "HDHP" Plan.

In any Plan, you do not have to select a primary care physician – you can receive care from any licensed medical provider or hospital. That means you can visit network or non-network providers.

Network and Non-Network provider reimbursement

When you use a network provider, your costs are generally less because of the coinsurance difference and because network providers have agreed to provide services at negotiated, discounted fees.

When Covered Services are performed by a Non-Network Facility Provider, The plan reserves the right to make payment to the Facility Provider. Non-Network Facility Provider reimbursement will the lesser of 1.5 times the Medicare Allowable Payment or of the Facility Provider's charges for Covered Services. For Covered Services not recognized or reimbursed by the Medicare traditional program, the amount is determined by reimbursing fifty percent (50%) of the Facility Provider's charges for Covered Services.

When Covered Services are performed by a Non-Network Professional Provider, The plan reserves the right to make payment to the Professional Provider. Non-Network Professional Provider reimbursement will be the lesser of 1.5 times the Medicare Allowable Payment or of the Professional Provider's charges for Covered Services. For Covered Services not recognized or reimbursed by the Medicare traditional program, the amount is determined by reimbursing fifty percent (50%) of the Professional Provider's charges for Covered Services.

A Non-Network Provider who provided Emergency Treatment can bill you directly for services, for either the Provider's charges or amounts in excess of The plan payment for the Emergency Treatment, i.e., "balance billing". In such situations, you will need to contact AmeriHealth Administrators at the Customer Service telephone number listed on your I.D. card. Upon such notification, AmeriHealth Administrators will resolve the balance billing.

When you enroll for medical coverage, you automatically receive prescription drug coverage at the coverage level you elect (for example, family coverage) through Express Scripts.

This section summarizes the coverage provided under the Plans. Decisions regarding what treatment is appropriate (for example, level and duration of care) are always at the discretion of the patient and his or her attending physician, regardless of what the medical plan will pay. The choice of a provider or choice of treatment by a provider is yours. The Plan is not liable for any act or omission of any provider and has no responsibility for a provider's failure or refusal to render covered services to a Plan member. The Plan does not furnish covered services but only makes payment for covered services received by eligible Plan members.

"Core" Plan Schedule of Benefits

	AmeriHealth Administrators "Core" PPO Plan	
Plan Provision	*Network*	*Non-Network**
Annual Deductible	No deductible	$1,000 Individual $2,000 Family
Annual Out-of-Pocket Maximum (includes deductible, medical coinsurance, prescription drug coinsurance, medical copays, and prescription drug copays)	$6,000 Individual $12,000 Family	$6,000 Individual $12,000 Family
Coinsurance	Plan pays 80%	Plan pays 60%
Doctor's Office Visit (primary care)	Plan pays 100% after $30 copay	Plan pays 60% after deductible
Specialist's Office Visit	Plan pays 100% after $40 copay	Plan pays 60% after deductible
Routine Care (age two and over)	Plan pays 100% for physical exams and related diagnostic tests; one exam per calendar year and some immunizations	Not covered
Well-Baby Care (from birth to age two)	Plan pays 100% for routine visits and related diagnostic tests	Not covered
Well-Baby Immunizations (from birth to age two)	Plan pays 100%	Not covered
Laboratory Services (X-rays, labs and diagnostic tests)	Plan pays 80%	Plan pays 60% after deductible
Inpatient Hospital	Plan pays 100% after $100 copay per day to a maximum copay of $500	Plan pays 60% after $200 copay per day to a maximum copay of $1,000
Outpatient Hospital Surgery	Plan pays 80%	Plan pays 60% after deductible
Emergency Room Visit ** Medical Emergency/Accidental Injury	Plan pays 80% after $200 copay Non-emergent care covered at 60% after $200 copay (copay waived if admitted)	Plan pays 80% after $200 copay Non-emergent care covered at 60% after $200 copay (copay waived if admitted)
Infertility Benefits (Includes Prescriptions)	Plan pays 60% after physician and hospital copay, $10,000 lifetime maximum *not subject to out of pocket maximum	Not covered
Maternity Facility	Plan pays 100% after $100 copay per day to a maximum copay of $500	Plan pays 60% after $200 copay per day to a maximum copay of $1,000
Maternity Care (pre-natal and post-natal care)	Plan pays 100% 1st visit subject to $40 copay	Plan pays 60% after deductible
Breast Feeding Equipment and Supplies (purchase and rental)	Plan pays 100%	Not covered
Chiropractic Care (30 visits per calendar year limit)	Plan pays 100% after $40 copay	Plan pays 60% after deductible
Physical Therapy (30 visits per calendar year limit)	Plan pays 80%	Plan pays 60% after deductible

	AmeriHealth Administrators "Core" PPO Plan	
Plan Provision	*Network*	*Non-Network**
Cardiac Rehabilitation (36 visits per calendar year limit)	Plan pays 80%	Plan pays 60% after deductible
Pulmonary Rehabilitation (36 visits per calendar year limit)	Plan pays 80%	Plan pays 60% after deductible
Speech Therapy (20 visits per calendar year limit)	Plan pays 80%	Plan pays 60% after deductible
Orthoptic/Peptic Therapy (8 session per lifetime limit)	Plan pays 80%	Plan pays 60% after deductible
Mental Health/Substance Abuse *Inpatient Care*	Plan pays 100% after $100 copay per day to a maximum copay of $500	Plan pays 60% after $200 copay per day to a maximum copay of $1,000
Mental Health/Substance Abuse *Outpatient Care - physician*	Plan pays 100% after $40 copay	Plan pays 60% after deductible
Mammography - Routine (one per calendar year for participants age 40+)	Plan pays 100%	Not covered
Prostate Screening (one per calendar year for participants age 50+)	Plan pays 100%	Not covered
Nutritional Counseling – medically necessary	Plan pays 80%	Plan pays 60% after deductible
Routine Nutritional Visits – Preventive Care (3 visits per year maximum)	Plan pays 100%	Not covered
Skilled Nursing Care (120 days maximum)	Plan pays 80%	Plan pays 60% after deductible
Vision (one visit per year)	Subject to specialist co-pay (no hardware)	Not covered
Prescription Drugs – *provided through Express Scripts.* $500 fertility drug lifetime maximum		
Retail (up to a 30-day supply) Includes Specialty Medicines *	Generic drug – $5 copay Preferred brand drug – $30 copay Non-preferred brand name drug – $50 copay	
Mail Order (up to a 31-90-day supply) Includes Specialty Medicines *	Generic drug – $10 copay Preferred brand drug – $60 copay Non-preferred brand drug – $100 copay	
Specialty Medicines	Plan pays 80%	

* *Non-network benefits are paid at the Non-network Provider Reimbursement level. See How The Plan Works section*

** *Generally, an emergency is defined as the sudden onset of a medical or behavioral condition that causes severe symptoms or pain. In the absence of immediate medical attention, the emergency could result in placing the health of the person in serious jeopardy (or placing others in jeopardy in the case of a behavioral condition), could result in the serious dysfunction of any organ or body part or could result in the serious disfigurement or impairment to bodily function. See Emergency Services for more information.*

"HDHP" Plan Schedule of Benefits

	AmeriHealth Administrators "HDHP" Plan
Plan Provision	
Calendar Year Deductible - Single Account - Family Aggregate Account - Individual on a Family Account	 $1,300 $2,600 $2,600
Annual Out-of-Pocket Maximum (includes deductible, medical coinsurance, prescription drug coinsurance, and medical copays) - Single Account - Family Aggregate Account - Individual on a Family Account	 $6,450 $12,900 $12,900
Coinsurance	Plan pays 80% after deductible
Doctor's Office Visit (primary care)	Plan pays 80% after deductible
Specialist's Office Visit	Plan pays 80% after deductible
Routine Care (age two and over)	Plan pays 100% for physical exams and related diagnostic tests; one exam per calendar year and some immunizations
Well-Baby Care (from birth to age two)	Plan pays 100% for routine visits and related diagnostic tests
Well-Baby Immunizations (from birth to age two)	Plan pays 100%
Laboratory Services (X-rays, labs and diagnostics tests)	Plan pays 80% after deductible
Inpatient Hospital	Plan pays 80% after deductible
Outpatient Hospital Surgery	Plan pays 80% after deductible
Emergency Room Visit ** *Medical Emergency/Accidental Injury*	Plan pays 80% after deductible
Infertility Benefits (Includes Prescriptions)	Plan pays 60% after deductible, $10,000 lifetime maximum (not subject to out of pocket maximum)
Maternity Care (pre-natal and post-natal care)	Plan pays 80% after deductible
Breast Feeding Equipment and Supplies (purchase and rental)	Plan pays 100%
Chiropractic Care (30 visits per calendar year limit)	Plan pays 80% after deductible
Physical Therapy (30 visits per calendar year limit)	Plan pays 80% after deductible
Cardiac Rehabilitation (36 visits per calendar year limit)	Plan pays 80% after deductible
Pulmonary Rehabilitation (36 visits per calendar year limit)	Plan pays 80% after deductible

	AmeriHealth Administrators "HDHP" Plan
Plan Provision	
Speech Therapy (20 visits per calendar year limit)	Plan pays 80% after deductible
Orthoptic/Peptic Therapy (8 session per lifetime limit)	Plan pays 80% after deductible
Mental Health/Substance Abuse *Inpatient Care*	Plan pays 80% after deductible
Mental Health/Substance Abuse *Outpatient Care*	Plan pays 80% after deductible
Mammography - Routine (one per calendar year for participants age 40+)	100% no deductible
Prostate Screening (one per calendar year for participants age 50+)	100% no deductible
Nutritional Counseling – medically necessary	Plan pays 80% after deductible
Routine Nutritional Visits – Preventive Care (3 visits per year maximum)	100% no deductible
Skilled Nursing Care (120 days maximum)	Plan pays 80% after deductible
Vision (one visit per year, no hardware)	Plan pays 80% after deductible
Prescription Drugs – *provided through Express Scripts.* $500 fertility drug lifetime maximum	
Retail (up to a 30-day supply) *Mail Order* (31-90-day Supply)	80% after deductible
** You can use AmeriHealth Administrators' Network Providers or any licensed providers. If AmeriHealth Administrators' Network Providers are used, the benefit payment will be based on the AmeriHealth Administrator's negotiated and accepted discount by the provider. If Non-AmeriHealth Administrators' Network Providers are used, the benefit payment will be based on the Non-Network provider reimbursement level. See -How Your Plan Works for more information about Non-Network provider reimbursement.*	
*** Generally, an emergency is defined as the sudden onset of a medical or behavioral condition that causes severe symptoms or pain. In the absence of immediate medical attention, the emergency could result in placing the health of the person in serious jeopardy (or placing others in jeopardy in the case of a behavioral condition), could result in the serious dysfunction of any organ or body part or could result in the serious disfigurement or impairment to bodily function. See Emergency Services for more information.*	

"Buy-up" Plan PPO Schedule of Benefits

	AmeriHealth Administrators "Buy-up" PPO Plan	
Plan Provision	*Network*	*Non-Network**
Annual Deductible	No deductible	$500 Individual $1,000 Family
Annual Out-of-Pocket Maximum (includes deductible, medical coinsurance, prescription drug coinsurance, medical copays, and prescription drug copays)	$4,500 Individual $9,000 Family	$4,500 Individual $9,000 Family
Coinsurance	Plan pays 90%	Plan pays 70%
Doctor's Office Visit (primary care)	Plan pays 100% after $20 copay	Plan pays 70% after deductible
Specialist's Office Visit	Plan pays 100% after $30 copay	Plan pays 70% after deductible
Routine Care (age two and over)	Plan pays 100% for physical exams and related diagnostic tests; one exam per calendar year and some immunizations	Not covered
Well-Baby Care (from birth to age two)	Plan pays 100% for routine visits and related diagnostic tests	Not covered
Well-Baby Immunizations (from birth to age two)	Plan pays 100%	Not covered
Laboratory Services (X-rays, labs and diagnostic tests)	Plan pays 90%	Plan pays 70% after deductible
Inpatient Hospital	Plan pays 100% after $50 copay per day to a maximum copay of $250	Plan pays 70% after $100 copay per day to a maximum copay of $500
Outpatient Hospital Surgery	Plan pays 90%	Plan pays 70% after deductible
Emergency Room Visit ** Medical Emergency/Accidental Injury	Plan pays 90% after $200 copay Non-emergent care covered at 70% after $200 copay (copay waived if admitted)	Plan pays 90% after $200 copay Non-emergent care covered at 70% after $200 copay (copay waived if admitted)
Infertility Benefits	Plan pays 60% after physician and hospital copay, $10,000 lifetime maximum *not subject to out of pocket maximum	Not covered
Maternity Facility	Plan pays 100% after $50 copay per day to a maximum copay of $250	Plan pays 70% after $100 copay per day to a maximum copay of $500
Maternity Care (pre-natal and post-natal care)	Plan pays 100% 1st visit subject to $30 copay	Plan pays 70% after deductible
Breast Feeding Equipment and Supplies (purchase and rental)	Plan pays 100%	Not covered
Chiropractic Care (30 visits per calendar year limit)	$30 copay	Plan pays 70% after deductible

	AmeriHealth Administrators "Buy-up" PPO Plan	
Plan Provision	*Network*	*Non-Network**
Physical Therapy (30 visits per calendar year limit)	Plan pays 90%	Plan pays 70% after deductible
Cardiac Rehabilitation (36 visits per calendar year limit)	Plan pays 90%	Plan pays 70% after deductible
Pulmonary Rehabilitation (36 visits per calendar year limit)	Plan pays 90%	Plan pays 70% after deductible
Speech Therapy (20 visits per calendar year limit)	Plan pays 90%	Plan pays 70% after deductible
Orthoptic/Peptic Therapy (8 session per lifetime limit)	Plan pays 90%	Plan pays 70% after deductible
Mental Health/Substance Abuse *Inpatient Care*	Plan pays 100% after $50 copay per day to a maximum copay of $250	Plan pays 70% after $100 copay per day to a maximum copay of $500
Mental Health/Substance Abuse *Outpatient Care - physician*	Plan pays 100% after $30 copay	Plan pays 70% after deductible
Mammography - Routine (one per calendar year for participants age 40+)	Plan pays 100%	Not covered
Prostate Screening (one per calendar year for participants age 50+)	Plan pays 100%	Not covered
Nutritional Counseling – medically necessary	Plan pays 90%	Plan pays 70% after deductible
Routine Nutritional Visits – Preventive Care (3 visits per year maximum)	Plan pays 100%	Not covered
Skilled Nursing Care (120 days maximum)	Plan pays 90%	Plan pays 70% after deductible
Vision (one visit per year)	Subject to specialist co-pay (no hardware)	Not covered
Prescription Drugs – *provided through Express Scripts.* $500 fertility drug lifetime maximum		
Retail (up to a 31-day supply) Includes Specialty Medicines *	Generic drug – $5 copay Preferred brand drug – $30 copay Non-preferred brand name drug – $50 copay	
Mail Order (up to a 90-daySupply) Includes Specialty Medicines *	Generic drug – $10 copay Preferred brand drug – $60 copay Non-preferred brand drug – $100 copay	
Specialty Medicines	Plan pays 80% coverage	

** Non- network benefits are paid at the Non-Network provider reimbursement level. See -How Your Plan Works for more information about Non-Network provider reimbursement.*

*** Generally, an emergency is defined as the sudden onset of a medical or behavioral condition that causes severe symptoms or pain. In the absence of immediate medical attention, the emergency could result in placing the health of the person in serious jeopardy (or placing others in jeopardy in the case of a behavioral condition), could result in the serious dysfunction of any organ or body part or could result in the serious disfigurement or impairment to bodily function. See Emergency Services for more information.*

PPO Plan Features

PPO Network Providers

When you visit PPO network providers, you will save on your out-of-pocket costs because network providers have an agreement with AmeriHealth Administrators regarding payment of covered medical charges.

If you enroll in the PPO medical plans, you can get a listing of PPO network doctors at no charge.

Employees living in New Jersey, Delaware or Pennsylvania can receive a listing of AmeriHealth Administrators network doctors by:

- Visiting the AmeriHealth Administrators web site at www.myahatpa.com, or
- Calling AmeriHealth Administrators at 1-800-480-5031 between 8:00 a.m. – 8:00 p.m., Monday through Friday.

Network Benefits

PPO Plan:

- There are no annual deductibles for most in-network services before the PPO begins to pay benefits.
- There are no claim forms to file.
- There are no copayments applied to In-Network wellness visits
- If you need surgery or require a hospital stay, all network providers handle the precertification process for you.

Copayments

Copayments, also called copays, generally apply to network care. When you use network providers, you often pay only a fixed amount at the time you receive services. That amount is called your copayment and is generally a fixed fee that you pay at the time of each office visit or when filling a prescription.

Non-Network Benefits

You also may visit non-network providers under the PPO. These are doctors and hospitals that do not participate in the AmeriHealth Administrators PPO network. When Covered Services are performed by a Non-Network Facility Provider, The plan reserves the right to make payment to the Facility Provider. Non-Network Facility Provider reimbursement will be the lesser of 1.5 times the Medicare Allowable Payment or of the Facility Provider's charges for Covered Services. For Covered Services not recognized or reimbursed by the Medicare traditional program, the amount is determined by reimbursing fifty percent (50%) of the Facility Provider's charges for Covered Services.

When Covered Services are performed by a Non-Network Professional Provider, The plan reserves the right to make payment to the Professional Provider. Non-Network Professional Provider reimbursement will be the lesser of 1.5 times the Medicare Allowable Payment or of the Professional Provider's charges for Covered Services. For Covered Services not recognized or reimbursed by the Medicare traditional program, the amount is determined by reimbursing fifty percent (50%) of the Professional Provider's charges for Covered Services.

A Non-Network Provider who provided Emergency Treatment can bill you directly for services, for either the Provider's charges or amounts in excess of the plan payment for the Emergency Treatment, i.e., "balance billing". In such situations, you will need to contact AmeriHealth Administrators at the Customer Service telephone number listed on your I.D. card. Upon such notification, AmeriHealth Administrators will resolve the balance billing.

If you are enrolled in the AmeriHealth Administrators Plans and you use non-network services:

- You must meet an annual deductible for each person and per family.
- You must pay for covered services out-of-pocket and file claim forms to receive a reimbursement. See Medical Claims for more information.
- You must call AmeriHealth Administrators for precertification before a scheduled hospital stay and certain other medical services.
- There are NO non-network benefits for routine / preventive care services.

Coinsurance

For many covered services, you will pay a portion of the cost (a percentage, depending upon whether you are using a network or non-network provider). The percentage you pay is called coinsurance.

Coinsurance applies only to covered services. You are responsible for all non-covered expenses and any Non-network covered services that exceed the Non-network reimbursement level.

Annual Deductible

The annual deductible is the amount of covered expenses you must pay each year before the PPO Plan will consider expenses for reimbursement. ***This primarily applies to non-network services.***

PPO Plan

- **Individual**: you must meet an annual deductible before the Medical Plan pays benefits
- **Family**: your family must meet an annual deductible before the Medical Plan pays benefits

Each covered individual must separately meet the individual deductible.

The family maximum deductible is met when two eligible family members each reach their individual annual deductible or several family members meet a portion of their individual deductible with these partial deductibles equaling the family deductible amount.

If two or more members of your family are injured in a common accident, the annual deductible will be applied only once to all involved persons for those injuries. The common accident maximum deductible will apply to expenses incurred in the benefit year as a direct result of the common accident.

HDHP Plan

The Calendar Year Deductible is shown in the Schedule of Benefits. Each covered individual must incur covered medical charges of at least this amount within a calendar year before any benefits are payable during that year, unless otherwise stated in the Schedule of Benefits.

A Covered Person must satisfy the individual deductible amount only once during a calendar year. In the case of family coverage, without regard to which covered individual in the family incurs expenses, no amounts are payable as covered medical charges until a family has incurred

annual covered medical charges in excess of the family annual deductible. Deductible amounts are subject to the rules set forth by the Internal Revenue Code.

Out-of-Pocket Maximum

The Plan limits the benefit amount you have to pay for all medical and prescription drug expenses incurred per covered person in a calendar year. When a covered person reaches the annual out-of-pocket maximum, the plan will pay 100% of the additional eligible covered expenses for that individual for the rest of the year.

When the medical and prescription drug expenses of all members of a family reach the family out-of-pocket maximum, the Plan will pay 100% of the additional eligible covered expenses for that family for the rest of the year.

The out-of-pocket maximum excludes:

- Charges for Non-network covered services in excess of the Non-network reimbursement level,
- Any penalties for failure to comply with the requirements of patient care management, and
- Infertility treatment.

Patient Care Management

The primary objective of patient care management is to assure that hospital, facility, physician, and ancillary services that you and your enrolled dependents receive meet the following criteria:

- They are appropriate and medically necessary, and
- They meet locally developed, recognized standards for quality and are cost-effective.

You must call 1-800-952-3404 for AmeriHealth Administrators to fulfill the requirements of the patient care management program. Note that you are responsible for meeting the patient care management requirements.

Precertification of Non-Network Admissions

All inpatient admissions, except emergencies, require precertification. Emergency admissions must be reviewed by AmeriHealth Administrators within 48 hours of admission or within two working days of the admission.

- If you fail to pre-certify, but AmeriHealth Administrators determines that the admission was medically necessary in the appropriate place of treatment, then benefits for hospital services and all related services will be reduced 25%. The benefit reduction also is not applied towards the annual deductible or out-of-pocket maximum.
- If you are admitted but AmeriHealth Administrators determines that the admission was not medically necessary or not in the appropriate place of treatment and therefore not covered, no benefits will be provided under the Plan.

Continued Stay Review

AmeriHealth Administrators has the right to initiate a continued stay review of any inpatient admission; and AmeriHealth Administrators may contact your practitioner or facility by phone or in writing.

You or your provider must initiate a continued stay review whenever it is medically necessary and appropriate to change the authorized length of an inpatient stay. This must be done before the end of the previously authorized length of stay.

In the case of an admission, the continued stay review determines:

- The medical necessity and appropriateness of admission,
- The anticipated length of stay and extended length of stay, and
- The appropriateness of health care alternatives.

AmeriHealth Administrators notifies the practitioner and facility by phone of the outcome of the review. AmeriHealth Administrators confirms in writing the outcome of a review that results in a denial. The notice always includes any newly authorized length of stay, if any.

Note: Your plan does not cover any charges that are incurred with respect to inpatient services or supplies that are not authorized in accordance with this continued stay review.

Case Management

Case management is the process by which AmeriHealth Administrators provides benefits for provider services by identifying an appropriate treatment plan for you if your condition would otherwise require continued inpatient hospitalization. If the Plan, you, and your doctor agree on the most cost-effective treatment modality assuring quality medical care, the Plan will provide benefits for only such services.

The Plan will provide case management services for participants identified by AmeriHealth Administrators as falling into one or more of the following diagnosis profiles of illnesses or injuries, or such other diagnosis profiles as deemed appropriate from time-to-time by AmeriHealth Administrators:

- Illnesses
  - Acquired Immune Deficiency Syndrome
  - Amyotrophic Lateral Sclerosis
  - Cardiac Surgery
  - Cerebral Palsy
  - Guillain Barre Syndrome
  - Multiple Sclerosis
  - Muscular Dystrophy
  - Neonatal High Risk Infant
  - Mental Illness
- Injuries
  - Amputations
  - Major Head Trauma
  - Multiple Fractures
  - Severe Burns
  - Spinal Cord Injury

Disease Management and Decision Support Programs

Disease Management and Decision Support programs help participants to be effective partners in their health care by providing information and support to participants with certain chronic conditions as well as those with everyday health concerns. Disease Management is a systematic, population-based approach that involves identifying participants with certain chronic conditions, intervening with specific information or support to follow a Provider's treatment plan, and measuring clinical and other outcomes. Decision Support involves identifying participants who may be facing certain treatment option decisions and offering them information to assist in informed, collaborative decisions with their Doctors. Decision Support also includes the availability of general health information, personal health coaching, Provider information, or other programs to assist in health care decisions.

Disease Management interventions are designed to help participants manage their chronic conditions in partnership with their Doctors. Disease Management programs, when successful, can help such participants avoid long term complications, as well as relapses that would otherwise result in hospital or emergency room care. Disease Management programs also include outreach to participants to obtain needed preventive services, or other services recommended for chronic conditions. Information and support may occur in the form of telephonic health coaching, print, audio library or videotape, or internet formats.

AmeriHealth Administrators will utilize medical information such as claims data to operate the Disease Management or Decision Support program, e.g. to identify Subscribers with chronic conditions, to predict which Subscribers would most likely benefit from these services, and to communicate results to Subscribers' treating Doctors. AmeriHealth Administrators will decide what chronic conditions are included in the Disease Management or Decision Support program.

Participation by a participant in the Disease Management or Decision Support program is voluntary. A participant may continue in the Disease Management or Decision Support program until either of the following occurs:

- the participant declines participation; or
- AmeriHealth Administrators determines that the program, or aspects of the program, will not continue.

Wellness Program

The Company, through AmeriHealth Administrators, offers a wellness program designed to help you and your eligible dependents achieve and maintain good health. Active employees who participate in the Company's medical plan can take advantage of this wellness program as of January 1, 2010.

Individual Intervention Program – The individual intervention package is designed to help you and your eligible dependents achieve personal health and safety improvement goals and maintain good health. Program materials are provided in electronic format, which you and your eligible dependents can access through our secure, customer portal. The individual program includes:

- American Red Cross Save-A-Life Course Reimbursement - Offers a 15% reimbursement for selected courses offered through the American Red Cross.
- Bicycle Safety - Includes tips on safe riding, "The Rules of the Road."
- Child Safety - Provides tips to protect children from household accidents.

- Fitness Club Reimbursement - Offers a 100% reimbursement of members' yearly fitness club fees, up to $300.
- Poison Prevention - Offers tips on how to poison-proof the household.
- Stress Management - Provides helpful hints and tips on how to take control of stress.
- Weight Management - Plan members can receive a 100% reimbursement of weekly Weight Watchers® meeting fees once they achieve and maintain their weight goal for six consecutive months. Weight Watchers® is a registered mark of Weight Watchers International, Inc.

Program information, including eligibility and terms and conditions, are available on AmeriHealth Administrators' web portal for the Company beginning on January 1, 2011.

Covered Services

What Is Covered

This section describes the medical services that are covered by the AmeriHealth Administrators Plan for you and your enrolled dependents. The Plan provides benefits only with respect to covered services and supplies that are medically necessary in the specific treatment of a covered illness or injury, unless specifically mentioned in this section.

Medically necessary means the treatment is generally accepted by medical professionals in the United States as proven, effective, and appropriate for the condition based on recognized standards of the healthcare specialty involved. Proven means the care is not considered experimental, meets a particular standard of care accepted by the medical community and is approved by the Food and Drug Administration (FDA), if applicable. Effective means the treatment's beneficial effects can be expected to outweigh any harmful effects. Effective care is treatment proven to have a positive effect on your health, while addressing particular problems caused by disease, injury, illness, or a clinical condition. Appropriate means the treatment's timing and setting are proper and cost-effective.

Diagnostic X-Ray and Laboratory Services

The following services are covered by the Plan:

- Diagnostic charges for X-rays,
- Diagnostic charges for laboratory services,
- Pre-admission testing (PAT),
- Ultrasound only if the attending physician certifies that the procedure is medically necessary, and
- Genetic testing only in connection with amniocentesis.

Emergency Services

Emergency Accident Treatment

Ancillary services and medical services by a professional provider on an outpatient basis in connection with the initial treatment of an emergency accident, as defined. Benefits are provided for emergency treatment that commences within 72 hours following the accident. Appropriate copays, deductibles and coinsurance apply for emergency medical treatments.

Emergency Medical Treatment

Ancillary services and medical services by a professional provider rendered on an outpatient basis in connection with the initial treatment of a condition with acute symptoms of sufficient severity that the absence of immediate medical attention could:

- Permanently place the covered person’s health in jeopardy,
- Cause other serious medical consequences,
- Cause serious impairment to bodily functions, or
- Cause serious and permanent dysfunction to any bodily organ or part.

Benefits are provided for emergency treatment that commences within 72 hours following the onset of the medical emergency. Ancillary services are those services and supplies that are regularly provided and billed by a facility.

Should any dispute arise as to whether an emergency condition existed, the determination by AmeriHealth Administrators will be final.

Plan copays, deductibles and coinsurance apply for emergency medical treatments.

A Non-Network Provider who provided Emergency Treatment can bill you directly for services, for either the Provider's charges or amounts in excess of The plan payment for the Emergency Treatment, i.e., "balance billing". In such situations, you will need to contact AmeriHealth Administrators at the Customer Service telephone number listed on your I.D. card. Upon such notification, AmeriHealth Administrators will resolve the balance billing.

Ambulance Service

Benefits are paid at the coinsurance level (no deductible) under the Plan. Ground or air transportation provided by a professional ambulance service for the trip to and from the nearest hospital or emergency care facility equipped to treat a condition that can be classified as a medical emergency, and transportation provided by a professional air ambulance service for the first trip to and from the nearest hospital or emergency care facility equipped to treat a condition that can be classified as a medical emergency.

Hospital Services

- Room and board, including newborn nursery and intensive care room and board, not to exceed the cost of a semi-private room or other accommodations unless the attending physician certifies medical necessity. If a private room is the only accommodation available, the Plan will cover an amount equal to the prevailing semi-private room rate in the geographic area, unless such confinement is medically necessary as certified by the attending physician. Eligible expenses include medication that is to be taken by or administered to an individual, in whole or in part, while he or she is an inpatient in a hospital, extended care facility, or other covered facility and take-home drugs dispensed by that facility.
- Intensive care unit and coronary care unit charges.
- Miscellaneous hospital services and supplies required for treatment during a hospital confinement.
- Well-baby nursery and physician expenses during a newborn's initial hospital confinement.
- Hospital confinement expenses for dental services if the attending physician certifies that hospitalization is necessary to safeguard the health of the patient.
- Outpatient hospital services.

Hospice Care Services

When the covered person's attending physician certifies that the covered person has a terminal illness with a medical prognosis of six months or less and when the covered person chooses to receive care primarily in the home to relieve pain and enable the covered person to remain at home rather than receive other types of care, the covered person is eligible for hospice benefits when provided in the home by a hospice provider. In-patient hospital hospice care is covered with a limit of seven days per six month period.

Such care on a short-term basis in a Medicare certified or network skilled nursing facility is also covered when the hospice considers such care necessary to relieve primary caregivers in the patient's home. Up to seven days of such care will be covered every six months.

Benefits for covered hospice services will be provided until the earlier of the patient's death or the patient's discharge from the hospice. These benefits are in addition to and not in lieu of any other benefits provided by the Plan.

Home Health Care Services

The following services when provided to an essentially homebound covered person by a home health care agency:

- Skilled nursing care, and
- Therapy services.

Benefits also are provided for certain other medical services when furnished along with a primary service. Such other services include prescription drugs, diagnostic services, supplies, and other medically necessary services.

No benefits are provided for services in connection with:

- Custodial care, food, housing, homemaker services, home delivered meals, and supplementary dietary assistance,
- Services provided by a member of the covered person's immediate family,
- Patient transportation, including ambulance services,
- Visiting teachers, friendly visitors, vocational guidance and other counselors, and services related to diversional occupational therapy or social services,
- Services provided to covered persons who are not essentially home bound for medical reasons, or
- Visits solely for the purpose of assessing the covered person's condition and determining whether or not the covered person requires and qualifies for home health care services.

Medical Services

- Physician's medical visits relating to a covered illness or injury, which are rendered at the covered person's home or on an outpatient basis. Services include those rendered for newborn nursery care,
- Inpatient consultations by the attending physician,
- Inpatient consultations by the non-attending physician,
- Second and third surgical opinions,
- Pregnancy-related care for all enrolled employees and dependents. The Plan does not restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a normal vaginal delivery, or less than 96 hours following a caesarean section, or require that a provider obtain authorization from the Plan prescribing a

length of stay not in excess of the above periods,

- Treatment of complications of pregnancy for covered employees and dependents,
- Maternity related expenses for covered employees and dependents, including pregnancy testing,
- Private duty nursing care provided by a Registered Graduate Nurse (R.N.) or a Licensed Practical Nurse (L.P.N.) if medically necessary. In no event will nursing care that is custodial in nature be considered a covered expense.
- One visit by an R.N. or an L.P.N. to the home of a covered newborn when the newborn is being discharged from a hospital confinement that included intensive care treatment. Charges are subject to the annual deductible, coinsurance, and the lifetime maximum for all conditions,
- Dental services received after an accidental injury to sound and natural teeth that occurred while covered under the Plan. This includes replacement of such teeth. Any related X-rays and dental services must be completed within six months of the date of the injury. Injuries caused by eating and chewing are not covered under the Plan,
- Radiation therapy,
- Chemotherapy,
- Chiropractic services, subject to the maximum stated on the Schedule of Benefits. Eligible expenses exclude massage therapy treatment,
- Podiatric services for treatment of an illness or injury, or due to metabolic or peripheral vascular disease,
- Medically required orthopedic shoes and charges for the replacement of such shoes if due to pathological change or normal growth process (not covered if replacement is due to wear),
- Orthotics, covered only if medically necessary,
- Physical therapy, received from a qualified practitioner under the direct supervision of the attending physician, excluding maintenance care and palliative treatment,
- Occupational or speech therapy, subject to a maximum per calendar year. The therapy must be required to treat an illness or injury that was sustained while the patient was covered under the Plan, or to treat a congenital abnormality. Vocational, educational, art, dance, music, or recreational therapy are not covered,
- Home dialysis when services are provided and billed for by a hospital, a freestanding dialysis center, or a home health agency,
- Complete cardiac pacemaker follow-up examination, but not including telephone checkups,
- Initial examination for the treatment of eating disorders (for example, bulimia, anorexia). Subsequent treatment is eligible for consideration as a mental/nervous disorder or if there is a medical component (malnutrition) that requires medical care,
- Treatment of morbid obesity limited to one course of treatment per lifetime,
- Allergy testing and treatment,
- Preparation of serum and injections for allergies,
- Growth hormones when medically necessary,
- Infertility treatment is covered. Eligible expenses include services related to the diagnosis and

treatment of infertility, including fertility drugs.

What is covered:

- Diagnosis & Diagnostic Tests
- Surgery
- Embryo transfer
- Gamete intra fallopian transfer (GIFT)*
- Invitro Fertilization*
- Artificial Insemination
- Zygote intra fallopian transfer (ZIFT)*
- Medications

  1. Injectable drugs are covered under the medical plan
  2. Oral drugs are covered under the Prescription Drug Program

- Intracytoplasmic sperm injection
- Four completed egg retrievals per lifetime (This is a cumulative benefit per lifetime of a covered person, regardless of the carrier) REQUIRES CERTIFICATION LETTER
- *Limited coverage for In Vitro, GIFT& ZIFT to covered person who has used all reasonable, less expensive and medically appropriate treatment and is still unable to become pregnant or carry pregnancy (woman who has not reached limit of 4 egg retrievals and is 45 years or younger).

- Genetic counseling, covered only if medically necessary, or
- Wigs or artificial hair pieces, when required following radiation therapy or chemotherapy. There is a lifetime maximum of $300 per covered person.

Routine Preventive Care Benefits

Eligible preventive care services are covered at 100% of the negotiated charges when you use network providers. Only eligible expenses include the following:

- Routine physical exam and related diagnostic testing (one per calendar year),
- Adult immunizations, excluding those required for travel or employment,
- Routine prostate screening,
- Routine gynecological exam, including Pap test (one per calendar year),
- Well-child exam and related diagnostic testing, and
- Childhood immunizations.

All participants have 100% coverage for all services recommended by the American Academy of Pediatrics for infants and children up to the age of two years for wellness and preventive care, In network only.

Routine mammography for women age 40 and over or as recommended by a physician for women under age 40 (one per calendar year). Eligible expenses are covered at 100% In network only.

Routine prostate screening for men age 50 and over or as recommended by a physician for men under 50 (one per calendar year). Eligible expenses are covered at 100% In-network only.

Membership in a health and fitness club is reimbursed at 100% up to a maximum of $300 per person per calendar year, subject to facility verification of attendance and participation.

100% In-network coverage for certain designated Preventive Care services. There will be no cost sharing (copayments, coinsurance, deductibles) for the following Preventive Care Services if provided by a Participating Provider:

1. Evidence-based items/services with a rating of "A" or "B" in the current recommendations of the U.S. Preventative Services Task Force.
2. Immunizations recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention.
3. Evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration (HRSA) for infants, children, and adolescents.
4. With respect to women, additional preventive care and screenings provided for in guidelines supported by HRSA.

You can find online links to these lists of services at www.Healthcare.gov. Click the Learn About Prevention tab.

Be aware that you may be required to pay some costs of the office visit if the preventive service is not the primary purpose of the visit, or if your doctor bills you for the preventive services separately from the office visit.

Specialized Treatment Facilities

- A skilled nursing facility or extended care facility (up to 120 days per year),
- An ambulatory surgical facility,
- A birthing center,
- A mental/nervous treatment facility,
- A substance abuse treatment facility, or
- A partial hospitalization treatment facility.

Surgical Services

- Surgeon's expenses for the performance of a surgical procedure,
- Assistant surgeon's expenses not to exceed 20% of the Network approved or Non-network reimbursement level charge of the surgical procedure,
- Two or more surgical procedures performed during the same session through different incisions, natural body orifices, or operative fields. The amount eligible for consideration is the sum of negotiated charges for each procedure performed,
- Two or more surgical procedures performed during the same session through the same incision, natural body orifice, or operative field. The amount eligible for consideration is the negotiated charge for the largest amount billed for one procedure plus 50% of the sum of negotiated charges for all other procedures performed,
- Anesthesia services, when performed by a licensed anesthesiologist or certified registered nurse anesthetist in connection with a surgical procedure,

- Oral surgery, limited to the removal of bony impacted teeth and treatment of an accidental injury to sound natural teeth that are medically necessary and that occurred while covered under this Plan. Injuries caused by eating and chewing are not covered under this Plan. Treatment of an accidental injury must be completed within six months of the date of the injury,
- Reconstructive surgery, only when needed to correct damage caused by a birth defect resulting in the malformation or absence of a body part, an illness or accidental injury that occurred while covered under the Plan, or for breast reconstruction following a total or partial mastectomy that occurred while covered under the Plan. The Women's Health and Cancer Rights Act of 1998 requires the Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan to cover the following medical services in connection with coverage for a mastectomy.
  - All stages of reconstruction of the breast on which the mastectomy has been performed,
  - Surgery and reconstruction of the other breast to produce a symmetrical appearance, and
  - Prostheses and treatment of physical complications of all stages of a mastectomy, including lymphedemas.

  The benefits for these services must be provided in a manner determined in consultation with the attending physician and the patient. These services may be subject to your annual deductible and any applicable coinsurance amounts,
- Tissue transplant services to an organ transplant recipient who is covered under the Plan. In addition, benefits will be provided for inpatient hospital expenses of the donor of an organ for transplant to a covered recipient and for physician's expenses for surgical removal of the donor organ, beginning on the day of surgery and continuing for up to 10 additional consecutive days. No benefits will be provided for organ selection, transportation, and storage costs when donor benefits are available through other group coverage, or when government funding of any kind is provided, or when the recipient is not covered under the Plan. Benefits will be charged against the recipient's coverage and are payable under the appropriate Plan benefit,
- Circumcision,
- Outpatient surgery,
- Amniocentesis when the attending physician certifies that the procedure is medically necessary,
- Surgical treatment of morbid obesity limited to one procedure per lifetime,
- Voluntary sterilization, and
- Voluntary termination of pregnancy for covered employees and dependents.

Supplies and Equipment

Payments for the purchase or rental of durable medical equipment in excess of $500 requires preauthorization by AmeriHealth Administrators at 1-800-952-3404. You also may contact AmeriHealth Administrators in writing for preauthorization of durable medical equipment prior to its purchase or rental.

- Durable medical equipment, including expenses related to necessary repairs and maintenance. A statement is required from the prescribing physician describing how long the equipment is expected to be necessary. This statement will determine whether the equipment will be rented or purchased. Initial replacement equipment is covered if the replacement equipment is required due to a change in the patient's physical condition or if purchase of new equipment is less expensive than repair of existing equipment,
- Artificial limbs and eyes and replacement of artificial limbs and eyes if required due to a change

in the patient's physical condition or due to normal growth or if replacement is less expensive than repair of existing equipment,

- Oxygen and other gases, and the rental of equipment required for their use,
- Blood or plasma, if not replaced, and the equipment for its administration,
- Insulin infusion pumps,
- Initial prescription contact lenses or eye glasses, including the examination and fitting of the lenses, to replace the human lens lost through intraocular surgery that was performed while covered under this Plan or when required as the result of an injury that occurred while covered under this Plan, provided the related expenses are incurred within 90 days of the injury,
- Examination for or the purchase or fitting of hearing aids when required as the result of an injury that occurred while covered under this Plan, provided the related expenses are incurred within 90 days of the injury,
- Original fitting, adjustment, and placement of orthopedic braces, casts, splints, crutches, cervical collars, head halters, traction apparatus, or prosthetic appliances, when prescribed by a physician, to replace lost body parts or to aid in their function when impaired. Replacement of such devices will be covered only if the replacement is necessary due to a change in the physical condition or the normal growth of the covered person,
- Sterile surgical supplies after surgery,
- Jobst garments,
- Occupational therapy supplies related to covered occupational therapy,
- Nutritional supplements — includes only life-sustaining, medically necessary supplements prescribed by a physician,
- Drugs, medicines, or supplies dispensed through the physician's office or any non-pharmacy provider (for example, the manufacturer), for which the patient is charged, are covered under the Plan and not the Prescription Drug Program, and
- Take home prescription drugs from a hospital, for which the patient is charged, are covered under the Plan and not the Prescription Drug Program.

Mental/Nervous Conditions

Treatment of mental illness is eligible anywhere when performed by a professional provider as follows:

- Psychiatric visits,
- Electro-convulsive therapy,
- Individual psychotherapy,
- Group psychotherapy,
- Psychological testing, and
- Family counseling.

Counseling with family members to assist in the covered person's diagnosis and treatment is covered.

Facility services for mental illness include:

- Inpatient facility services – facility services provided for inpatient treatment of mental illness by a facility. Inpatient, In-Network facility and physician charges are subject to a copayment per admission. Non-Network facility and physician charges are subject to the deductible and copayment. Payment after the relevant copayment and deductible subject to the coinsurance level.
- Outpatient mental illness services – facility services and supplies provided to an outpatient by a facility. The annual deductible and coinsurance applies Non-Network.

Substance Abuse (Drug or Alcohol) Treatment

Inpatient Detoxification Services

Benefits are payable for a detoxification program provided either in a hospital or in a licensed substance abuse treatment facility.

- Room and board,
- Doctors, psychologist, nurse, certified addictions counselor, and trained staff services,
- Diagnostic X-ray,
- Psychiatric, psychological, and medical laboratory testing, and
- Drugs, medicine, equipment, and supplies.

Inpatient and Rehabilitation Services

Benefits are payable for inpatient services provided in a licensed substance abuse treatment facility provided the covered person has been certified by a doctor or psychologist as a person who suffers from substance abuse or dependency, and has been referred for treatment by such a doctor or psychologist.

- Room and board,
- Doctors, psychologist, nurse, certified addictions counselor, and trained staff services,
- Rehabilitation therapy and counseling,
- Family counseling and intervention,
- Psychiatric, psychological, and mental laboratory testing, and
- Drugs, medicine, equipment, and supplies.

Inpatient facility and physician charges are subject to a copayment per admission, then paid at the coinsurance level.

Outpatient Rehabilitation Services

Benefits are payable for outpatient services provided in a licensed substance abuse treatment facility provided the covered person has been certified by a doctor or psychologist as a person who suffers from substance abuse or dependency, and has been referred for treatment by such a doctor or psychologist.

- Room and board,
- Doctors, psychologist, nurse, certified addictions counselor and trained staff services,

- Rehabilitation therapy and counseling,
- Family counseling and intervention,
- Psychiatric, psychological, and mental laboratory testing, and
- Drugs, medicine, equipment and supplies.

Non-network benefits are subject to the annual deductible and coinsurance.

Exclusions

What Is Not Covered

The Plan will not provide benefits for any of the items listed in this section, regardless of medical necessity or recommendation of a health care provider. This list is intended to give you a general description of expenses for services and supplies not covered by the Plan. There may be expenses in addition to those listed below that also are not covered by the Plan.

- Acupuncture,
- Adoption expenses,
- Any condition or disability sustained as a result of being engaged in an activity primarily for wage, profit, or gain, and that could entitle the covered person to a benefit under Worker's Compensation laws or similar legislation,
- Any condition, disability, or expense sustained as a result of being engaged in: an illegal occupation; commission or attempted commission of an assault or other illegal act; participating in a civil revolution or riot; duty as a member of the armed forces of any state or country; or a war or act of war which is declared or undeclared,
- Artificial heart or organ and any expenses related to insertion or maintenance of such,
- Biofeedback,
- Communication, transportation expense, or travel time of physicians or nurses,
- Complications arising from a non-covered surgery or treatment,
- Cosmetic surgery or plastic surgery, except when required as a result of an accidental bodily injury sustained while covered under the Plan, or when incurred for treatment of a congenital abnormality in your child, or except as specifically mentioned in What Is Covered,
- Dental service, dental appliances, or treatment including hospitalization for dental services, except as specifically mentioned in What Is Covered. Injuries caused by eating or chewing are not covered under the Plan,
- Donor expenses unless specifically mentioned in What Is Covered,
- Drugs, medicine, or supplies that do not require a physician's prescription,
- Education, counseling, or job training for learning disorders or behavioral problems whether or not services are rendered in a facility that also provides medical or mental/nervous treatment,
- Educational, vocational, or training services and supplies,
- Equipment such as air conditioners, air purifiers, dehumidifiers, heating pads, hot water bottles, water beds, swimming pools, hot tubs, and any other clothing or equipment which could be used in the absence of an illness or injury,
- Expenses eligible for consideration under any other plan of the employer,
- Expenses exceeding the Network and Non-Network Provider Reimbursement provision as provided in the, How The Plan Works,

- Expenses for telephone conversations, charges for failure to keep a scheduled appointment, or charges for completion of medical reports, itemized bills, or claim forms,
- Expenses incurred as the result of an auto accident up to the amount of any state required automobile coverage with respect to those expenses. Benefits payable under this Plan will be coordinated with benefits provided or required by any no-fault automobile coverage statute, whether or not a no-fault policy is in effect, and/or any other automobile coverage. This Plan will be secondary to any state mandated automobile coverage for services and supplies eligible for consideration under this Plan,
- Expenses incurred for services rendered prior to the effective date of coverage under this Plan or expenses for services performed after the date coverage terminates,
- Expenses unnecessary for diagnosis of an illness or injury, except as specifically mentioned in What Is Covered,
- Except as specifically provided in the Plan contract, no benefits will be provided for services, supplies or charges that are experimental/investigational, except as approved by the Plan, routine costs associated with a qualifying clinical trial that meets the definition of a qualifying clinical trial under this Plan,
- Experimental equipment, services, or supplies that have not been approved by the United States Department of Health and Human Services, the American Medical Association (AMA), or the appropriate government agency,
- Family counseling, except as specifically mentioned in What is Covered for mental health and substance abuse benefits,
- Foot treatment, palliative or cosmetic, including flat foot conditions, supportive devices for the foot, the treatment of subluxations of the foot, care of corns, bunions (except by capsular or bone surgery), calluses, toe nails (except surgery for ingrown nails), fallen arches, weak feet, chronic foot strain, and symptomatic complaints of the feet,
- Hearing examinations, hearing aids, or related supplies unless specifically mentioned in What Is Covered,
- Hospital confinement for physiotherapy, hydrotherapy, convalescent care, or rest care,
- Hypnosis,
- Infertility treatment, except as specifically mentioned in What Is Covered,
- Intentionally self-inflicted injury or illness while sane or insane and suicide or any attempt to commit suicide while sane or insane,
- Kerato-refractive eye surgery (to improve nearsightedness, farsightedness, or astigmatism by changing the shape of the cornea including, but not limited to, radial keratotomy and keratomileusis surgery),
- Mailing or shipping and handling expenses,
- Marital counseling,
- Massage therapy or rolfing,
- Medical treatment and travel outside of the United States if the sole purpose of the travel is to obtain medical service, supplies, or drugs,

- Nutritional supplements except as specifically included under Medical Services in What Is Covered,
- Orthodontics for cleft palate,
- Oral care and supplies that are used to change vertical dimension or closure, including but not limited to, procedures used for diagnosis or balance, restorations, and fixed or removable devices,
- Personal comfort or service items while confined in a hospital including, but not limited to, radio, television, telephone, and guest meals,
- Prescription drugs or medicines other than specifically mentioned in What Is Covered. Prescription benefits, including prenatal vitamins, oral contraceptives, and insulin are provided by the Prescription Drug Program,
- Prescription Drug Program copayments or any expense incurred as the result of purchasing a brand name prescription under that benefit,
- Preventive Care Services provided Non-Network.
- Professional services performed by a person who ordinarily resides in your household or who is related to the covered person, such as a spouse, parent, child, brother, sister, or in-law,
- Removal of breast or other prosthetic implants that were:
  - Inserted in connection with cosmetic surgery, regardless of the reason for removal, or
  - Not inserted in connection with cosmetic surgery, the removal of which is not currently medically necessary. Includes all expenses for or related to such removal.
- Reversal of any elective surgical procedure,
- Sales tax,
- Sanitarium, rest, or custodial care,
- Services furnished by or for the United States Government or any other government, unless payment is legally required,
- Services or supplies for which there is no legal obligation to pay, or expenses that would not be made except for the availability of benefits under the Plan,
- Services or supplies furnished, paid for, or for which benefits are provided or required by reason of past or present service of any covered family member in the armed forces of a government,
- Services, supplies, or treatment not medically necessary,
- Sex change surgery,
- Sex counseling,
- Surrogate expenses,
- The fitting of eyeglasses or lenses, orthoptics, vision therapy, or supplies unless specifically mentioned in What Is Covered,
- Treatment of temporomandibular joint dysfunction (TMJ), including surgical or nonsurgical treatment for, or prevention of, TMJ, craniomandibular disorder, and other conditions of the joint linking the jawbone and skull, and the muscles, nerves, and other tissues related to that joint,

- Treatment not prescribed or recommended by a healthcare provider,
- Vitamins, except prenatal vitamins and children's vitamins prescribed by a physician; Prenatal vitamins and children's prescription vitamins are provided by the Prescription Drug Program,
- Weight reduction or control, including treatments, instructions, activities, or drugs and diet pills, whether or not prescribed by a physician, except as specifically mentioned under Medical Services in What Is Covered, and
- Wigs and artificial hairpieces, except as specifically mentioned under Medical Services in What Is Covered.

Prescription Drug Program

You do not pay a separate contribution for prescription drug benefits and you do not have to complete a separate enrollment form to receive this coverage. Through the Prescription Drug Program, you may purchase drugs at retail pharmacies in the pharmacy network or through mail service. You also may purchase drugs outside the network but you will have to pay the full cost of the prescription and file a claim for reimbursement. For maintenance medications, members are allowed 3 fills at a retail pharmacy before they must move their prescription to Express Scripts' Home Delivery Pharmacy or pay 100% the cost of the medication.

Express Scripts

If you are enrolled in the medical Plan, you and your eligible dependents are automatically enrolled in pharmacy benefits through Express Scripts.

To access a listing of Express Scripts network pharmacies based on your home zip code:

- Visit Express Scripts' web site at express-scripts.com, or
- Call Express Scripts' Member Services at 1-844-595-4152 for questions about the retail program and the mail service program.

Here is an overview of the program:

Program Feature	Retail Pharmacy	Mail Service (Mandatory program*)
When to Use	When you need a prescription drug for short-term use	When you have an ongoing condition requiring continued use of the same medication
Maximum Supply per Prescription	Up to a 31-day supply for most medications	Up to a 90-day supply for most medications
Your Cost Per Prescription	See the Schedule of Benefits	See the Schedule of Benefits
There is a $ 500 lifetime maximum for fertility drugs under the Plan.		

*For Maintenance Drugs - The program allows for an initial fill plus two refills at retail cost; then the member must obtain the prescription via mail order or pay 100% cost of the Prescription.

If you purchase your prescription at a participating pharmacy, present your ID card and pay the appropriate copay. If you purchase your prescription at a pharmacy that is not in-network, pay the full cost of the prescription and have the pharmacist complete their portion of a Direct Claim Form. Submit this form to Express Scripts, and they will reimburse you up to the discounted cost of the medication, minus your copay.

If you are denied coverage for a prescription drug, in whole or in part, at the time of purchase, you must contact Express Scripts directly to appeal the denial of benefits. For more information on claims appeals, see the *Plan Administration* section.

Copays and Coinsurance

Under the plan, there are retail copay and coinsurance amounts for each generic prescription, for each preferred brand-name prescription, and for each non-preferred brand-name prescription and coinsurance for specialty medications.

Check your prescriptions before you leave your doctor's office to make sure that:

- The doctor's name is legible,
- The exact daily dosage is indicated,
- The exact strength is indicated,
- The exact quantity is indicated, and
- The full first and last name of the patient is legible.

Brand-Name and Generic Drugs

The brand name of a drug is the product name under which the drug is advertised and sold. Generic drugs are sold under generic names. They are similar to brand name drugs but they cost less. By law, generic drugs must have the same active ingredients and are subject to the same U.S Food and Drug Administration (FDA) standards for quality, strength, and purity as their brand name counterparts. Under Express Scripts, generic drugs will cost you less than brand name drugs so ask your doctor to prescribe generic drugs whenever appropriate.

Preferred (formulary) and Non-Preferred (non-formulary) Name Brand Drugs

Preferred name-brand drugs are those the Prescription Drug Plan Administrator recommends based on various factors, including proven treatment effectiveness and cost as compared with alternative prescription drugs. You'll pay a lower copay for preferred brand name drugs than non-preferred brand-name drugs. For a list of preferred brand-name drugs, contact Express Scripts.

Specialty Medication Plan

For the Core and Buy-up Plans, there is a fourth tier of specialty medications with 20% coinsurance.

Purchasing Prescriptions through a Pharmacy

When you or a covered dependent need to have a prescription filled, follow these steps:

- Present your plan ID card to the pharmacist along with your prescription,
- Sign the voucher the pharmacist gives you, and
- Pay the copay or coinsurance to the pharmacy.

You do not have to submit a claim form for reimbursement. The copay or coinsurance applies each time a prescription is filled or refilled.

If you purchase your prescription from an out-of-network pharmacy or if you do not have your card with you at the time of purchase, you must pay the entire cost of the prescription and submit a claim form for reimbursement. You will be reimbursed for the amount submitted minus the applicable copay.

Express Scripts Exclusive Home Delivery Program

After an initial filling of a retail prescription plus 2 refills, you must use the mail service program. If you take medication on an ongoing basis, for example, for an ulcer, high cholesterol, blood pressure or diabetes, you must order your maintenance prescription drugs and refills through the mail. The first time you use the mail service pharmacy for a prescription, you must provide the pharmacy with an original new prescription from your doctor.

The law requires that pharmacies dispense the exact quantity prescribed by the physician. Therefore, if your physician authorizes the maximum order quantity, the prescription must be for a 90-day supply for you to receive that quantity. For example, if you take one tablet per day, your physician must write a prescription for 90 tablets. If you take two tablets per day, your physician must write a prescription for 180 tablets, etc. If your physician authorizes refills, these can be dispensed only when your initial order is nearly exhausted, so be sure to ask your physician to prescribe the normal supply, plus refills whenever appropriate.

Ordering New Prescriptions

Ask your doctor to prescribe your medication for 90 days (if the intended use is for at least 90 days) and, if applicable, have it noted that it can be refilled up to three times. If you need your new prescription filled immediately, ask your doctor for two prescriptions; one to fill at retail (14-day or 30-day, if cost-effective) and the other for mail service. Here is how the mail service program works:

- Ask your physician to prescribe needed medications for a 90-day supply, plus refills. If you are presently taking medication, ask your doctor for a new prescription.
- Send your original prescription(s) and one copayment or coinsurance for each prescription to your pharmacy benefits manager.
- Your pharmacy benefits manager will process your order and return your medications to you via US Mail or UPS, along with reorder instructions for future prescriptions and/or refills. Although your pharmacy benefits manager fills and ships your order within 48 hours of receipt, please allow 14 days from the time you mail in your order.

Refilling your Medication

When refilling your prescription through the mail service program, remember to reorder on or after the refill date indicated on the refill slip or on your medication container. Or, you can reorder when you have less than 14 days of medication left. Use the refill and order forms provided with your medication and mail them with your copayment.

Contact the member services number on the back of your prescription ID card or visit Express-Scripts.com to enroll in the Worry-Free Fills program.

Refills Online

You can reorder mail service prescriptions by logging onto the Express Scripts web site at

Express-Scripts.com. You should have your member ID number, the prescription number (the 12-digit number on your refill slip), and your credit card ready when you log on.

Drug Utilization Review

Under the drug utilization review program, prescriptions filled through the mail service program are examined for potential drug interactions based on your personal medication profile. A drug interaction occurs when certain drugs act together to result in an adverse effect on the body. This program is important if you or a covered dependent takes many different medications or is under the care of more than one doctor. If there is a question about your prescription, the pharmacist may contact your doctor before dispensing the medication.

Delivery of Your Medication

Your prescriptions are sent to you via the U.S. postal service or by United Parcel Service (UPS). Although your pharmacy benefits manager normally ships your prescription to you within 48 hours of receipt, **please allow 14 days for delivery from the date you mail your prescription order**. All orders are sent via US Mail or UPS, but allowing ample time will help you avoid the chance of running out of medication.

If the mail service pharmacy has questions about your prescription, they will contact your physician, and your prescription may be delayed. Note that if they cannot reach your physician, your prescription order will be returned to you unfilled.

Your enclosed medication will include instructions for refills, if applicable. Your package may also include information about the purpose of the medication, correct dosages and other important details.

At any time, you may check the status of your prescription by visiting the Express Scripts web site at Express-Scripts.com or calling Customer Service at 1-844-595-4152.

What Is Covered

Prescriptions covered under the Express Scripts program include all drugs bearing the legend "Caution: Federal law prohibits dispensing without a prescription" except as identified in *What Is Not Covered*. In addition, the following are specifically covered by this program when accompanied by a physician's prescription. Please note that this list is subject to change:

- Legend oral, transdermal or injectable and contraceptive devices,
- Insulin,
- Disposable insulin needles or syringes,
- Tretinoin, all dosage forms (for example, Retin-A), for individuals through the age of 25,
- Any other drug, which under the applicable state law, may be dispensed only upon the written prescription of a physician or other lawful prescriber,
- Legend prenatal vitamins,
- Injectables,
- Children's prescription vitamins, and
- Oral and injectable infertility agents.

Dispensing Limitations

The maximum quantity of drugs considered to be a qualifying expense may not exceed a 31-day supply when taken in accordance with the directions of a physician, except for certain maintenance drugs available through the mail order program, even though when taken in accordance with the directions of a physician would exceed a 31-day supply.

What Is Not Covered

Following is a list of prescription drugs that are not covered under the prescription drug programs:

- Growth hormones,
- Immunization agents, biological sera, blood or blood plasma,
- Levonorgestrel (Norplant),
- Minoxidil (Rogaine) for the treatment of alopecia,
- Non-legend drugs other than those listed above,
- Tretinoin, all dosage forms (for example, Retin-A), for individuals 26 years of age or older,
- Therapeutic devices or appliances, including support garments and other non-medicinal substances, regardless of intended use, except those listed above,
- Charges for the administration or injection of any drug,
- Drugs labeled “Caution – limited by federal law to investigational use,” or experimental drugs, even though a charge is made to the individual,
- Drugs, medicines, or supplies dispensed through the physician’s office or any non-pharmacy provider (for example, the manufacturer), for which the patient is charged,
- Medication that is to be taken by or administered to an individual, in whole or in part, while he or she is a patient in a licensed hospital, rest home, sanitarium, extended care facility, convalescent hospital, nursing home, or similar institution that operates on its premises, or allows to be operated on its premises, a facility for dispensing pharmaceuticals, and
- Any prescription refilled in excess of the number specified by the physician, or any refill dispensed after one year from the physician’s original date.

Medical Claims

Filing a Claim

If you visit an AmeriHealth Administrators network provider, your provider will handle claims filing on your behalf. If you visit a non-network provider, you will likely have to pay for the cost of your visit up front and then file a claim for reimbursement. Contact your Human Resources representative or AmeriHealth Administrators to obtain the appropriate claim form.

If you are required to submit a claim, be sure to include an itemized bill with diagnostic and procedural coding that also shows your name and address, the patient's name and age, and the doctor's or hospital's name and address. The completed claim should be sent to the claim address on your ID card. See the *Plan Administration* section for more information on initial claims procedures.

If Your Claim Is Denied

APPEAL PROCESS

Complaint Process

AHA has a process for a Covered Person to express complaints. To register a complaint, the Covered Person should call the Customer Service Department at the telephone number on their identification card or write to AmeriHealth Administrators at the address listed below.

AmeriHealth Administrators, Inc.
P.O. Box 21545
Eagan, MN 55121

Most Covered Persons' concerns are resolved informally at this level. However, if AmeriHealth Administrators is unable to immediately resolve the complaint, it will be investigated, and the Covered Person will receive a response in writing within thirty (30) days.

Appeal Process

Filing an Appeal AmeriHealth Administrators maintains procedures for the resolution of appeals. Appeals may be filed within 180 days of the receipt of a decision from AmeriHealth Administrators stating an adverse benefit determination. An appeal occurs when the Covered Person or another authorized representative requests a change of a previous decision made by AmeriHealth Administrators by following the procedures described here. In order to authorize someone else to be your representative for the appeal, you must complete a valid authorization form. Contact AmeriHealth Administrators at the address listed above to obtain a form to authorize an appeal by a provider or other representative or for questions regarding the requirements for an authorized representative.

The Covered Person or other authorized person on behalf of the Covered Person, may request an appeal by calling or writing to AmeriHealth Administrators, as stated in the letter notifying the Covered Person of the decision.

Types of Appeals The following are the two types of appeals and the issues they address.

- Medical Necessity Appeal – An appeal by or on behalf of a Covered Person that focuses on issues of Medical Appropriateness/Medical Necessity and requests AmeriHealth Administrators to change its decision to deny or limit the provision of a Covered Service. Medical Necessity appeals include appeals of adverse benefit determinations based on failure to meet established medical guidelines and peer review of medical appropriateness. It may also include the exclusions for Experimental/Investigational services or cosmetic services. Internal and External Appeals apply.*

- Administrative Appeal – An appeal by or on behalf of a Covered Person that focuses on unresolved disputes or objections regarding AmeriHealth Administrator's decision that concerns coverage terms such as exclusions and non-covered benefits, exhausted benefits, and claims payment issues. Although an administrative appeal may present issues related to Medical Appropriateness/Medical Necessity, these are not the primary issues that affect the outcome of the appeal. Internal and External Appeals apply.*
  - ***Step 1 - Internal Appeal** – An appeal filed with and completed by your health plan/plan administrator.
  - ***Step 2 - External Appeal** – An appeal filed with your health plan or designated external review agency to complete an evaluation and determination by an independent review organization (IRO).

Timeframe Classifications The timeframes described below for completing a review of each appeal depend on whether the appeal is classified as standard or urgent-care/expedited.

- Standard appeal timeframes apply to both pre-service appeals and post-service appeals that concern claims for non-urgent care.

  Standard pre-service appeal - An appeal for benefits that, under the terms of the Plan, must be pre-certified or pre-approved (either in whole or in part) before medical care is obtained in order for coverage to be available.

  Standard post-service appeal - An appeal for benefits that is not a Pre-service appeal. (Post-service appeals concerning claims for services that the Covered Person has already obtained do not qualify for review as expedited/urgent appeals.)

- Urgent-care/Expedited appeal timeframes may apply to pre-service or on-going requests for urgent care.

  Expedited appeal for urgent care – An appeal that provides faster review, according to the procedures described below, on a pre-service issue. AmeriHealth Administrators will conduct an urgent-care/expedited appeal on a pre-service issue when it determines, based on applicable guidelines, that delay in decision-making would seriously jeopardize the Covered Person's life, health or ability to regain maximum function or would subject the Covered Person to severe pain that cannot be adequately managed while awaiting a standard appeal decision.

Information for the Appeal Review including Matched Specialist's Report The Covered Person or other authorized person on behalf of the Covered Person, may submit to AmeriHealth Administrators additional information pertaining to your case. You may specify the remedy or action being sought. Upon request at any time during the appeal process, AmeriHealth Administrators will provide you or your authorized representative, free of charge, access to, and copies of, all relevant documents and records, including any additional information received and reviewed by the decision maker(s) on the appeal.

Input from a matched specialist is obtained for certain Medical Necessity Appeals. A matched specialist is a licensed physician or psychologist in the same or similar specialty as typically manages the care under review. The matched specialist cannot be the person who made the initial adverse benefit determination nor can it be a subordinate of the person who made that determination.

Appeal Decision makers AmeriHealth Administrators has representatives that have been designated to act as decision maker(s) on the appeal. The decision maker(s) did not make the initial adverse benefit determination at issue in the appeal. Each decision maker will review all relevant information for the appeal, whether from the Covered Person or his authorized representative, or obtained from other sources during the investigation of the appeal issues. If the additional information meets plan guidelines the appeal may be overturned by the decision maker(s). To avoid conflict of interest and for compliance with regulatory and accreditation requirements, AmeriHealth Administrators also utilizes peer medical reviewers including contracted external review organizations for matched-specialty (peer) reviews, and for review of administrative and medical necessity external appeal review requests. Matched specialty /peer reviewers were not involved in the initial review process and are not subordinates of the person who made the initial determination.

Right to Pursue Civil Action If you are enrolled in a group health plan that is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), you have the right to bring a civil action under Section 502(a) of the Act after completing the appeal processes described here.

Changes in Appeal Processes Please note that the Appeal processes described here may change due to changes that AmeriHealth Administrators makes to comply with applicable state and federal laws and regulations and/or accreditation standards or to improve the appeal processes.

External Review of Adverse Determination/Appeals

You are entitled to the external review process described below for all appeals of adverse determination (denials) concerning:

- Rescission of coverage;
- Medical judgment (including, based on the plans requirements, medical necessity, appropriateness, health care setting, level of care, effectiveness of a covered benefit; or its determination that a treatment is experimental or investigational), as determined by the external reviewer.
- A determination that a service is not a covered benefit;
- The imposition of a preexisting condition exclusion, source of injury exclusion, network exclusion, or other limitation on otherwise covered benefits;
- A determination that a benefit is experimental, investigational, or not medically necessary or appropriate;
- A denial, reduction, or termination of, or a failure to provide or make a payment (in whole or in part) for a benefit including a denial of part of the claim due to the terms of a plan or health insurance coverage regarding copayment, deductibles, or other cost sharing requirements.

Standard External Review Procedures

External appeals may be filed up to four (4) months after receipt of the notice from AmeriHealth Administrators of an adverse determination (denial) or final adverse determination (denial) for appeals involving the above stated issues.

You or your authorized representative can file an external appeal by calling the number listed on your ID card.

Preliminary Review

Within five (5) business days following the date of receipt of the external review request, we must complete a preliminary review of the request to determine eligibility for the external review.
Within one (1) business day after completion of this preliminary review, we must issue a written notification informing you if it is eligible for external review and if not, the reason why not and additional contact information. If your request is incomplete, we must inform you of the additional information needed to make the request for external review complete. If your request is eligible for external review you may submit, within ten (10) business days following the date of receipt of the notice, additional information that the Independent Review Organization (IRO) must consider when conducting the external review.

Referral to Independent Review Organization (IRO)

Eligible external review requests will be referred to a contracted independent accredited review organization.

Final external review decisions are made by the external review organization within 45 days and will be forwarded in writing to the claimant and AmeriHealth Administrators. The external review decision is binding on the Plan.

If you have any questions or concerns during the external review process or if you want to initiate an urgent care claim review, you (or your authorized representative) can call the number listed on your ID card.

Expedited External Review Process

If you (the claimant) have a medical condition where the timeframe for completion of a standard external review would seriously jeopardize your (claimant's) life or health or would jeopardize the ability to regain maximum function or if the matter concerns an admission, availability of care, continued stay, or health care item or service for which you received emergency services but have not been discharged from a facility then you or your authorized representative (including your healthcare provider with knowledge of your condition) may request an expedited external review.

You may make a written or oral request for the *expedited* (urgent) external review.

- Urgent care reviews may be initiated by calling toll free at 1-800-952-3404.

Preliminary Review

Immediately upon receipt, AmeriHealth Administrators will determine whether the request meets the eligible review requirements for an expedited (urgent) external review and will notify you of the eligibility for expedited (urgent) review or standard external review.

Referral to Independent Review Organization (IRO)

Upon the determination that a request is eligible for expedited (urgent) external review following the preliminary review AmeriHealth Administrators will assign an independent review organization and provide them all necessary documents and information considered in making the adverse determination or final adverse benefit determination.

If during the external review process, AmeriHealth Administrators reconsiders and decides to provide coverage; AmeriHealth Administrators will provide oral notice followed by written notice within 48 hours.

Notice of the Final External Review Decision

- The IRO/external examiner provides notice of the final external review decision.
- The decision is completed as expeditiously as the claimant's medical condition or circumstances require, but in no event more than 72 hours after the IRO receives the request for the expedited external review.
- If the notice is not in writing, within 48 hours after the date of providing that notice, the assigned IRO must provide written confirmation of the decision to you (the claimant) and AmeriHealth Administrators.

The external decision is binding on AmeriHealth Administrators.

Final Determination

Upon our receipt of the notice of the external review decision, if the adverse determination (denial) is reversed we immediately will authorize to provide the coverage or payment for the claim as required by federal rule set under the Patient Protection and Affordable Care Act.

Coordination of Benefits

The Coordination of Benefits (COB) provision applies to this Plan when an employee or the employee's covered dependent has healthcare coverage under more than one plan.

If the COB provision applies, the Order of Benefit Determination Rules should be looked at first. Those rules determine whether the benefits of this Plan are determined before or after those of another plan. The benefits of this Plan:

- Shall not be reduced when, under the Order of Benefit Determination Rules, this Plan determines its benefits before another plan; but
- May be reduced when, under the Order of Benefit Determination Rules, another plan determines its benefits first. The above reduction is described in Effect on the Benefits of this Plan.

Definitions

Plan refers to any of these which provides benefits or services for, or because of, medical or dental care or treatment:

- Group insurance or group-type coverage, whether insured or uninsured. This includes prepayment, group practice, or individual practice coverage. It does not include school accident-type coverage or group or group-type hospital indemnity benefits of $100 per day or less.
- Coverage under a governmental plan or required or provided by law. This does not include a state plan under Medicaid. It also does not include any plan when, by law, its benefits are in excess to those of any private insurance program or other nongovernmental program.

Each contract or other arrangement for coverage as described above is a separate plan. Also, if an arrangement has two parts and COB rules apply only to one of the two, each of the parts is a separate plan.

This Plan is the part of the group contract that provides benefits for healthcare expenses.

Primary plan/secondary plan ─ The Order of Benefit Determination Rules state whether this Plan is a primary plan or secondary plan as to another plan covering the person. When this Plan is a primary plan, its benefits are determined before those of the other plan and without considering the other plan's benefits. When this Plan is a secondary plan, its benefits are determined after those of the other plan and may be reduced because of the other plan's benefits. When there are more than two plans covering the person, this Plan may be a primary plan in relation to one or more other plans, and may be a secondary plan in relation to a different plan or plans.

Allowable expense means a covered expence, when the item of expense is covered at least in part by one or more plans covering the person for whom the claim is made. The difference between the cost of a private hospital room and the cost of a semi-private hospital room is not considered an allowable expense under this definition unless the patient's stay in a private hospital room is medically necessary either in terms of generally accepted medical practice, or as specifically defined in the Plan. When a plan provides benefits in the form of services, the reasonable cash value of each service rendered will be considered both an allowable expense and a benefit paid.

Claim determination period means a calendar year. However, it does not include any part of a year during which a person has no coverage under this Plan, or any part of a year before the date this COB provision or a similar provision takes effect.

Order of Benefits Determination Rules

General

When there is a basis for a claim under this Plan and another plan, this Plan is a secondary plan which has its benefits determined after those of the other plan, unless:

- The other plan has rules coordinating its benefits with those of this Plan, and
- Both those rules and this Plan's rules, as described below, require that this Plan's benefits be determined before those of the other plan.

Rules

This Plan determines its order of benefits using the first of the following rules which applies:

- Non-dependent/dependent. The benefits of the plan that covers the person as other than a dependent are determined before those of the plan that covers the person as a dependent.
- Dependent child — parents not separated or divorced. Except as stated below, when this Plan and another plan cover the same child as a dependent of different persons, called "parents":
  - the benefits of the plan of the parent whose birthday falls earlier in a year are determined before those of the plan of the parent whose birthday falls later in the year; but
  - If both parents have the same birthday, the benefits of the plan that covered the parent longer are determined before those of the plan that covered the other parent for a shorter period.

  However, if the other plan does not have the rule described above, but instead has a rule based on the parent's gender, and if, as a result, the plans do not agree on the order of benefits, the rule in the other plan will determine the order of benefits.
- Dependent child — parents separated or divorced. If two or more plans cover a person as a dependent child of divorced or separated parents, benefits for the child are determined in this order:
  - First, the plan of the parent with custody of the child,
  - Then, the plan of the spouse of the parent with custody of the child, and
  - Finally, the plan of the parent not having custody of the child.

  However, if the specific terms of a court decree state that one of the parents is responsible for the healthcare expenses of the child, and the entity obligated to pay or provide the benefits of the plan of that parent has actual knowledge of those terms, the benefits of that plan are determined first. This paragraph does not apply with respect to any claim determination period or plan year during which any benefits are actually paid or provided before the entity has that actual knowledge.
- Active/inactive employee. The benefits of a plan that covers a person as an employee who is neither laid-off nor retired (or as that employee's dependent) are determined before those of a plan that covers that person as a laid-off or retired employee (or as that employee's dependent). If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.
- Longer/shorter length of coverage. If none of the above rules determines the order of benefits, the benefits of the plan that covered an employee longer are determined before those of the plan that covered that person for the shorter time.

Effect on the Benefits of this Plan

This section applies when, in accordance with the Order of Benefit Determination Rules, this Plan is a secondary plan as to one or more other plans. In that event, the benefits of this Plan may be reduced under this section. Such other plan or plans are referred to as "the other plans."

Reduction in this Plan's Benefits

The benefits of this Plan will be reduced when the sum of:

- The benefits that would be payable for the allowable expenses under this plan in the absence of this COB provision, and
- The benefits that would be payable for the allowable expenses under the other plans, in the absence of provisions with a purpose like that of this COB provision, whether or not claim is made, exceeds those allowable expenses in the claim determination period. In that case, the benefits of this Plan will be reduced so that they and the benefits payable under the other plans do not total more than those allowable expenses.

When the benefits of this Plan are reduced as described above, each benefit is reduced in proportion. It is then charged against any applicable benefit limit of this Plan.

The Plan does not provide benefits for charges resulting from penalties, exclusions, or charges in excess of allowable limits imposed by HMO, non-HMO, or PPO providers resulting from failure to follow the required procedures for obtaining services or treatment.

Right to Receive and Release Needed Information

AmeriHealth Administrators has the right to release or obtain benefit information in order to implement this provision.

Facility of Payment

If payments should have been made under this Plan but were made under any other plan(s), AmeriHealth Administrators may make payments to the other plan(s) to satisfy the intent of the provision. Benefits under this Plan will then be deemed paid. AmeriHealth Administrators will no longer be liable for to make such payments on behalf of the Plan.

Right of Recovery

AmeriHealth Administrators has the right to recover any excess payments made to satisfy the intent of this provision.

Automobile Coverage

Benefits payable under this Plan will be coordinated with benefits provided or required by any no-fault automobile coverage statute, whether or not a no-fault policy is in effect, or with any other automobile coverage. This Plan will be secondary to any state-mandated automobile coverage for services and supplies eligible for consideration under this Plan.

General Provisions

Subrogation

In the event of any payments under the terms of the Plan, the Plan will be subrogated to all the subscriber's rights of recovery with respect to the involved services or supplies provided to the subscriber, against any person, party, or organization except against insurers on policies of

coverage issued to, and in the name of, the subscriber.

The subscriber shall pay the Plan all amounts recovered by suit, settlement or otherwise from any third party or his insurer to the extent of benefits provided or paid under the Plan and permitted by law. Notwithstanding anything contained in the Plan to the contrary, the right of subrogation is not enforceable where prohibited by law or regulation.

Limitation of Liability

AmeriHealth Administrators will not be liable for any injury(ies) or damage(s) resulting from acts or omissions of any person, institution, or other provider furnishing services or supplies to the subscriber. No legal action may be taken to recover benefits provided by the Plan until thirty (30) days after AmeriHealth Administrators has received a properly completed claim. In no event may such action be taken later than one year after services or supplies were performed or provided.

Right to Recover Excess Payments

AmeriHealth Administrators reserves the right to recover claim payments that exceed the benefits payable for covered services under this Plan. AmeriHealth Administrators may request that the payee, either a subscriber or provider, return the excess payment to AmeriHealth Administrators.

Notice of Claim

The Plan will not make benefits payments unless AmeriHealth Administrators receives proper notice that a subscriber incurred covered expenses. The subscriber must give AmeriHealth Administrators written notice within 60 days after incurring the expenses.

Failure to give notice to AmeriHealth Administrators within the specified period will not reduce any benefit if it is shown that the notice was given as soon as reasonably possible, but in no event will AmeriHealth Administrators be required to accept notice more than one year after covered expenses are incurred.

Health Insurance Portability and Accountability Act (HIPAA)

The Health Insurance Portability and Accountability Act (HIPAA), offers protection for millions of American workers by providing improved portability and continuity of health insurance coverage. The law:

- Limits exclusions for preexisting medical conditions,
- Provides credit for prior health coverage and a process for providing certificates concerning prior coverage to a new group health plan or issuer,
- Provides new rights that allow individuals to enroll in health coverage when they lose other health coverage or add a new dependent,
- Prohibits discrimination in enrollment and in premiums charged to employees and their dependents based on health-status-related factors,
- Guarantees availability of health insurance coverage for small employers and renewability of health insurance coverage in both the small and large group markets, and
- Preserves the states' role in regulating health insurance, including the states' authority to provide greater protection.

When Coverage Ends

Your coverage (and your eligible dependents' coverage) in the Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan ends on the earliest of the following:

- The last day of the month you are no longer employed by Conner Strong & Buckelew, and its Subsidiaries and Affiliates,
- The last day of the month you are not eligible for coverage due to a reduction in your regularly scheduled hours of work,
- The day Conner Strong & Buckelew, and its Subsidiaries and Affiliates no longer offers medical coverage, or
- If you fail to make any required contributions for coverage, the last day of the month for which you made the required contribution for coverage.

Your spouse or dependent child's coverage ends when they no longer meet the eligibility requirements. See *Eligible Dependents* for more information.

In certain cases listed above, you and/or your covered dependents may continue medical coverage for a limited time under COBRA. See the *Plan Administration* section for more information.

If You Leave Conner Strong & Buckelew, and its Subsidiaries and Affiliates

You may be eligible to continue coverage through COBRA. See the *Plan Administration* section for more information.

If You Have a Leave of Absence

If you have an approved leave under the Family Medical Leave Act (FMLA), you are still covered for medical benefits under the Plan, provided that you continue to pay your portion of the cost during your leave. See the *Plan Administration* section for more information.

If You Die

If you die while you are a Plan participant, your coverage ends. However, your eligible dependents may continue their coverage through COBRA. See the *Plan Administration* section for more information.

Glossary

Following are terms that apply to the AmeriHealth Administrators Medical Plans.

Ambulatory Surgical Center – A facility that:

- Has permanent facilities and equipment for the primary purpose of performing surgery on an outpatient basis,
- Provides such treatment by or under the supervision of an organized staff of doctors,
- Provides nursing services whenever the patient is in the facility,
- Does not provide inpatient accommodations,
- Is approved by the Joint Commission on Accreditation of Healthcare Organizations, or by the American Osteopathic Hospital Association, or by Medicare, or by AmeriHealth Administrators, and
- Is not, other than incidentally, a facility used as an office or clinic for the private practice of a professional provider.

Birthing Center – A public or private facility, other than private offices or clinics of physicians, which meet the free-standing birthing center requirements of the State Department of Health in the state where the covered person receives the services. It must be approved by AmeriHealth Administrators. The birthing center must provide: a facility that has been established, equipped, and operated for the purpose of providing prenatal care, delivery, immediate postpartum care, and care of a child born at the center; supervision of at least one specialist in obstetrics and gynecology; a physician or certified nurse midwife at all births and immediate post partum period; extended staff privileges to physicians who practice obstetrics and gynecology in an area hospital; at least two beds or two birthing rooms; full-time nursing services directed by an R.N. or certified nurse midwife; arrangements for diagnostic x-ray and lab services; the capacity to administer local anesthetic to perform minor surgery. In addition, the facility must accept only patients with low risk pregnancies, have a written agreement with a hospital for emergency transfers, and maintain medical records on each patient and child.

Annual Deductible – The amount of eligible expenses the subscriber is required to pay each calendar year before the Plan begins to pay benefits.

Certified Registered Nurse – A professional provider who:

- Is a certified registered nurse anesthetist, certified registered nurse practitioner, certified enterostomal therapy nurse, certified community health nurse, certified psychiatric mental health nurse, or certified clinical nurse specialist, and
- Is certified by the State Board of Nursing or a national nursing organization recognized by the State Board of Nursing.

Coinsurance – The specified percentage of covered expenses the subscriber is required to pay.

Conditions For Departments (for Qualifying Clinical Trials) — the conditions described in this paragraph, for a study or investigation conducted by the Department of Veteran Affairs, Defense or Energy, are that the study or investigation has been reviewed and approved through a system of peer review that the Government determines:

A. To be comparable to the system of peer review of studies and investigations used by the National Institutes of Health (NIH); and

B. Assures unbiased review of the highest scientific standards by Qualified Individuals who have no interest in the outcome of the review.

Custodial Care – Services and supplies furnished primarily to assist an individual in the activities of daily living. Activities of daily living include such things as bathing, feeding, administration of oral medicines, or other services that can be provided by persons without the training of a health care provider.

Doctor – A practitioner, other than a subscriber, who is acting within the scope of his license as a doctor of medicine, osteopathy, podiatry, dentistry, optometry, chiropractic, licensed speech pathologist, licensed audiologist, licensed teacher of the hearing impaired; or any other practitioner that AmeriHealth Administrators must, by law, recognize as a doctor legally entitled to render treatment.

Domestic Partner – A member of a Domestic Partnership consisting of two same sex partners, each of whom: (a) is unmarried, at least 18 years of age, resides with the other partner and intends to continue to reside with the other partner for an indefinite period of time; (b) is not related to the other partner by adoption or blood; (c) is the sole Domestic Partner of the other partner, with whom he/she has a close committed and personal relationship, and has been a member of this Domestic Partnership for the last six (6) months; (d) agrees to be jointly responsible for the basic living expenses and welfare of the other partner;(e) meets the requirements of any applicable federal, state, or local laws or ordinances for Domestic Partnerships; and (f) demonstrates financial interdependence by submission of proof of three (3) or more of the following documents: (i) a domestic partner agreement; (ii) a joint mortgage or lease; (iii) a designation of one of the partners as beneficiary in the other partner's will; (iv) a durable property and health care power of attorney; (v) a joint title to an automobile, or joint bank account or credit account; or (vi) such other proof as is sufficient to establish economic interdependency under the circumstances of the particular case. The Plan Sponsor reserves the right to request documentation of any of the foregoing prior to commencing coverage for the Domestic Partner.

A Domestic Partner is unable to legally marry the Plan member because of laws prohibiting marriage to persons of the same sex in the state of legal residence and has entered into a valid Civil Union relationship where such a union is legally recognized.

It is understood that the Employee has an affirmative obligation to notify the Plan Sponsor as soon as the Domestic Partner relationship has been terminated. Upon termination of the Domestic Partner relationship, coverage of the former Domestic Partner and the child or children of the former Domestic Partner shall terminate at the end of the month in which the relationship terminates.

Durable Medical Equipment – Equipment able to withstand repeated use for the therapeutic treatment of an active illness or injury. Such equipment will not be covered under this Plan if it could be useful to a person in the absence of an illness or injury and could be purchased without a physician's prescription.

Emergency Accident Treatment – Provider expenses charged for the initial treatment of an accidental injury. Such treatment must begin within 72 hours of the injury that is being treated and excludes ambulance services.

Emergency Medical Treatment – Provider expenses charged for the initial treatment of a condition with acute symptoms that is life threatening or that could cause serious damage to a bodily function. Such treatment must begin within 72 hours of the onset of the condition that is being treated and excludes ambulance services.

Experimental/Investigational – a drug, biological product, device, medical treatment or procedure which meets any of the following criteria:

A. Is the subject of ongoing clinical trials;

B. Is the research, experimental, study or investigational arm of an on-going clinical trial(s) or is otherwise under a systematic, intensive investigation to determine its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis;

C. Is not of proven benefit for the particular diagnosis or treatment of the Covered Person's particular condition;

D. Is not generally recognized by the medical community, as clearly demonstrated by Reliable Evidence, as effective and appropriate for the diagnosis or treatment of the Covered Person's particular condition; or

E. Is generally recognized, based on Reliable Evidence, by the medical community as a diagnostic or treatment intervention for which additional study regarding its safety and efficacy for the diagnosis or treatment of the Covered Person's particular condition, is recommended.

A drug will not be considered Experimental/Investigative if it has received final approval by the U.S. Food and Drug Administration (FDA) to market with a specific indication for the particular diagnosis or condition present. Any other approval granted as an interim step in the FDA regulatory process, e.g., an Investigational New Drug Exemption (as defined by the FDA), is not sufficient. Once FDA approval has been granted for a particular diagnosis or condition, use of the drug for another diagnosis or condition shall require that one or more of the established referenced Compendia identified in the Company's policies recognize the usage as appropriate medical treatment.

Any biological product, device, medical treatment or procedure is not considered Experimental/Investigative if it meets all of the criteria listed below:

A. Reliable Evidence demonstrates that the biological product, device, medical treatment or procedure has a definite positive effect on health outcomes.

B. Reliable Evidence demonstrates that the biological product, device, medical treatment or procedure leads to measurable improvement in health outcomes; i.e., the beneficial effects outweigh any harmful effects.

C. Reliable Evidence clearly demonstrates that the biological product, device, medical treatment or procedure is at least as effective in improving health outcomes as established technology, or is usable in appropriate clinical contexts in which established technology is not employable.

D. Reliable Evidence clearly demonstrates that improvement in health outcomes, as defined above in paragraph C, is possible in standard conditions of medical practice, outside clinical investigatory settings.

E. Reliable Evidence shows that the prevailing opinion among experts regarding the biological product, device, medical treatment or procedure is that studies or clinical trials have determined its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment for a particular diagnosis.

Facility – An institution or entity licensed, where required, to provide care. Such facilities include:

- Alcoholism treatment facility
- Ambulatory surgical center
- Birthing center
- Freestanding dialysis facility
- Freestanding outpatient facility
- Home healthcare agency
- Hospital
- Psychiatric hospital
- Rehabilitation facility
- Skilled nursing facility
- Substance abuse treatment facility

Home Health Care Agency – An agency, association, or part of a hospital that: (1) provides skilled nursing care in the patient's home for the treatment of a physical illness or injury that requires medical supervision and treatment; and (2) provides such care by or under the supervision of a Registered Nurse acting under the direction of a doctor; and (3) is approved by the Joint Commission on Accreditation of Healthcare Organizations or Medicare.

Hospice – A facility that: (a) is primarily engaged in providing palliative care to terminally ill individuals; and (b) is licensed and operated according to the laws of the state in which it is located and approved by AmeriHealth Administrators.

Hospital – A short-term, acute care facility that: (a) is a duly-licensed institution; and (b) is primarily engaged in providing inpatient diagnostic and medical services for the care or treatment of sick and injured persons; and (c) provides such care by or under the supervision of an organized staff of doctors; and (d) has organized departments of medicine; and (e) provides continuous 24-hour nursing service by or under the supervision of Registered Nurses; and (f) is approved by the Joint Commission on Accreditation of Healthcare Organizations, or by the American Osteopathic Hospital Association, or by AmeriHealth Administrators. A hospital is not, other than incidentally, a:

- Nursing home
- Place for rest
- Place for the aged
- Place for the provision of hospice care
- Place for the provision of rehabilitation care
- Place for the treatment of alcoholism or other drug abuse
- Place for the treatment of mental illness
- Skilled nursing facility
- Spa or sanitarium

Illness – Any bodily sickness, disease, or mental/nervous disorder. For the purposes of this plan,

pregnancy will be considered an illness.

Inpatient – A person who is treated as a registered overnight bed patient in a facility.

Licensed Practical Or Vocational Nurse (L.P.N. Or L.V.N.) – A nurse who has graduated from a formal practical or vocational nursing education program and is licensed by the appropriate state authority.

Life-Threatening Disease Or Condition (for Qualifying Clinical Trials) – any disease or condition from which the likelihood of death is probable unless the course of the disease or condition is interrupted.

Maintenance Care – Care provided to maintain the patient's current level of functioning or to prevent deterioration. Such care is not primarily provided for its therapeutic value in the treatment of an illness, disease, injury, or condition.

Medically Necessary (Or Medical Necessity) – Services or supplies provided by a provider that AmeriHealth Administrators determines are: (a) appropriate for the symptoms and diagnosis or treatment of the subscriber's condition, illness, disease, or injury; (b) provided for the diagnosis, or the direct care and treatment of the subscriber's condition, illness, disease, or injury; (c) in accordance with current standards of good medical practice; (d) not primarily for the convenience of the subscriber, or the subscriber's professional provider; and (e) the most appropriate supply or level of service that can safely be provided to the subscriber. When applied to hospitalization, this further means that the subscriber requires acute care as a bed patient due to the nature of the services rendered for the subscriber's condition, and the subscriber cannot receive safe or adequate care as an outpatient.

Mental Illness – An emotional or mental disorder characterized by an abnormal functioning of the mind or emotions and in which psychological, intellectual, emotional, or behavioral disturbances are the dominating feature. Mental or nervous disorders that have a demonstrable organic origin will not be considered mental illness.

Mental/Nervous Treatment Facility – A public or private facility, licensed and operated according to the law, which provides: a program for diagnosis, evaluation, and effective treatment of mental/nervous disorders; and professional nursing services provided by licensed practical nurses who are directed by a full-time R.N. The facility must have a physician on staff or on call. The facility must also prepare and maintain a written plan of treatment for each patient. The plan must be based on medical, psychological, and social needs.

Network Provider – A professional provider who has an agreement with AmeriHealth Administrators pertaining to payment for covered services.

Non-Network Provider – A professional provider who does not meet the definition of a network provider.

Nurse – A person acting within the scope of his/her license and holding the degree of Registered Graduate Nurse (R.N.), Licensed Vocational Nurse (L.V.N.), or Licensed Practical Nurse (L.P.N.)

Outpatient – Treatment either outside a hospital setting or at a hospital when room and board charges are not incurred.

Partial Hospitalization Treatment Facility – A public or private facility licensed and operated according to the law, which provides intensive therapy daily by a physician and licensed mutual healthcare providers [five (5) days per week for no more than eight (8) hours per day]. No room and board charges are incurred. This facility does not provide a place for rest, the aged, or convalescent care.

Physically Or Mentally Handicapped – The inability of a person to be self-sufficient as the result of a condition such as, but not limited to, mental retardation, cerebral palsy, epilepsy, or another neurological disorder and diagnosed by a physician as a permanent and continuing condition preventing the individual from being self-sufficient or other illness as approved by the Plan Administrator.

Prior Authorization – Written approval by AmeriHealth Administrators for medical or surgical treatment given prior to such treatment that outlines the plan's liability for such treatment. Such approval will be given only after AmeriHealth Administrators: (1) reviews the case; and (2) receives the subscriber's medical history and an explanation of the condition and treatment to be given (including any surgical procedures to be performed) written by the individual's doctor, and any supporting documentation.

Private Room – Accommodations in a room designed as such by the hospital, rehabilitation facility or skilled nursing facility and containing not more than one bed.

Qualified Individual (for Clinical Trials) — a Covered Person who meets the following conditions:

A. The Covered Person is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of cancer or other Life-Threatening Disease or Condition; and

B. Either:

1. The referring health care professional is a health care provider participating in the clinical trial and has concluded that the Covered Person's participation in such trial would be appropriate based upon the individual meeting the conditions described above; or

2. The Covered Person provides medical and scientific information establishing that their participation in such trial would be appropriate based upon the Covered Person meeting the conditions described above.

Qualifying Clinical Trial – a phase I, II, III, or IV clinical trial that is conducted in relation to the prevention, detection, or treatment of cancer or other Life-Threatening Disease Or Condition and is described in any of the following:

A. Federally funded trials: the study or investigation is approved or funded (which may include funding through in-kind contributions) by one or more of the following:

1. The National Institutes of Health (NIH);

2. The Centers for Disease Control and Prevention (CDC);

3. The Agency for Healthcare Research and Quality (AHRQ);

4. The Centers for Medicare and Medicaid Services (CMS);

5. Cooperative group or center of any of the entities described in 1-4 above or the Department of Defense (DOD) or the Department of Veterans Affairs (VA);

6. Any of the following, if the Conditions For Departments are met:

a. The Department of Veterans Affairs (VA);

b. The Department of Defense (DOD); or

c. The Department of Energy (DOE).

B. The study of investigation is conducted under an investigational new drug application reviewed by the Food and Drug Administration (FDA); or

C. The study or investigation is a drug trial that is exempt from having such an investigational new drug application.

In the absence of meeting the criteria listed above, the clinical trial must be approved by the Plan as a Qualifying Clinical Trial.

Routine Patient Costs Associated with Qualifying Clinical Trials – Routine patient costs include all items and services consistent with the coverage provided under this Plan that is typically covered for a Qualified Individual who is not enrolled in a clinical trial.
Routine patient costs do not include:

A. The investigational item, device, or service itself;

B. Items and services that are provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient; and

C. A service that is clearly inconsistent with widely accepted and established standards of care for a particular diagnosis.

Registered Nurse (R.N.) – A nurse who has graduated from a formal program of nursing education (diploma school, associate degree program, or baccalaureate program) and is licensed by the appropriate state authority.

Rehabilitation Facility – An institution or part of an institution that: (1) specializes in providing restorative and therapeutic services on an inpatient and outpatient basis for the treatment of a physical illness or injury, mental illness, drug addiction, and alcoholism; and (2) provides such services by or under the supervision of a staff of doctors; and (3) provides continuous 24-hour nursing service by or under the supervision of Registered Nurses; and (4) is approved by the Joint Commission on Accreditation of Healthcare Organizations or Medicare.

Reliable Evidence – Only published reports and articles in the authoritative medical and scientific literature; the written protocol or protocols used by the treating facility or the protocol(s) of another facility studying substantially the same drug, biological product, device, medical treatment or procedure; or the written informed consent used by the treating facility or by another facility studying substantially the same drug, biological product, device, medical treatment or procedure.

Second Surgical Opinion/Consultation – A written evaluation by another surgeon/specialist, who is not associated in practice with the first surgeon, as to the medical necessity of the surgery recommended by the first surgeon.
Skilled Nursing Care – All covered medical expenses charged for services that are primarily restorative and therapeutic in treatment of a physical illness or injury that requires medical supervision of a Registered Nurse acting under the direction of a doctor.

Skilled Nursing Facility – A public or private facility, licensed and operated according to the law, which maintains permanent and full-time facilities for ten or more resident patients; has a Registered Nurse or physician on full-time duty in charge of patient care; has at least one Registered Nurse or practical licensed nurse on duty at all times; maintains a daily medical record for each patient; and has transfer arrangements with a hospital, and a utilization review plan is in effect. The facility must be primarily engaged in providing continuous skilled nursing care for persons during the convalescent stage of the illness or injury, and is not, other than by coincidence, a rest home for custodial care or the aged. An institution or part of an institution that: (1) specializes in providing skilled nursing care on an inpatient basis for the treatment of a physical illness or injury

that requires extended medical supervision and treatment; and (2) provides such care by or under the supervision of a staff of doctors; and (3) provides continuous 24-hour nursing service by or under the supervision of Registered Nurses; and (4) is approved by the Joint Commission on Accreditation of Healthcare Organizations or Medicare.

Subscriber/Provider Relationship

- The choice of a provider is solely the subscriber's.
- The Plan does not furnish covered services but only makes payment for covered services received by subscribers. The Plan is not liable for any act or omission of any provider. The Plan has no responsibility for a provider's failure or refusal to render covered services to a subscriber.

Substance Abuse Treatment Facility – A public or private facility, licensed and operated according to the law that provides: a program for diagnosis, evaluation, and effective treatment of substance abuse; detoxification services; and professional nursing care provided by licensed nurses who are directed by a full-time R.N. The facility must have a physician on staff or on call.

The facility must also prepare and maintain a written plan of treatment for each patient based on medical, psychological, and social needs. A facility that: (a) is primarily engaged in providing detoxification or rehabilitation services for alcoholism or drug abuse; (b) is accepted by AmeriHealth Administrators and approved by the Joint Commission on Accreditation of Healthcare Organizations, or appropriate government agency; and (c) is also approved by the Pennsylvania Department of Health.

Therapy Services –The following services and supplies when prescribed by a doctor for the treatment of an illness or injury to promote the recovery of the subscriber:

- Radiation Therapy – Treatment of disease by X-ray, gamma ray, accelerated particles, mesons, neutrons, radium, or radioactive isotopes.
- Chemotherapy – Treatment of malignant disease by chemical or biological antineoplastic agents.
- Dialysis Treatment – Treatment of acute renal failure or chronic irreversible renal insufficiency for removal of waste materials from the body. This includes hemodialysis or peritoneal dialysis.
- Physical Therapy – Treatment by physical means, hydrotherapy, heat, or similar modalities, physical agents, bio-mechanical and neurophysiological principles, and devices to relieve pain and restore maximum function following disease, injury, or loss of body part.
- Respiratory Therapy – Introduction of dry or moist gases into the lungs for treatment purposes.
- Occupational Therapy – Treatment of a disabled person by means of constructive activities designed and adapted to promote the restoration of the person's ability to satisfactorily accomplish the ordinary tasks of daily living and those required by the person's particular occupational role.
- Speech Therapy – Treatment to restore speech lost or impaired through illness or injury, or to correct an impairment due to a congenital defect for which corrective surgery has been performed.

This Medical Plan section includes only a general description of the benefits available to you under the Conner Strong & Buckelew, and its Subsidiaries and Affiliates Medical Plan. The benefits described are subject to all the terms, conditions, limitations and definitions included in the Plan document. If there is a contradiction between the benefits described in this section and those provided in the Plan document, the Plan document will prevail.

Administered By

AMERIHEALTH ADMINISTRATORS, INC.
P.O. Box 21545
Eagan, MN 55121
(215) 657-8900

CONNER STRONG & BUCKELEW
COST BENEFITS ANALYSIS
ASSUMPTIONS AND NOTES

Camden Notes:

- Camden base rent is $62/sf for ten years then $37/sf for ten years. Based on this rent the average over 15 years is $53.67. 15 years is used for grant commitment period.
- Office space to be occupied solely by the Tenant in Camden is 90,000 sf. Rentable space includes a pro rata share of the shared 3rd floor, the mechanical space, the lobby space and the retail space. Tenant's pro rata share of the common space is 40,677 sf. Total Rentable SF is 130,677.
- All Camden one-time expenses are incurred by Landlord and are part of a Tenant allowance in the lease, including FF&E, Security, Relocation, Engineering Fees, Architect Fees, Owners Rep for Construction,. See attached Fit Out Budget.
- Camden Building Maintenance Cost: Camden operating expenses are $15.18/sf. NJ Operating expenses include real estate taxes, janitorial services, utilities, other building maintenance items, Common Area Association Dues. This cost is shown in Camden Building Maintenance Costs as one number. See Operating Expense Budget attached for line item breakdown.
- Camden building has on-site parking garage and fitness club.

Philadelphia Notes:

- The alternative location is 95,378 rentable square feet at 1601 Market Street, Philadelphia.
- Rent is $25.95/sf in year one with a 2.5% increase per year. Average rent over 15 years is $31.02.
- Furniture estimated at $28.70/sf of office space in both Camden and Philadelphia.
- Relocation Cost allowance of $3/sf provided by Landlord therefore not cost included in CBA.
- Other one-time costs in Philadelphia include Telephone/Data of $14/sf ($1,335,292); A/V $5/sf ($476,890); and Landlord construction management fee of 3% of fit out cost per LOI ($65/sf)($185,987). Total $1,998,169.
- Base rent in year one includes real estate tax assumed to be $2.47 in 2018 base year and operating expense assumed to be $8.21 in 2018 base year. Tenant responsible for any increase over first year taxes and operating expenses.
- Assume 3% annual increase in real estate tax less $2.47 in the base year equals $0.59/sf average over 15 years. Amount shown in Phila is annual costs. See attached spreadsheet for calculation.
- Assume 3% annual increase in operating expense less $8.97 base equals $2.15/sf average over 15 years. Amount shown in Property Insurance line item in the Phila annual costs. See attached spreadsheet for calculation.
- Building Maintenance Cost (janitorial) is not included in the LOI but tenant assumes $2.40 per sf per LOI.

- Phila. electric cost $2.20/sf per CBRE.
- Landlord provides a fit out allowance of $65/sf. Cost is less than Camden because Camden requires construction of all interior walls, electric, HVAC and plumbing where Philadelphia does not.

- Camden site includes parking. Other annual costs in Philadelphia include $200 per employee per month for 250 employees to park in city. It is assumed that some employees will take public transportation for which there will be no reimbursement.
- Camden site includes a fitness center on site. Other one-time costs in Philadelphia include $30 per employee per month for 250 employees to join health club. It is assumed that some employees will not use health club.
- Additional Philadelphia cost of $1.63 for use and occupancy per lease tax is shown.

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
MARLTON, NJ:						
055381	Administration	Corporate Services Specialist	MARLTON NJ	Yes	Yes	
055450	Administration	Corporate Services Specialist	MARLTON NJ	Yes	Yes	
055418	Administration	Corporate Services Specialist	MARLTON NJ	Yes	Yes	
031506	Administration	Corporate Services Supervisor	MARLTON NJ	Yes	Yes	
055412	Administration	Receptionist	MARLTON NJ	Yes	Yes	
055303	Administration	Sr Corporate Services Specialist	MARLTON NJ	Yes	Yes	
002862	Administration	Sr Corporate Services Specialist	MARLTON NJ	Yes	Yes	
002261	Administration	Supervisor, Reception & Scanning	MARLTON NJ	Yes	Yes	
055466	Claim Services	Associate Claim Consultant	MARLTON NJ	Yes	Yes	
055442	Claim Services	Claim Assistant	MARLTON NJ	Yes	Yes	
055411	Claim Services	Claim Assistant	MARLTON NJ	Yes	Yes	
055387	Claim Services	Claim Consultant	MARLTON NJ	Yes	Yes	
055389	Claim Services	Claim Consultant	MARLTON NJ	Yes	Yes	
051509	Claim Services	Senior Claim Analyst	MARLTON NJ	Yes	Yes	
055065	Claim Services	Senior Claim Consultant	MARLTON NJ	Yes	Yes	
024829	Major Accounts Department	Account Analyst	MARLTON NJ	Yes	Yes	
036744	Major Accounts Department	Associate Account Executive	MARLTON NJ	Yes	Yes	
053948	Major Accounts Department	Technical Assistant	MARLTON NJ	Yes	Yes	
055437	Employee Benefits Department	Administrative Assistant	MARLTON NJ	Yes	Yes	
054993	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
055071	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
055445	Employee Benefits Department	Employee Benefits Specialist	MARLTON NJ	Yes	Yes	
055465	Employee Benefits Department	Employee Benefits Specialist	MARLTON NJ	Yes	Yes	
055246	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
055172	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
055147	Employee Benefits Department	Benefits Administrator	MARLTON NJ	Yes	Yes	
055423	Employee Benefits Department	Benefits Administrator	MARLTON NJ	Yes	Yes	
055102	Employee Benefits Department	Benefits Administrator	MARLTON NJ	Yes	Yes	
055087	Employee Benefits Department	Manager	MARLTON NJ	Yes	Yes	
001568	Employee Benefits Department	Practice Leader	MARLTON NJ	Yes	Yes	
042560	Employee Benefits Department	Senior Benefits Administrator	MARLTON NJ	Yes	Yes	
049667	Employee Benefits Department	Senior Manager	MARLTON NJ	Yes	Yes	
055044	Employee Benefits Department	Technology Specialist	MARLTON NJ	Yes	Yes	
050959	Employee Benefits Department	EB Consultant	MARLTON NJ	Yes	Yes	
055287	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
055440	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
053947	Employee Benefits Department	EB Practice Leader	MARLTON NJ	Yes	Yes	
055307	Employee Benefits Department	Employee Benefits Specialist	MARLTON NJ	Yes	Yes	
039919	Employee Benefits Department	Employee Benefits Specialist	MARLTON NJ	Yes	Yes	
055069	Employee Benefits Department	Executive Assistant	MARLTON NJ	Yes	Yes	
055042	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
055045	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
055243	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
055367	Employee Benefits Department	Senior EB Consultant	MARLTON NJ	Yes	Yes	
055402	Employee Benefits Department	Practice Leader	MARLTON NJ	Yes	Yes	
055293	Employee Benefits Department	Sr Data Associate Consultant	MARLTON NJ	Yes	Yes	
055295	Employee Benefits Department	Associate Consultant Data Analytics	MARLTON NJ	Yes	Yes	
055365	Employee Benefits Department	Associate EB Consultant	MARLTON NJ	Yes	Yes	
055117	Employee Benefits Department	EB Consultant	MARLTON NJ	Yes	Yes	
055077	Employee Benefits Department	EB Consultant	MARLTON NJ	Yes	Yes	
055137	Employee Benefits Department	EB Practice Leader	MARLTON NJ	Yes	Yes	
055089	Employee Benefits Department	Emp Benefits Specialist-Wellness & Pop Health	MARLTON NJ	Yes	Yes	
055323	Employee Benefits Department	Employee Benefits Specialist	MARLTON NJ	Yes	Yes	
055436	Employee Benefits Department	Employee Benefits Specialist	MARLTON NJ	Yes	Yes	
055136	Employee Benefits Department	Mgr, Wellness & Population Health	MARLTON NJ	Yes	Yes	
001910	Employee Benefits Department	Senior Admin Assistant	MARLTON NJ	Yes	Yes	
055022	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
055377	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
055302	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
055124	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
055373	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
036583	Employee Benefits Department	Senior EB Consultant	MARLTON NJ	Yes	Yes	
028696	Employee Benefits Department	Senior EB Consultant	MARLTON NJ	Yes	Yes	
055164	Employee Benefits Department	Senior EB Consultant	MARLTON NJ	Yes	Yes	
055173	Employee Benefits Department	Associate Consultant Data Analytics	MARLTON NJ	Yes	Yes	
	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
	Employee Benefits Department	Compliance Analyst	MARLTON NJ	Yes	Yes	
055253	Employee Benefits Department	Associate Consultant Data Analytics	MARLTON NJ	Yes	Yes	
055380	Employee Benefits Department	Associate Sales Consultant	MARLTON NJ	Yes	Yes	
055289	Employee Benefits Department	Benefits Communications Mgr	MARLTON NJ	Yes	Yes	
055352	Employee Benefits Department	Benefits Compliance Assistant	MARLTON NJ	Yes	Yes	
051209	Employee Benefits Department	Benefits Compliance Assistant	MARLTON NJ	Yes	Yes	
055186	Employee Benefits Department	Benefits System Specialist	MARLTON NJ	Yes	Yes	
055197	Employee Benefits Department	Benefits System Specialist	MARLTON NJ	Yes	Yes	
006278	Employee Benefits Department	Benefits System Specialist	MARLTON NJ	Yes	Yes	
055433	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
002731	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
055419	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
055235	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
055382	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
055447	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
055242	Employee Benefits Department	Client Service Associate	MARLTON NJ	Yes	Yes	
055190	Employee Benefits Department	Communications Associate	MARLTON NJ	Yes	Yes	

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
055207	Employee Benefits Department	Communications Specialist	MARLTON NJ	Yes	Yes	
055241	Employee Benefits Department	Compliance Analyst	MARLTON NJ	Yes	Yes	
055376	Employee Benefits Department	Compliance Consultant	MARLTON NJ	Yes	Yes	
052056	Employee Benefits Department	Compliance Consultant	MARLTON NJ	Yes	Yes	
044870	Employee Benefits Department	Data Analytics Prod Suport Mgr	MARLTON NJ	Yes	Yes	
055196	Employee Benefits Department	Director Claims Audit Service	MARLTON NJ	Yes	Yes	
055093	Employee Benefits Department	EB Practice Leader	MARLTON NJ	Yes	Yes	
055390	Employee Benefits Department	Employee Benefits Specialist-Data Analytics	MARLTON NJ	Yes	Yes	
055073	Employee Benefits Department	Manager Consulting Support Services & Ops	MARLTON NJ	Yes	Yes	
055357	Employee Benefits Department	Manager Data Analytics	MARLTON NJ	Yes	Yes	
024378	Employee Benefits Department	Mgr Advocacy & Training	MARLTON NJ	Yes	Yes	
040033	Employee Benefits Department	Mgr Benefits Admin & Technolog	MARLTON NJ	Yes	Yes	
055429	Employee Benefits Department	Senior Associate Consultant	MARLTON NJ	Yes	Yes	
025466	Employee Benefits Department	Senior Executive Assistant	MARLTON NJ	Yes	Yes	
001412	Executive	Executive Chairman	MARLTON NJ	Yes	Yes	
039775	Executive	President/Chief Exec Officer	MARLTON NJ	Yes	Yes	
001978	Executive	Senior Executive Assistant	MARLTON NJ	Yes	Yes	
040087	Executive	Senior Executive Assistant	MARLTON NJ	Yes	Yes	
001742	Executive	Senior Executive Assistant	MARLTON NJ	Yes	Yes	
055049	Administration	Facility Manager	MARLTON NJ	Yes	Yes	
055336	Administration	Project Manager	MARLTON NJ	Yes	Yes	
005441	Financial Accounting	Accounting Operations Manager	MARLTON NJ	Yes	Yes	
055378	Financial Accounting	Accounting Representative	MARLTON NJ	Yes	Yes	
055415	Financial Accounting	Accounting Representative	MARLTON NJ	Yes	Yes	
005044	Financial Accounting	Accounting Representative	MARLTON NJ	Yes	Yes	
001526	Financial Accounting	Accounting Representative	MARLTON NJ	Yes	Yes	
044565	Financial Accounting	Accounts Payable Rep	MARLTON NJ	Yes	Yes	
001923	Financial Accounting	Assistant Controller	MARLTON NJ	Yes	Yes	
002135	Financial Accounting	Chief Financial Officer	MARLTON NJ	Yes	Yes	
017035	Financial Accounting	Controller	MARLTON NJ	Yes	Yes	
002232	Financial Accounting	Senior Executive Assistant	MARLTON NJ	Yes	Yes	
012103	Financial Accounting	Staff Accountant	MARLTON NJ	Yes	Yes	
055258	Financial Accounting	Staff Accountant	MARLTON NJ	Yes	Yes	
055264	Financial Accounting	Staff Accountant	MARLTON NJ	Yes	Yes	
001438	Major Accounts Department	Account Executive	MARLTON NJ	Yes	Yes	
001373	Employee Benefits Department	Senior Vice President	MARLTON NJ	Yes	Yes	
001483	Employee Benefits Department	Senior Executive Assistant	MARLTON NJ	Yes	Yes	
002213	Human Resources	Business Partner	MARLTON NJ	Yes	Yes	
055300	Human Resources	HR Director	MARLTON NJ	Yes	Yes	
055317	Human Resources	HR Specialist	MARLTON NJ	Yes	Yes	
001392	Human Resources	HR Specialist 2	MARLTON NJ	Yes	Yes	
035926	Human Resources	Payroll Manager	MARLTON NJ	Yes	Yes	

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
055171	Human Resources	Talent Acquisition Recruiter & Training Coord	MARLTON NJ	Yes	Yes	[redacted]
002406	Info & Tech	Applications Development Mgr	MARLTON NJ	Yes	Yes	[redacted]
055032	Info & Tech	Chief Technology Officer	MARLTON NJ	Yes	Yes	[redacted]
055140	Info & Tech	Information Technology Manager	MARLTON NJ	Yes	Yes	[redacted]
005532	Info & Tech	Reporting Analyst	MARLTON NJ	Yes	Yes	[redacted]
055290	Info & Tech	Senior Developer	MARLTON NJ	Yes	Yes	[redacted]
055252	Info & Tech	System Engineer	MARLTON NJ	Yes	Yes	[redacted]
055213	Info & Tech	System Engineer	MARLTON NJ	Yes	Yes	[redacted]
055345	Major Accounts Department	Account Analyst	MARLTON NJ	Yes	Yes	[redacted]
030676	Major Accounts Department	Account Executive	MARLTON NJ	Yes	Yes	[redacted]
055127	Major Accounts Department	Associate Account Executive	MARLTON NJ	Yes	Yes	[redacted]
055034	Major Accounts Department	Senior Account Manager	MARLTON NJ	Yes	Yes	[redacted]
055439	Major Accounts Department	Technical Assistant	MARLTON NJ	Yes	Yes	[redacted]
055318	Marketing & Communication	Marketing & Communications Specialist	MARLTON NJ	Yes	Yes	[redacted]
055031	Marketing & Communication	Marketing Director	MARLTON NJ	Yes	Yes	[redacted]
055174	Perma Risk Mgt	Account Executive	MARLTON NJ	Yes	Yes	[redacted]
031663	Perma Risk Mgt	Account Manager	MARLTON NJ	Yes	Yes	[redacted]
055237	Perma Risk Mgt	Customer Service Rep	MARLTON NJ	Yes	Yes	[redacted]
055083	Personal Risk Services	Account Analyst	MARLTON NJ	Yes	Yes	[redacted]
055355	Personal Risk Services	Account Analyst	MARLTON NJ	Yes	Yes	[redacted]
001381	Personal Risk Services	Account Manager	MARLTON NJ	Yes	Yes	[redacted]
019641	Personal Risk Services	Account Manager	MARLTON NJ	Yes	Yes	[redacted]
055364	Personal Risk Services	Account Manager	MARLTON NJ	Yes	Yes	[redacted]
055184	Personal Risk Services	Director of Private Client Group	MARLTON NJ	Yes	Yes	[redacted]
055409	Personal Risk Services	Technical Assistant	MARLTON NJ	Yes	Yes	[redacted]
	Personal Risk Services	Account Analyst	MARLTON NJ	Yes	Yes	[redacted]
030976	Production Department	Aviation Practice Leader	MARLTON NJ	Yes	Yes	[redacted]
002064	Production Department	Business Support Analyst	MARLTON NJ	Yes	Yes	[redacted]
055194	Production Department	Business Support Analyst	MARLTON NJ	Yes	Yes	[redacted]
042348	Risk Control	Associate Director	MARLTON NJ	Yes	Yes	[redacted]
020329	Risk Control	Senior Admin Assistant	MARLTON NJ	Yes	Yes	[redacted]
055244	Risk Control	Senior Admin Assistant	MARLTON NJ	Yes	Yes	[redacted]
			157			
PHILADELPHIA, PA:						
	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
055362	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
055298	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
055368	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
055356	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
055326	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
055404	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	[redacted]
055328	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055410	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055427	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055438	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055272	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055394	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055384	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055254	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055346	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055449	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055134	Major Accounts Department	Account Analyst	PHILADELPHIA PA	Yes	Yes	
055054	Major Accounts Department	Account Executive	PHILADELPHIA PA	Yes	Yes	[redacted]
004607	Major Accounts Department	Account Executive	PHILADELPHIA PA	Yes	Yes	
055350	Major Accounts Department	Account Executive	PHILADELPHIA PA	Yes	Yes	
018520	Major Accounts Department	Account Executive	PHILADELPHIA PA	Yes	Yes	
055283	Major Accounts Department	Account Executive	PHILADELPHIA PA	Yes	Yes	
	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	[redacted]
	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
055224	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
024955	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
055441	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
055372	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
055251	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
055425	Major Accounts Department	Account Manager	PHILADELPHIA PA	Yes	Yes	
055353	Major Accounts Department	Administrative Support Special	PHILADELPHIA PA	Yes	Yes	[redacted]
055168	Major Accounts Department	Alt Risk&Captive Practice Leader	PHILADELPHIA PA	Yes	Yes	
051424	Major Accounts Department	Associate Account Executive	PHILADELPHIA PA	Yes	Yes	
050176	Major Accounts Department	Associate Account Executive	PHILADELPHIA PA	Yes	Yes	
055023	Claim Services	Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	[redacted]
055405	Claim Services	Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055282	Claim Services	Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055395	Claim Services	Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055408	Claim Services	Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055432	Claim Services	Claim Assistant	PHILADELPHIA PA	Yes	Yes	
055400	Claim Services	Claim Assistant	PHILADELPHIA PA	Yes	Yes	
055413	Claim Services	Claim Assistant	PHILADELPHIA PA	Yes	Yes	
	Claim Services	Claim Assistant	PHILADELPHIA PA	Yes	Yes	
	Claim Services	Claim Assistant	PHILADELPHIA PA	Yes	Yes	
055424	Claim Services	Claim Consultant	PHILADELPHIA PA	Yes	Yes	[redacted]
055341	Claim Services	Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055407	Claim Services	Claim Consultant	PHILADELPHIA PA	Yes	Yes	

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
055250	Claim Services	Claim Consultant	PHILADELPHIA PA	Yes	Yes	
054992	Claim Services	Claim Services Director	PHILADELPHIA PA	Yes	Yes	
055248	Perma Risk Mgt	Claims Manager	PHILADELPHIA PA	Yes	Yes	
055314	Major Accounts Department	Compl And Legal Support Spec	PHILADELPHIA PA	Yes	Yes	
051181	Major Accounts Department	Construction Practice Leader	PHILADELPHIA PA	Yes	Yes	
045447	Major Accounts Department	Executive VP Major Accounts	PHILADELPHIA PA	Yes	Yes	
047067	Claim Services	General Counsel	PHILADELPHIA PA	Yes	Yes	
055369	Major Accounts Department	Life Sciences Co-Practice Leader	PHILADELPHIA PA	Yes	Yes	
002876	Production Department	Marketing Exec & Production Support Group Mgr	PHILADELPHIA PA	Yes	Yes	
055443	Production Department	Production Analyst	PHILADELPHIA PA	Yes	Yes	
055081	Major Accounts Department	Quality Management	PHILADELPHIA PA	Yes	Yes	
055414	Major Accounts Department	Receptionist	PHILADELPHIA PA	Yes	Yes	
055120	Major Accounts Department	Senior Account Executive	PHILADELPHIA PA	Yes	Yes	
043331	Major Accounts Department	Senior Account Executive	PHILADELPHIA PA	Yes	Yes	
055239	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055138	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055386	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055361	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055011	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055114	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055092	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
001473	Major Accounts Department	Senior Account Manager	PHILADELPHIA PA	Yes	Yes	
055030	Claim Services	Senior Claim Analyst	PHILADELPHIA PA	Yes	Yes	
055028	Claim Services	Senior Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055019	Claim Services	Senior Claim Consultant	PHILADELPHIA PA	Yes	Yes	
032505	Claim Services	Senior Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055306	Claim Services	Senior Claim Consultant	PHILADELPHIA PA	Yes	Yes	
054997	Claim Services	Senior Executive Assistant	PHILADELPHIA PA	Yes	Yes	
051510	Major Accounts Department	Senior Executive Assistant	PHILADELPHIA PA	Yes	Yes	
043032	Production Department	Senior Executive Assistant	PHILADELPHIA PA	Yes	Yes	
055301	Production Department	Senior Production Analyst	PHILADELPHIA PA	Yes	Yes	
050251	Production Department	Senior Production Analyst	PHILADELPHIA PA	Yes	Yes	
055180	Major Accounts Department	Senior Vice President	PHILADELPHIA PA	Yes	Yes	
055334	Claim Services	Sr Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	
055268	Claim Services	Sr Associate Claim Consultant	PHILADELPHIA PA	Yes	Yes	
045744	Major Accounts Department	Sr Executive Asst Supervisor	PHILADELPHIA PA	Yes	Yes	
055100	Production Department	Sr Production Support Tech	PHILADELPHIA PA	Yes	Yes	
055166	Major Accounts Department	Surety Manager	PHILADELPHIA PA	Yes	Yes	
	Major Accounts Department	Technical Assistant	PHILADELPHIA PA	Yes	Yes	
	Major Accounts Department	Technical Assistant	PHILADELPHIA PA	Yes	Yes	
	Major Accounts Department	Technical Assistant	PHILADELPHIA PA	Yes	Yes	
055434	Major Accounts Department	Technical Assistant	PHILADELPHIA PA	Yes	Yes	

File Number	Department	Title		Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
055375	Major Accounts Department	Technical Assistant		PHILADELPHIA PA	Yes	Yes	[redacted]
055370	Major Accounts Department	Technical Assistant		PHILADELPHIA PA	Yes	Yes	
055430	Major Accounts Department	Technical Assistant		PHILADELPHIA PA	Yes	Yes	
055422	Major Accounts Department	Technical Assistant		PHILADELPHIA PA	Yes	Yes	
040091	Production Department	VP Special Projects		PHILADELPHIA PA	Yes	Yes	[redacted]
			96				
OTHER NEW JOBS PRIOR TO 5/19:							
	Major Accounts Department	Account Executive		PHILADELPHIA PA	NEW	Yes	[redacted]
	Major Accounts Department	Account Executive		PHILADELPHIA PA	NEW	Yes	
	Major Accounts Department	Account Manager		PHILADELPHIA PA	NEW	Yes	
	Major Accounts Department	Account Manager		PHILADELPHIA PA	NEW	Yes	
	Major Accounts Department	Account Analyst		PHILADELPHIA PA	NEW	Yes	
	Major Accounts Department	Account Analyst		PHILADELPHIA PA	NEW	Yes	
	Major Accounts Department	Technical Assistant		PHILADELPHIA PA	NEW	Yes	
	Major Accounts Department	Technical Assistant		PHILADELPHIA PA	NEW	Yes	
	Claims Services	Claims Consultant		PHILADELPHIA PA	NEW	Yes	[redacted]
	Claims Services	Claims Consultant		PHILADELPHIA PA	NEW	Yes	
	Employee Benefits Department	EB Consultant		MARLTON NJ	NEW	Yes	
	Employee Benefits Department	EB Associate Consultant		MARLTON NJ	NEW	Yes	
	Employee Benefits Department	EB Associate Consultant		MARLTON NJ	NEW	Yes	
	Employee Benefits Department	Employee Benefits Specialist		MARLTON NJ	NEW	Yes	
	Employee Benefits Department	Employee Benefits Specialist		MARLTON NJ	NEW	Yes	
			15				
			268			268	[redacted]
						Avg Salary	
						Median	
Other Employees but less than 80% of time in Office:							
055344	Production Department	Bus Dev Executive		PHILADELPHIA PA	YES	No	
042362	Production Department	Bus Dev Executive		PHILADELPHIA PA	YES	No	
024349	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	
055062	Employee Benefits Department	Executive Administration		MARLTON NJ	YES	No	
038102	Employee Benefits Department	Executive VP Employee Benefits		MARLTON NJ	YES	No	
031507	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	
055444	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	
001814	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	
046500	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	
055043	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	
055068	Production Department	Bus Dev Executive		MARLTON NJ	YES	No	

File Number	Department	Title	Location	To Be Relocated	80% time in Office	Executives Cap at [redacted]
026429	Risk Control	Senior Risk Control Consultant	MARLTON NJ	YES	No	
003048	Risk Control	Executive Assistant	MARLTON NJ	YES	No	
055149	Risk Control	Risk Control Consultant	MARLTON NJ	YES	No	
055210	Risk Control	Senior Risk Control Consultant	MARLTON NJ	YES	No	
055291	Risk Control	Senior Risk Control Consultant	MARLTON NJ	YES	No	
055426	Risk Control	Risk Control Consultant	MARLTON NJ	YES	No	
055403	Risk Control	Senior Risk Control Consultant	MARLTON NJ	YES	No	
041889	Risk Control	Senior Risk Control Consultant	MARLTON NJ	YES	No	
			19			
			287			

GROW NJ ASSISTANCE PROGRAM
ADDITIONAL APPLICATION QUESTIONS

Application ID #209423
Applicant: Conner Strong & Buckelew
Company: Conner Strong & Buckelew
Project: New Headquarters
Product: Grow New Jersey Program

Directions: Answer all the questions listed below and attach to the project on-line application. For definitions of terms, see the Definitions listed at the bottom of the Grown NJ product page on NJEDA's website, or visit the following address: http://www.njeda.com/web/pdf/GrowNJDefinitions.pdf.

1) Is the project going to generate at least 50% of electricity needs via solar? **NO**

2) Is the project on an industrial premises and will the project be for industrial use? **NO**

3) To what LEED Standard will the project be built? **LEED Certified**

4) Is the project located in a mixed use development that incorporates sufficient moderate income housing to accommodate at least 20% of the full-time employees of the business? **NO**

5) Is the project a marine terminal development? **NO**

6) Is the project a Mega Project? **YES**

7) Is the applicant a United States headquarters of an automobile manufacturer, retaining at least 400 jobs, and located in the municipality in which it was located immediately prior to the filing this application? **NO**

8) Is the project a Qualified Incubator Facility? **NO**

9) Is the project in one of the following Targeted Industries? If yes, which one? Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance, excluding a primarily warehouse or distribution business. **NO**

10) Is the project a Tourism Destination Project? **NO**

11) Is the project a Transit Oriented Development? **YES**

New Jersey Economic Development Authority
The Development Subsidy Job Goals Accountability Act
Application Requirements

P# 209423 Applicant Name Conner Strong & Buckelew Companies, LLC

Start Date: 5/31/2019 End Date: 5/31/2029

1) Name of Chief Officer Michael Tiagwad

If applicable, name of Chief Officer of parent company N/A

2) If receiving or requesting subsidies from other State agencies, please list them below with the amount of the subsidy:

State Agency	Name of Subsidy Program	Requested/Approved	Amount
N/A	N/A	N/A	$0
		Total:	$0

3) Number of Employees:

	Full Time	Part Time	Temporary	Average/ Anticipated Average Annual Wage and Benefit Rate	Number Provided with Health Care Benefits	Number Represented by Collective Bargaining Agreement
At application	Collected in EDA application	Collected in EDA application	0	[redacted]	236	0
Retained as result of subsidy	174	0	0	[redacted]	N/A	N/A
New jobs created at project site as a result of the subsidy	Collected in EDA application	Collected in EDA application	0	[redacted]	113	0

4) The average total number of individuals employed in New Jersey during the calendar year preceding the submission of the application by the applicant's corporate parent and all subsidiaries thereof:

Full time 236 Part time 0 Temporary 0

5) Will the development subsidy reduce employment at any other site controlled by the applicant or its corporate parent, inside New Jersey, resulting from automation, merger, acquisition, corporate restructuring or other business activity? Please explain:

No.

6) Will the project involve the relocation of work from another address? If so, provide the number of jobs to be relocated and the address from which they are to be relocated. Please explain:

Yes. 174 jobs will be relocated from the existing business location in Marlton, New Jersey. An additional 98 jobs will be relocated from the existing business location in Philadelphia, Pennsylvania.

I, Michael Flagwad (Chief Officer or authorized representative), certify that the information provided is correct and meets the requirements of the Development Subsidy Job Goals Accountability Act. (http://www.njleg.state.nj.us/2006/Bills/PL07/200_.PDF)

M. Michael Flagwad

Signature

Date

CAMDEN OFFICE PROJECT

LANDLORD FIT OUT BUDGET ESTIMATE 386,900 Total Office Rentable SF

10/10/2016

Description	Estimate	Cost/SF	Comments
1 Furniture / Kitchen Equipment	$ 11,104,030	$ 28.70	
2 Tel/Data	$ 5,416,600	$ 14.00	
3 A/V + White Noise	$ 1,934,500	$ 5.00	
4 Security	$ 1,160,700	$ 3.00	
5 Relocation Expense	$ 773,800	$ 2.00	
6 Engineering + Architect	$ 2,127,950	$ 5.50	
7 Interior Build Out	$ 54,166,000	$ 140.00	Based on Prevailing Wage for Construction Work w/Contingency. Includes all Developer fees, Contractor fees & permits.
8 Perimeter Building Blinds	$ 696,420	$ 1.80	
9 Owners Rep for Construction	$ 3,869,000	$ 10.00	
TOTAL	$ 81,249,000	$ 210.00	

LAKE CENTER EXECUTIVE PARK OFFICE LEASE

BETWEEN

NNN Lake Center, LLC, NNN Lake Center 1, LLC, NNN Lake Center 2, LLC, NNN Lake Center 4, LLC, NNN Lake Center 5, LLC, NNN Lake Center 6, LLC, NNN Lake Center 7, LLC, NNN Lake Center 8, LLC, NNN Lake Center 9, LLC, NNN Lake Center 10, LLC, NNN Lake Center 11, LLC, NNN Lake Center 12, LLC, NNN Lake Center 13, LLC, NNN Lake Center 14, LLC, NNN Lake Center 15, LLC, NNN Lake Center 16, LLC, NNN Lake Center 17, LLC, NNN Lake Center 18, LLC, NNN Lake Center 19, LLC, NNN Lake Center 20, LLC, NNN Lake Center 21, LLC, NNN Lake Center 22, LLC, NNN Lake Center 24, LLC, NNN Lake Center 25, LLC, NNN Lake Center 26, LLC, NNN Lake Center 27, LLC, NNN Lake Center 28, LLC, NNN Lake Center 29, LLC, NNN Lake Center 30, LLC, and NNN Lake Center 31, LLC, each one a Delaware limited liability company ("Landlord") acting by and through Triple Net Properties Realty, Inc. ("Agent" for Landlord)

as Landlord

-and-

Conner Strong Companies, Inc.

(a New Jersey corporation)

as Tenant

Dated: December 5, 2008

Premises:

47,121 Rentable Square Feet
Third Floor - Suite 300
Fourth Floor – Suite 400
Lake Center IV
401 Route 73 North
Marlton, New Jersey 08053

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SCHEDULE OF EXHIBITS

EXHIBIT	TITLE (REFERENCE)
A	FLOOR PLAN OF THE DEMISED PREMISES
B	LEGAL DESCRIPTION
C	CONFIRMATION OF LEASE TERM
D	JANITORIAL SERVICES
E	RULES AND REGULATIONS
F	WORK LETTER AGREEMENT

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (this "**Sublease**") is made and entered into as of this 14th day of February, 2011, by and between **UNISYS CORPORATION**, a Delaware corporation ("**Sublandlord**") and **CONNER STRONG COMPANIES, INC.**, a New Jersey corporation ("**Subtenant**").

BACKGROUND:

Pursuant to that certain Lease Agreement dated December 20, 2007, as amended by First Amendment to Office Lease dated February 20, 2010 (as amended, the "**Master Lease**"), between Two Liberty Place, L.P., as landlord (the "**Master Landlord**"), and Sublandlord, as tenant (in such capacity, "**Tenant**"), Master Landlord leased to Tenant certain premises (the "**Leased Premises**") containing approximately 89,488 rentable square feet in the building known as "Two Liberty Place" located at 1601 Chestnut Street in Philadelphia, Pennsylvania (the "**Building**").

Sublandlord desires to sublease to Subtenant and Subtenant desires to sublease and take from Sublandlord a portion of the Leased Premises on the thirty-sixth (36th) floor of the Building containing approximately 23,015 square feet of rentable space (the "**Sublease Premises**"), as shown on Exhibit "B" attached hereto and made a part hereof, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the rents hereinafter reserved and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sublandlord and Subtenant hereby agree as follows:

1. Sublease Premises.

(a) Sublandlord hereby subleases unto Subtenant, and Subtenant hereby subleases from Sublandlord, the Sublease Premises, for the Term (as hereinafter defined) and subject to the terms and conditions hereinafter set forth.

Sublandlord will make the Sublease Premises available to Subtenant within ten (10) days after obtaining Master Landlord's Consent with terms acceptable to Subtenant (as hereinafter defined). If Subtenant assumes occupancy of the Sublease Premises prior to the Sublease Commencement Date (as hereinafter defined), all the terms and conditions of this Sublease shall apply to such early occupancy except Subtenant's obligation to pay Rent (as hereinafter defined).

(b) Subtenant shall have the same right to place signage at the entrance to the Sublease Premises and use of the Building directory in the lobby of the Building as are accorded to Sublandlord under the Master Sublease.

(c) Subtenant shall have access to the Sublease Premises on a 24/7/365 basis in accordance with the Master Lease.

2. Term. Subject to the receipt and acceptance by Subtenant of Master Landlord's Consent, the term of this Sublease (the "**Term**") shall commence on the earlier of (i) August 1, 2011, or (ii) the day on which Subtenant commences to use any portion of the Sublease Premises for the conduct of its business in the Sublease Premises (the "**Sublease Commencement Date**"), and shall terminate on March 31, 2019 (the "**Expiration Date**"), unless sooner terminated or extended as provided herein.

3. The Master Lease.

(a) This Sublease is subject to and subordinate in all respects to the Master Lease. Subtenant agrees that nothing herein contained shall be deemed to grant Subtenant any rights that would conflict with any of the covenants and conditions of the Master Lease, and Subtenant agrees that it will do nothing in, on or about the Sublease Premises which would result in the breach by Sublandlord of its undertakings and obligations under the Master Lease. Except as specifically provided in this Sublease, nothing contained in this Sublease shall be construed as a guarantee by Sublandlord of any of the obligations, covenants, warranties, agreements or undertakings of Master Landlord in the Master Lease.

(b) From and after the Sublease Commencement Date, except as set forth in the immediately succeeding sentence, the terms, covenants and conditions of the Master Lease annexed hereto as Exhibit "A" (collectively, the "**Incorporated Provisions**") are incorporated herein by reference with respect to the Sublease Premises, and Subtenant agrees to assume and be bound by the Incorporated Provisions and to perform all of those duties, responsibilities and obligations of Sublandlord under the Incorporated Provisions (the "**Master Lease Obligations**"), in each case substituting "Sublandlord" for "Master Landlord", "Subtenant" for "Tenant", "Sublease Premises" for "Premises", "Sublease" for "Lease" and, as the context requires, other words of similar import for the appropriate definition in this Sublease. Subtenant shall hold Sublandlord harmless from any damage, responsibility or liability which Sublandlord may incur by virtue of Subtenant's failure to perform any of the Master Lease Obligations. Sections 1(a), 2 (other than the definition of "Lease Year"), 3(a), the year specified in 3(b)(i), the percentage specified in 3(b)(ii), 3(i), 4, 12, 15, 32, 33, 34, and 38(a) and Exhibits A, B, F, G, H, K, L, M and N (collectively, the "**Excluded Provisions**"), are specifically excluded from the Incorporated Provisions and shall not be binding upon Subtenant and shall not be incorporated into the terms

of this Sublease. If any of the express provisions of this Sublease shall conflict with any of the Incorporated Provisions, such conflict shall be resolved in every instance in favor of the express provisions of this Sublease.

(c) In order to effectuate the understandings and intent of Sublandlord and Subtenant as set forth in this Sublease, Sublandlord and Subtenant agree as follows:

(i) Sublandlord's Rights under the Master Lease. Subtenant shall have no right, power or authority to amend, revise, terminate or waive any provision of or otherwise adversely affect the Master Lease or to sell, assign, transfer or convey the leasehold interest of Sublandlord in the Master Lease. With respect to the actual use and enjoyment of the Sublease Premises, Sublandlord will request that Master Landlord agree to receive requests from Subtenant directly and to act on such requests as though made by Sublandlord, but all at Subtenant's cost.

(ii) Sublandlord's Consent. Subject to the terms and provisions of this Sublease, to the extent that Master Landlord under the Master Lease has reserved the power to consent to or to object to an action to be performed by the tenant thereunder, Sublandlord reserves the same right to consent to or object to such action by Subtenant under this Sublease and to condition its consent on the prior consent of Master Landlord.

(iii) Master Landlord's Obligations. Notwithstanding anything to the contrary set forth in this Sublease, Sublandlord shall have no obligation to render any services (including without limitation elevator facilities, HVAC, water, cleaning or security services), repairs or restorations to Subtenant of any nature whatsoever or to expend any monies for the preservation, maintenance, restoration or repair of the Building, the Sublease Premises or any portion thereof, and Subtenant shall look solely to the Master Landlord for the furnishing of any services, maintenance, restoration or repairs with respect to the Building or the Sublease

Premises to which Subtenant may be entitled; provided, however, that Sublandlord shall cooperate (at Subtenant's sole costs and expense) with Subtenant to enforce the rights of Subtenant under the Master Lease but is only obligated to utilize commercially reasonable efforts in causing Master Landlord to perform under the Master Lease. Sublandlord shall in no event be liable to Subtenant nor shall the obligations of Subtenant hereunder be impaired or the performance thereof excused as the result of any failure or delay on the Master Landlord's part in furnishing services with respect thereto. If Master Landlord shall default in any of its obligations to Sublandlord with respect to the Sublease Premises, Subtenant shall have the right to exercise in its own name and that of Sublandlord (as Sublandlord's attorney-in-fact) all the rights to enforce compliance on the part of Master Landlord as are available to Sublandlord with respect to the Sublease Premises. Sublandlord hereby agrees to cooperate with (including, at Subtenant's request, exercising commercially reasonable efforts to enforce Master Landlord's obligations to Sublandlord under the Master Lease) and execute, all at Subtenant's expense, all instruments reasonably required by Subtenant to enforce such compliance. Any amount of recovery resulting from such enforcement obtained by either Subtenant or Sublandlord shall be the property of Subtenant. Notwithstanding the foregoing, in all cases where Sublandlord shall be entitled to an abatement, set-off or deduction of any rent payable by it pursuant to the provisions of the Master Lease by reason of a failure by Master Landlord to perform its obligations under the Master Lease to furnish services or make repairs to the Leased Premises or otherwise, Base Rent payable by Subtenant shall be correspondingly abated or reduced under this Sublease.

(d) Sublandlord's Performance Under the Master Lease. Sublandlord covenants and agrees that from and after the date hereof and during the term of this Sublease, Sublandlord shall comply in all respects with the requirements of the Master Lease and not take

any action or enter into any agreements which shall be in conflict with Sublandlord's obligations under this Sublease. Subtenant agrees to indemnify Sublandlord and hold Sublandlord harmless from all losses, damages, liabilities and expenses which Sublandlord may incur, or for which Sublandlord may be liable to Master Landlord, arising from the acts or omissions of Subtenant which are the subject matter of any indemnity or hold harmless of Sublandlord to Master Landlord under the Master Lease.

(e) Subtenant's Quiet Enjoyment. Sublandlord covenants that so long as Subtenant keeps, observes and performs all of the terms, conditions, provisions and agreements herein contained on the part of Subtenant to be kept, observed and performed, including, without limitation, payment of Rent (as hereinafter defined), Subtenant shall during the Term peaceably and quietly hold the Sublease Premises, subject to the Master Lease and subject to the terms, covenants, conditions, provisions and agreements hereof, free from hindrance by Sublandlord. The foregoing covenant shall not, however, in any way limit, supersede or override any other provision of this Sublease nor shall it require Sublandlord to guarantee or assure Subtenant against claims of Master Landlord or any other third party which do not arise out of a failure by Sublandlord to comply with its obligations under this Sublease or the Master Lease.

(f) Right of Sublandlord to Perform Subtenant's Obligations. If Subtenant shall fail to make any payment or perform any act required to be made or performed by Subtenant under this Sublease pursuant to Subtenant's assumption of the Master Lease Obligations under this Sublease, and such default is not cured by Subtenant within two-thirds (2/3rds) of the period specified in the Master Lease for curing such default, Sublandlord, without waiving or releasing any obligation or default hereunder, may (but shall be under no obligation to) make such payment or perform such act for the account and at the expense of Subtenant, and may take any and all such actions as Sublandlord in its reasonable discretion deems necessary or

appropriate to accomplish such cure. If Sublandlord shall reasonably incur any expense in remedying such default, Sublandlord shall be entitled to recover such sums upon demand from Subtenant as Additional Rent under this Sublease.

(g) Encumbering Title. Subtenant shall not do any act which shall in any way encumber the title of Master Landlord in and to the Building, nor shall the interest or estate of Master Landlord or Sublandlord be in any way subject to any claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by Subtenant, or by reason of any other act or omission of Subtenant. Any claim to, or lien upon, the Sublease Premises or the Building arising from any act or omission of Subtenant shall accrue only against the subleasehold estate of Subtenant and shall be subject and subordinate to the paramount title and rights of Master Landlord in and to the Building and the interest of Sublandlord in the premises leased pursuant to the Master Lease. Without limiting the generality of the foregoing, Subtenant shall not permit the Sublease Premises or the Building to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Subtenant or claimed to have been furnished to Subtenant in connection with work of any character performed or claimed to have been performed on the Sublease Premises by, or at the direction or sufferance of, Subtenant.

4. Use and Improvements.

(a) Subtenant shall use the Sublease Premises only the uses permitted under the Master Lease (each, a "**Permitted Use**"). Subtenant's use of the Sublease Premises shall at all times comply with any and all applicable laws, rules, regulations and ordinances of all governmental authorities having jurisdiction over the Sublease Premises which relate to Subtenant's use or occupancy of the Sublease Premises. The parties acknowledge that Subtenant has inspected the Sublease Premises and is fully familiar with the physical condition thereof.

Except as otherwise set forth herein, Subtenant agrees to accept the Sublease Premises on the Sublease Commencement Date vacant, broom clean and in the condition as of the date of this Sublease. Except for the Subleasehold Improvements, Subtenant shall not make or cause to be made any additions, improvements or alterations to the Sublease Premises without Sublandlord's prior written consent, which consent will not be unreasonably withheld or delayed. In the event that Sublandlord consents to any additions, improvements or alterations that require Sublandlord's consent, such additions, improvements and alterations shall be completed at Subtenant's sole cost and expense (other than the Construction Allowance) in accordance with plans approved by Sublandlord and Master Landlord and in compliance with all applicable laws, statutes, ordinances, codes, rules and regulations of governmental authorities having jurisdiction over the Sublease Premises and the Leased Premises.

(b) As a material inducement to Subtenant to enter into this Sublease, Sublandlord hereby agrees to provide to Subtenant a construction allowance in the amount of $1,006,906.20 (the "**Construction Allowance**"). Sublandlord shall advance the Construction Allowance to Subtenant to reimburse Subtenant for the actual cost of constructing Subtenant improvements within the Sublease Premises (the "**Subleasehold Improvements**"). At least $40.00 per square foot of the Construction Allowance must be spent on Hard Construction Costs (as defined in the Master Lease). The remainder of the Construction Allowance may be applied toward soft costs of engineering, designing, constructing and installing the Subleasehold Improvements in the Sublease Premises, cabling and wiring expenses, and Subtenant's moving costs. The Construction Allowance shall be advanced to Subtenant from time to time as follows: Subtenant shall have delivered to Sublandlord, for approval by Sublandlord (not to be unreasonably withheld, conditioned or delayed) a completed requisition for payment (in forms G701 and G702 issued by the American Institute of Architects), certified by an officer of

Subtenant and Subtenant's architect stating or accompanied by: (A) the amount being requested, (B) paid invoices for all labor and materials performed as part of such portion of the Subleasehold Improvements, (C) the amount of the Construction Allowance previously paid to Subtenant, (D) the value of labor and materials theretofore performed and incorporated in the Sublease Premises and the aggregate value of the entire Subleasehold Improvements to be performed, (E) that the Subleasehold Improvements completed to date have been performed in good and workmanlike manner in accordance with the Final Plans and Specifications, and in compliance with all applicable laws, and (F) releases of liens from all contractors and material suppliers. Within forty-five (45) days thereafter, Sublandlord shall pay to Subtenant the amount of the Construction Allowance specified in such requisition. All vouchers seeking payment or reimbursement from the Construction Allowance must be submitted to Sublandlord on or before February 1, 2012. Subtenant shall, at its sole cost and expense, cause a preliminary set of plans and specifications (the "**Preliminary Plans and Specifications**") to be prepared and shall deliver sets thereof (i) to Sublandlord for Sublandlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed, and (ii) to Master Landlord for its approval. Following such approval of the Preliminary Plans and Specifications, Subtenant shall, at its sole cost and expense, cause full construction drawings to be prepared on the basis of the Preliminary Plans and Specifications (the "**Final Plans and Specifications**") and shall deliver sets thereof (i) to Sublandlord for Sublandlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed, and (ii) to Master Landlord for its approval. Sublandlord and Subtenant acknowledge and agree that the time periods for review of the Preliminary Plans and Specifications, the Final Plans and Specifications, any proposed changes to each of the foregoing, and any other matters requested by Subtenant in connection with the Subleasehold Improvements shall be reviewed on a substantially concurrent basis by Sublandlord and Master

Landlord. If Master Landlord approves such Preliminary Plans and Specifications or such Final Plans and Specifications, as applicable, and Sublandlord fails either to approve or reject such Preliminary Plans and Specifications or such Final Plans and Specifications, as applicable, within three (3) business days after Sublandlord receives notice of Master Landlord's approval, Sublandlord shall be deemed to have approved such Preliminary Plans and Specifications or such Final Plans and Specifications, as applicable. Sublandlord shall provide Subtenant with its consent to such Preliminary Plans and Specifications or such Final Plans and Specifications, as applicable, or with a rejection thereof within ten (10) business days following submission thereof to Sublandlord. In the event Sublandlord shall fail to respond to any such submission by Subtenant of such proposed Preliminary Plans and Specifications or such proposed Final Plans and Specifications within such ten (10) business day period, Sublandlord's consent shall be deemed to be granted hereunder. In the event of any timely rejection of any Preliminary Plans and Specifications or Final Plans and Specifications, as applicable, by Sublandlord, Sublandlord shall provide Subtenant with detailed comments as to the changes required thereto in order to obtain Sublandlord's consent thereto. Upon re-submission of such Sublandlord hereby agrees to promptly, and in no event later than five (5) business days following receipt thereof, approve such revised Preliminary Plans and Specifications or Final Plans and Specifications, as applicable, if Subtenant's architect has certified that Sublandlord's requested changes have been made thereto.

In addition to the foregoing, if required by Master Landlord, Sublandlord shall, in no event later than three (3) business days following the written request of Subtenant, countersign a request for consent to the Preliminary Plans and Specifications or the Final Plans and Specifications, as applicable, to Master Landlord for its approval thereof in accordance with the Master Lease.

At any time after Sublandlord shall have delivered possession of the Sublease Premises to Subtenant pursuant to Section 1(a) above, Subtenant and its authorized agents, employees and contractors shall have the right, at Subtenant's own risk, expense and responsibility, to enter the Sublease Premises for the purpose of constructing the Subleasehold Improvements, and for such purpose, subject to the following terms and conditions:

(i) Sublandlord and Master Landlord shall have approved the Final Plans and Specifications.

(ii) The work shall be performed by responsible contractors and subcontractors reasonably satisfactory to Sublandlord who shall not prejudice Sublandlord's and Master Landlord's relationship with their contractors or subcontractors or disturb harmonious labor relations and who shall furnish in advance and maintain in effect Workmens' Compensation Insurance in accordance with statutory requirements and comprehensive public liability insurance (naming Sublandlord and Master Landlord as additional insureds) with limits satisfactory to Sublandlord and Master Landlord; provided, however, that if Master Landlord shall consent to the use of a contractor or subcontractor, then Sublandlord's consent to such contractor or subcontractor shall be deemed granted provided that Subtenant shall provide evidence of such consent to Sublandlord.

(iii) No such work shall be performed in such manner or at such times as to cause any delay in connection with any work being done by any of Sublandlord's contractors or subcontractors in the Leased Premises generally.

(iv) Subtenant shall obtain all building permits and other approvals required to construct the Subleasehold Improvements and shall cause all such Subleasehold Improvements to be constructed in full compliance with all applicable building and zoning codes and regulations.

(v) Prior to any entry by Subtenant or its employees, agents or contractors into the Sublease Premises, Subtenant shall comply fully with the insurance requirements set forth in Section 8 below. Subtenant further acknowledges that the indemnification provision set forth in Section 8 below shall apply to any activities performed by Subtenant, its agents, employees and contractors, pursuant to this Section 4.

(vi) Subtenant and its contractors and subcontractors shall be solely responsible for the transportation, safe keeping and storage of materials and equipment used in the construction of the Subleasehold Improvements, for the removal of waste and debris resulting therefrom, and for any damage caused by them to any installations or work performed by Sublandlord's contractors and subcontractors or to any other portions of the Leased Premises.

(vii) No such work shall be performed in such manner or at such times as to interfere with the use and enjoyment by other tenants and occupants in the Building of their premises. Subtenant shall coordinate with Master Landlord the times when building materials are brought into the Sublease Premises and debris is removed therefrom and the use of the Building elevators for such purposes.

All costs of Subleasehold Improvements in excess of the Construction Allowance shall be paid by Subtenant.

5. Rent. Subtenant shall pay as rent for the Sublease Premises, the aggregate of the following, all of which are hereby declared to be "**Rent**":

(a) Base Rent. Subtenant shall pay to Sublandlord at such place as Sublandlord may from time to time designate in writing, in coin or currency, which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent at the annual rates set forth below ("**Base Rent**"):

Time Period	Rent Per Square Foot	Annual Rent	Monthly Rent
Sublease Commencement Date – 9/30/2012	$0.00	$0.00[1]	$0.00[1]
Rent Commencement Date (10/1/2012) – 1/31/2013	$13.79	$317,376.85	$26,448.07
2/1/2013 – 1/31/2014	$20.50	$471,807.50	$39,317.29
2/1/2014 – 1/31/2015	$21.00	$483,315.00	$40,276.25
2/1/2015 – 1/31/2016	$21.50	$494,822.50	$41,235.21
2/1/2016 – 1/31/2017	$22.00	$506,330.00	$42,194.17
2/1/2017 – 1/31/2018	$22.50	$517,837.50	$43,153.13
2/1/2018 – 1/31/2019	$23.00	$529,345.00	$44,112.08
2/1/2019 – 3/31/2019	$23.50	$540,852.50	$45,071.04

(1) Base Rent is abated during the period from the Sublease Commencement Date to September 30, 2012; provided, however that Subtenant shall pay for all utilities consumed within the Sublease Premises and all City of Philadelphia School District Use and Occupancy Tax imposed upon the use and occupancy of the Sublease Premises.

Base Rent shall be paid in equal monthly installments in advance on or before the first day of each and every month during the Term (exclusive of electricity), without any set-off or deduction whatsoever. The **"Rent Commencement Date"** shall mean October 1, 2012. If the Rent Commencement Date occurs other than on the first day of a month, Base Rent for such month shall be prorated in accordance with the actual number of days in such month.

(b) Additional Rent.

(1) Real Estate Taxes and Operating Expenses. Commencing on the Rent Commencement Date, Subtenant shall pay as additional rent to Sublandlord within thirty (30) days following demand therefor (**"Additional Rent"**) twenty-five and seventy-two hundredths percent (25.72%) (**"Subtenant's Pro Rata Share"**) of all amounts payable by Sublandlord to Master Landlord in respect of Real Estate Taxes and Operating Expenses (each as

defined in the Master Lease) that may become due during the Term pursuant to the provisions of Section 3 of the Master Lease. In the event that the Master Lease requires the payment of such expenses in monthly installments, Subtenant shall pay its share of such installments to Sublandlord as and when they become due. Subtenant's Pro Rata Share of such costs shall be determined in the same manner as the Master Lease, except that the defined term "Base Year" in the Master Lease shall, for purposes of calculating the Additional Rent hereunder, be deemed to mean the calendar year 2011. Subtenant shall have the same right to audit the Operating Expenses and Real Estate Taxes as is accorded to Sublandlord under the Master Lease, and Sublandlord shall enforce it rights in respect thereof under the Master Lease.

(2) Subtenant shall pay any and all additional sums for heating, ventilating or air conditioning of the Sublease Premises that are actually charged by Master Landlord as and when such charges may become due. Electricity for the Sublease Premises shall be separately metered at Subtenant's cost and Subtenant shall pay all bills for such electricity directly to Master Landlord when due.

(3) Subtenant shall pay all City of Philadelphia School District Use and Occupancy Tax imposed upon the use and occupancy of the Sublease Premises when due.

(4) Any sums due to Sublandlord by Subtenant under this Sublease which are not Base Rent shall be deemed and considered to constitute "**Additional Rent**".

(c) Security Deposit.

(i) Upon receipt of the Master Landlord's Consent to this Sublease with terms acceptable to Subtenant, Subtenant shall pay to Sublandlord a Security Deposit of $26,448.07 under this Sublease (the "**Collateral**"), as security for the prompt, full and faithful

performance by Subtenant of each and every provision of this Sublease and of all obligations of Subtenant hereunder. If Subtenant fails to perform any of its obligations hereunder, Sublandlord may use, apply or retain the whole or any part of the Collateral for the payment of (i) any rent or other sums of money which Subtenant may not have paid when due, (ii) any sum expended by Sublandlord on Subtenant's behalf in accordance with the provisions of this Sublease, and/or (iii) any sum which Sublandlord may expend or be required to expend by reason of Subtenant's default, including, without limitation, any damage or deficiency in or from the reletting of the Sublease Premises as provided in this Sublease. The use, application or retention of the Collateral, or any portion thereof, by Sublandlord shall not prevent Sublandlord from exercising any other right or remedy provided by this Sublease or by law (it being intended that Sublandlord shall not first be required to proceed against the Collateral) and shall not operate as either liquidated damages or as a limitation on any recovery to which Sublandlord may otherwise be entitled. If any portion of the Collateral is used, applied or retained by Sublandlord for the purposes set forth above, Subtenant agrees, within ten (10) days after written demand therefor is made by Sublandlord, to deposit cash with the Sublandlord in an amount sufficient to restore the Collateral to its original amount. If Subtenant shall fully and faithfully comply with all of the provisions of this Sublease, the Collateral, or any balance thereof, shall be returned to Subtenant without interest after the expiration of the Term or upon any later date after which Subtenant has vacated the Sublease Premises.

(ii) Subtenant shall have the right and option, in lieu of depositing the Security Deposit in cash with Sublandlord, to furnish Sublandlord with an unconditional, irrevocable "clean" letter of credit in favor of Sublandlord in the amount of the Security Deposit (the "**Letter of Credit**"). The Letter of Credit must (i) be issued by a United States bank satisfactory to Sublandlord and otherwise in form satisfactory to Sublandlord, (ii) have an

expiratory date no earlier than twelve months from the date of the Letter of Credit and contain an "evergreen" provision providing for the automatic renewal of the Letter of Credit unless the issuing bank gives Sublandlord written notice of non-renewal at least sixty (60) days prior to the then current expiration date, and (iii) permit a drawing thereunder by any assignee of Sublandlord. If Subtenant delivers a Letter of Credit to Sublandlord and thereafter (A) the issuer thereof gives Sublandlord notice of non-renewal and Subtenant does not provide a replacement Letter of Credit complying with the requirements of this subsection to Sublandlord no later than thirty (30) days prior to the stated expiration date of the current Letter of Credit, or (B) Sublandlord determines in good faith that there has been a material decline in the credit worthiness of the issuing bank and Subtenant does not provide a replacement Letter of Credit complying with the requirements of this subsection within thirty (30) days after notice of such determination by Sublandlord, Sublandlord may draw upon the Letter of Credit and thereafter hold the proceeds thereof as cash Collateral pursuant to Section (5)(c)(i). In all other events the Letter of Credit shall be treated in the same manner as cash Collateral. Without limiting the generality of the preceding sentence, upon the occurrence of an Event of Default by Subtenant, Sublandlord may draw upon the Letter of Credit and apply the proceeds thereof as if such proceeds were originally deposited with Sublandlord as cash Collateral.

6. Representations and Warranties Regarding the Master Lease. As of the date hereof Sublandlord hereby represents and warrants to Subtenant as follows:

(a) Master Lease. A true, correct and redacted copy of the Master Lease is attached hereto as Exhibit "A" and such Master Lease has not been amended or modified. Sublandlord represents and warrants to Subtenant that the portions of the Master Lease redacted do not adversely affect Subtenant's occupancy of the Sublease Premises pursuant to this Sublease.

(b) Status. The Master Lease is in full force and effect and Sublandlord shall observe and perform all of the terms, conditions, provisions and agreements in the Master Lease during the Term.

(c) Rent. All rents and other amounts (including additional rent and other charges) reserved or required under the Master Lease have been paid to the extent they were payable prior to the date hereof.

(d) No Default. Sublandlord is not in default under the Master Lease and, to the best of Sublandlord's knowledge, there is no existing default by Master Landlord under the Master Lease. To the best of Sublandlord's knowledge, there are no claims, offsets or defenses existing against the enforcement of the Master Lease by either Sublandlord or Master Landlord.

7. Master Lease Notices. From and after the date hereof Sublandlord and Subtenant shall each, within two (2) business days after receipt thereof, deliver to the other true, complete and exact copies of any notices, demands, communications or other instruments or documents received from, or given by or to Master Landlord, by either of them pertaining to any default under the Master Lease or in any way relating to or affecting this Sublease or the Sublease Premises. Sublandlord and Subtenant shall each immediately furnish the other with any and all information such party may request concerning performance by the other party of the covenants of the Master Lease.

8. Insurance; Indemnification; Waiver of Subrogation.

(a) Insurance under Master Lease. From and after the Sublease Commencement Date, Subtenant shall, at a minimum, obtain, pay for and provide or cause to be provided any and all insurance policies with the coverages and types of insurance carriers all as may be required to be obtained and carried by Sublandlord under, and in conformance and compliance with, the Master Lease. With Sublandlord's prior written approval, any insurance

required of Subtenant under this Sublease may be furnished by Subtenant under a blanket policy so long as and provided such policy:

(i) Strictly complies with all other terms and conditions contained in this Sublease; and

(ii) Contains an endorsement that:

(1) identifies with specificity the particular address of the Sublease Premises as being covered under the blanket policy;

(2) provides a minimum guaranteed coverage amount per occurrence for the Sublease Premises as required pursuant to the Master Lease; and

(3) expressly waives any pro rata distribution requirement contained in Subtenant's blanket policy covering the Sublease Premises.

(b) Sublandlord and Master Landlord shall be named as an additional insured on any liability insurance policies carried by Subtenant. Sublandlord agrees to maintain, throughout the term, all insurance coverage which it is required to carry pursuant to the terms of the Master Lease.

(c) Insurance Certificates. All policies provided for under this Sublease shall provide for at least thirty (30) days' prior written notice of cancellation by the insurer to Sublandlord. Subtenant shall furnish to Sublandlord on the Sublease Commencement Date and not less than thirty (30) days before the expiration of any such policy a certificate evidencing, or if requested by Sublandlord in writing a copy of, each insurance policy.

(d) Waiver of Subrogation. Each party hereby waives any and all rights of recovery against the other party hereto and its officers, agents, employees, or representatives for the loss, damage, or injury to property arising from any event which is covered by insurance against fire, vandalism, malicious mischief, and extended coverage, and such other perils as are

from time to time included in the "all risk" insurance policy(ies) carried by Sublandlord and Subtenant pursuant to this Section 8 provided that such waiver shall apply only to the extent of any recovery by the injured party under such insurance and further provided such waiver does not violate the terms and conditions of the Master Lease or affect the insurance coverage provided by Master Landlord pursuant to the Master Lease. Each party hereto, on behalf of its respective insurance companies hereby waives, to the extent of any recovery under any such insurance policies, any right of subrogation that one may have against the other. Each party hereto shall use commercially reasonable efforts to cause its respective insurance policies to contain endorsements evidencing such waivers of subrogation. The foregoing releases and waivers of subrogation shall be operative only so long as same shall neither preclude the obtaining of insurance nor diminish, reduce or impair the liability of any insurer. In the event that a waiver of subrogation cannot be obtained, the other party is relieved of the obligation to obtain a waiver of subrogation rights with respect to the particular insurance involved.

(c) Indemnification Obligations.

(i) Subtenant shall defend, indemnify and hold harmless Sublandlord and its partners, officers, shareholders, directors, members, managers, trustees, beneficiaries, employees, principals, contractors, licensees, invitees, servants, agents, and representatives against and from all costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims, and demands of every kind or nature, including reasonable counsel fees, by or on behalf of any person, entity or governmental authority whatsoever arising out of (i) any failure by Subtenant to perform any of the agreements, terms, covenants or conditions of this Sublease on Subtenant's part to be performed, (ii) any accident, injury or damage that happens in, about or outside the Sublease Premises caused by the willful or negligent act or omission of Subtenant, its agents, servants, or employees, or (iii) Subtenant's failure to comply with any

laws, ordinances, requirements, orders, directions, rules, or regulations of any federal, state, county, or municipal governmental authority or agreement of record affecting the Sublease Premises; except, in each case of the foregoing, to the extent such costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims, shall have been caused by or due to the negligence or willful misconduct of Master Landlord or Sublandlord, or any contractor, agent, employee or licensee of Master Landlord or Sublandlord or the negligence or willful misconduct of any subtenant of Sublandlord (other than Subtenant) or any other tenant of Landlord.

(ii) Sublandlord shall defend, indemnify and hold harmless Subtenant and its partners, officers, shareholders, directors, members, managers, trustees, beneficiaries, employees, principals, contractors, licensees, invitees, servants, agents, and representatives against and from all costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims, and demands of every kind or nature, including reasonable counsel fees, by or on behalf of any person, entity or governmental authority whatsoever arising out of (i) any failure by Sublandlord to perform any of the agreements, terms, covenants or conditions of this Sublease and the Master Lease on Sublandlord's part to be performed, (ii) any accident, injury or damage that happens in, about or outside the Sublease Premises caused by the willful or negligent act or omission of Sublandlord, its agents, servants, or employees, or (iii) Sublandlord's failure to comply with any laws, ordinances, requirements, orders, directions, rules, or regulations of any federal, state, county, or municipal governmental authority or agreement of record affecting the Sublease Premises; except, in each case of the foregoing, to the extent such costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims, shall have been caused by or due to the negligence or willful misconduct of Master Landlord or Subtenant or any contractor, agent, employee or licensee of Master Landlord

or Subtenant.

9. Damage or Destruction.

(a) Repair and Restoration. If the Sublease Premises, or any part thereof, shall at any time or times after the Sublease Commencement Date during the continuance of the Term of this Sublease be destroyed or damaged by fire or other casualty, Sublandlord shall not be obligated to undertake any repair or restoration of the Sublease Premises. In the event Master Landlord has not completed restoration of the Sublease Premises within one hundred eighty (180) days from the date of casualty (subject to delay due to shortages of labor or materials or other reasons beyond Master Landlord's control), Subtenant may terminate this Sublease by written notice to Sublandlord within thirty (30) days following the expiration of such 180-day period (as extended for reasons beyond Master Landlord's control as provided above) unless, within thirty (30) days following receipt of such notice, Master Landlord has substantially completed such restoration and delivered the Sublease Premises to Subtenant for occupancy. Notwithstanding the foregoing, in the event the casualty occurs during the last year of the Term, either party shall have the right to terminate this Sublease upon not less than thirty (30) days' notice to the other party. In the event that the Master Lease is not terminated and Master Landlord undertakes to repair the Leased Premises pursuant to the Master Lease, then this Sublease shall continue in full force and effect, and Subtenant's rights shall at all times remain subject to the rights of Master Landlord under the Master Lease. In the event that this Sublease is not terminated, Subtenant shall take possession of the Sublease Premises at such time as Master Landlord has substantially completed all repairs to the Sublease Premises in compliance with the terms and conditions of the Master Lease.

(b) Abatement of Rent. In the event of fire or other casualty, Rent shall abate pursuant to the terms and provisions of the Master Lease.

(c) Termination of Sublease. Notwithstanding anything to the contrary in the Incorporated Provisions or herein contained, if all or part of the Sublease Premises are destroyed so as to render the Sublease Premises untenantable for their intended purposes, Subtenant shall have the right to terminate this Sublease as of the date of such destruction (the "**Casualty Date**") if Sublandlord is entitled to terminate the Master Lease as to the Sublease Premises, and Rent shall be accounted for as between Sublandlord and Subtenant as of the Casualty Date.

10. Condemnation.

(a) Total. In the event that after the date hereof all or substantially all of the Sublease Premises or the Building shall be taken or damaged by the exercise of the power of eminent domain, then (whether or not this Sublease shall terminate by operation of law upon such exercise of the power of eminent domain) this Sublease shall terminate effective as of the date of such taking and Rent shall be prorated to such date of termination, and any prepaid Base Rent or Additional Rent shall be refunded to Subtenant. Subtenant shall not be entitled to any award or portion thereof arising from such taking. Subtenant shall have the right to bring a separate action to recover its business, moving or relocation expenses and/or the loss of Subtenant's personal property so long as such award does not diminish the award otherwise payable to Sublandlord or Master Landlord.

(b) Partial. In the event that after the date hereof a portion of the Leased Premises or the Sublease Premises is taken or damaged by the exercise of the power of eminent domain and the Master Lease is not terminated pursuant to the provisions of the Master Lease, then this Sublease shall not terminate but Rent shall be apportioned based upon the proportion of the Sublease Premises not so taken or damaged. Subtenant shall not be entitled to any award or any portion thereof arising from such partial taking. Subtenant shall have the right to bring a separate action to recover its business, moving or relocation expenses and/or the loss of

Subtenant's personal property so long as such award does not diminish the award otherwise payable to Sublandlord.

Notwithstanding anything herein to the contrary, if the part of the Building so Taken contains more than 10% of the total area of the Sublease Premises, or the Leased Premises or the Sublease Premises is taken or damaged by the exercise of the power of eminent domain so that the Sublease Premises cannot be used for their intended purposes, Subtenant shall have the option to terminate this Sublease as of the date of such taking by giving written notice to Sublandlord on or before thirty (30) days following the date of such taking and Rent shall be accounted for as between Sublandlord and Subtenant as of the date of such taking.

11. Subtenant's Estoppel Certificate. Subtenant agrees, at any time and from time to time, upon not less than ten (10) business days' prior written request by Sublandlord, to execute, acknowledge and deliver a statement in writing certifying (i) that this Sublease is unmodified and in full force and effect (or, if there have been modifications, that this Sublease is in full force and effect, as modified, and stating the modifications), (ii) the date to which Rent and other charges have been paid by Subtenant, (iii) whether or not there is any existing default by Subtenant or Sublandlord under this Sublease and specifying any such breach or default known to Subtenant, and (iv) such other statements regarding the Sublease as Sublandlord may reasonably request.

12. Assignment and Subleases.

(a) Subtenant Assignment. Subtenant shall be permitted to assign or sub-sublease all or any part of its right, title and interest in this Sublease or any part of its interest in the Sublease Premises only upon receiving the prior written consent of Sublandlord, which consent shall not be unreasonably withheld, conditioned or delayed, and subject to any consent required from Master Landlord as set forth in the Master Landlord's Consent or the Master Lease. Sublandlord shall have the right to reject any proposed sub-sublease only in accordance

with the terms of Section 16(b)(ii) of the Master Lease.

(b) Notwithstanding anything to the contrary contained herein, if the consent of Sublandlord and Master Landlord are required with respect to any proposed assignment of this Sublease or a further subletting of the Sublease Premises, Sublandlord agrees that Subtenant may seek the consent of Sublandlord to such assignment or subletting concurrently with its request for Master Landlord's consent to such assignment or subletting. Sublandlord shall, within two (2) business days following the written request of Subtenant, countersign a request for Master Landlord's consent to such proposed assignment or subletting to Master Landlord's for its approval in accordance with the Master Landlord's Consent. If Master Landlord approves a proposed assignment or subletting and Sublandlord fails either to reject or approve the proposed assignment or subletting within ten (10) business days after receipt of Master Landlord's consent, Sublandlord shall be deemed to have approved the proposed assignment or subletting.

(c) Notwithstanding anything in this subsection 12(a) to the contrary, Subtenant shall have the right to (A) assign this Sublease to (i) an entity that is a successor to Subtenant either by merger, consolidation, reorganization or recapitalization, (ii) a purchaser of all or substantially all of Subtenant's assets or (iii) an entity that acquires a majority of the stock or other beneficial ownership interests in Subtenant; or (B) an assignment of this Sublease or further subletting of the Sublease Premises by Subtenant to any entity which is controlled by Subtenant or which controls Subtenant or is under common control with Subtenant, in each case, without first obtaining Sublandlord's consent, subject, however, to any consent required from Master Landlord under the Master Lease or the Master Landlord's consent. An initial public offering of stock in Subtenant shall not be deemed an assignment under the terms of this subsection 12(a).

(d) No assignment of this Sublease or subletting of all or any portion of the

Sublease Premises shall relieve Subtenant from any liability hereunder.

(e) Sublandlord Assignment. From and after the Sublease Commencement Date, Sublandlord shall be entitled to assign its interest in the Master Lease, subject to this Sublease, with thirty (30) days prior written notice to Subtenant and/or this Sublease to any person it shall so desire free of any obligation or duty to secure the consent of Subtenant. Any assignment permitted under this subsection 12(b) shall be effective to release Sublandlord from any and all future obligations under this Sublease so long as such assignee shall assume all of the obligations of Sublandlord under this Sublease and, except that any such assignment shall not, in any way, increase any of the obligations, nor diminish any rights, of Subtenant hereunder.

13. Condition of Sublease Premises.

(a) Condition. Except as expressly set forth in this Sublease, Subtenant acknowledges that Sublandlord has made no representations regarding the Sublease Premises as to adequacy and/or fitness for Subtenant's proposed use thereof, or for any use. From and after the Sublease Commencement Date, Subtenant's maintenance and repair obligations with respect to the Sublease Premises shall, to the extent applicable, be identical to Sublandlord's maintenance and repair obligations as set forth in the Master Lease.

(b) Upon Termination. At the Expiration Date or upon any other termination of this Sublease, Subtenant shall deliver up the Sublease Premises and all improvements and fixtures existing thereon in the condition required by the terms of the Master Lease. All alterations in or upon the Sublease Premises made by Subtenant shall become a part of and shall remain upon the Sublease Premises upon such termination without compensation, allowance or credit to Subtenant, except for those certain special improvements designated on Tenant's Final Plans and Specifications for removal and approved by Sublandlord and Master Landlord, which improvements Subtenant may elect to remove; so long as upon such removal, Subtenant returns

the improvements to a condition equivalent to that considered to be a base building grade, as approved by Sublandlord and Master Landlord. Subtenant shall remove any alterations made by Subtenant, or portions thereof, which Master Landlord may require Sublandlord to remove pursuant to the terms of the Master Lease. In any such event, Subtenant shall repair any damage to the Sublease Premises or the Building occasioned by the installation or removal of such alterations. If Sublandlord or Master Landlord requires removal of any alteration made by Subtenant, or a portion thereof, and Subtenant does not make such removal in accordance with this Section, Sublandlord may remove the same (and repair any damage occasioned thereby), and Subtenant shall pay the cost of such removal and repair. If the Term of this Sublease expires at or about the date of the expiration of the Master Lease, and if Sublandlord is required under or pursuant to the terms of the Master Lease to remove any alterations performed prior to the Sublease Commencement Date, Subtenant shall permit Sublandlord to enter the Sublease Premises for a reasonable period of time prior to the expiration of the Sublease for the purpose of removing its alterations and restoring the Sublease Premises as required.

Upon the expiration of this Sublease, Subtenant shall remove Subtenant's articles of personal property incident to Subtenant's business; provided, however, that Subtenant shall repair any injury or damage to the Sublease Premises or the Building which may result from the installation or removal of such movable personal property. If Subtenant does not remove Subtenant's personal property the Sublease Premises prior to the expiration or earlier termination of the Term, Sublandlord may, at its option, (i) remove the same (and repair any damage occasioned thereby and restore the Sublease Premises as aforesaid) and Subtenant shall pay the reasonable cost of such removal on demand or (ii) treat said personal property having been conveyed to Sublandlord with this Sublease as a Bill of Sale without further payment or credit by Sublandlord to Subtenant.

(c) Environmental. Subtenant shall not dispose of, store, deposit, bury, dump, spill, leak, place, release or inject into the Sublease Premises or any adjoining premises any Hazardous Substance (as hereinafter defined) in any manner which would violate any of the Environmental Statutes (as hereinafter defined), provided that office equipment and cleaning and maintenance materials that contain Hazardous Substance may be used or stored on the Sublease Premises provided that such use or storage is incident to and reasonably necessary for the operation of the Sublease Premises by Subtenant for the Permitted Use and is in compliance with applicable laws, ordinances and regulations. For purposes of this Sublease, the term **"Environmental Statutes"** shall mean all federal, state or local laws, ordinances, rules, regulations or policies, now or hereafter existing, which govern or otherwise relate to the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of any hazardous waste as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.) (**"CERCLA"**) or any other applicable federal, state or local statute. For purposes of this Sublease, the term **"Hazardous Substance"** shall mean any flammable substance, explosive, radio active material, hazardous material, hazardous waste, toxic substance, pollutant, pollution or any related materials or substances specified in any of the Environmental Statutes, including, but not limited to, asbestos, asbestos containing material, PCBs, mold and any "hazardous substance" as defined in CERCLA. Subtenant shall protect, indemnify and save Sublandlord harmless from and against any and all liability, loss, damage, cost or expense that Sublandlord may suffer or incur as a result of any claims, demands, damages, losses, liabilities, costs, charges, suits, orders, judgments or adjudications asserted, assessed, filed or entered against Sublandlord by any third party, including any governmental authority arising from the alleged deposit, storage, disposal, burial, dumping, injecting, spilling, leaking or other use, placement or release by Subtenant, Subtenant's agents, employees,

contractors or invitees in, on or affecting the Sublease Premises or any adjoining premises of a Hazardous Substance or otherwise arising from any other alleged violation of any of the Environmental Statutes, including, but not limited to, liability for costs and expenses of abatement, correction or clean-up, fines, damages, response costs or penalties, or liability for personal injury or property damage.

Sublandlord represents and warrants that it has no actual knowledge (having undertaken no independent investigation) of the existence of any Hazardous Substance in the Sublease Premises which would violate any of the Environmental Statute. Sublandlord agrees that it shall remove, at its sole cost and expense, any Hazardous Substances and Sublandlord shall indemnify Subtenant from any costs and expenses arising from or caused by Sublandlord's breach of the foregoing representations, and take all actions necessary to cause such warranties to be true and accurate throughout the Term, including, without limitation, the enforcement of the applicable provisions of the Master Lease against Master Landlord.

14. Access to the Sublease Premises. From and after the Sublease Commencement Date, Subtenant agrees that it will permit Sublandlord, or any duly authorized agent of Sublandlord, access to the Sublease Premises during normal business hours upon 48 hours' written notice to Subtenant (except in the event of an emergency) for the purpose of examination and inspection of the same.

15. Subtenant's Default.

(a) Default. Each of the following shall be an Event of Default under this Sublease:

(1) The non-payment by Subtenant to Sublandlord of any installment of Rent when the same is due and such failure continues for a period of five (5) days after notice by or on behalf of Sublandlord; provided, however, that Sublandlord need not give

any such notice, and Subtenant shall not be entitled to any such period of grace, more than twice in any twelve (12) month period.

(2) Breach, default, or non-compliance by Subtenant with any covenant contained in this Sublease other than those described in subsection 15(a)(1) above, followed by notice as herein provided from Sublandlord to Subtenant and failure of Subtenant to remedy or correct such breach, default or non-compliance (i) as respects matters that are defaults under the Master Lease, within two-thirds (2/3rds) of the period specified in the Master Lease for curing such defaults, or (ii) as respects defaults which are defaults hereunder but not under the Master Lease, within twenty (20) days after receipt of such notice or if the default is of such a nature that the same cannot be completely remedied or cured within such twenty (20) day period, then such default shall not be an enforceable default against Subtenant if Subtenant shall have commenced such cure within such twenty-day period and shall proceed with reasonable diligence and in good faith to remedy the default.

(3) A petition is filed by or against Subtenant to declare Subtenant bankrupt or seeking a plan of reorganization or arrangement or substitution therefor, or to delay payment of, reduce or modify Subtenant's debts; or any petition is filed or other action taken to reorganize or modify Subtenant's capital structure; or Subtenant is declared insolvent by law or any assignment of Subtenant's property is made for the benefit of creditors; or a receiver is appointed for Subtenant or Subtenant's property; provided, however, that in the event of any involuntary proceeding or appointment brought against Subtenant, Subtenant shall have sixty (60) days in which to have such a proceeding or appointment dismissed.

(4) Subtenant abandons or vacates the Sublease Premises and thereafter fails to maintain the Sublease Premises as required by the terms of this Sublease.

(b) Remedies. If an Event of Default shall occur, the following provisions

shall apply:

(1) Sublandlord may exercise any remedy against Subtenant which Master Landlord may exercise for default by Sublandlord under the Master Lease, in addition to all other rights and remedies available at law or in equity.

(2) In addition to the foregoing remedies, Sublandlord may after an Event of Default by Subtenant (i) recover damages from Subtenant for non-compliance with any covenant, agreement or warranty contained in this Sublease or for non-payment of any sum required to be paid by Subtenant to Sublandlord, (ii) seek specific performance or other equitable relief with respect to any covenant of this Sublease and (iii) terminate Subtenant's right to possession without terminating this Sublease, whereupon the right of Subtenant to possession of the Sublease Premises or any part thereof shall cease. The waiver of any one event of default shall not be construed as the waiver of any other event of default.

(3) If Subtenant shall be in default in the performance of any of its obligations hereunder, Sublandlord, without being required to give Subtenant any notice or opportunity to cure, may (but shall not be obligated to do so), in addition to any other rights it may have in law or in equity, cure such default on behalf of Subtenant, and Subtenant shall reimburse Sublandlord upon demand for any reasonable sums paid or costs incurred by Sublandlord in curing such default, including reasonable attorneys' fees and other legal expenses, together with interest at 8% per annum from the dates of Sublandlord's incurring of costs or expenses.

(4) In addition to, and not in lieu of any of the foregoing rights granted to Sublandlord:

WHEN THIS SUBLEASE OR SUBTENANT'S RIGHT OF POSSESSION SHALL BE TERMINATED BY COVENANT OR CONDITION BROKEN, OR

FOR ANY OTHER REASON, EITHER DURING THE TERM OF THIS SUBLEASE OR ANY RENEWAL OR EXTENSION THEREOF, AND ALSO WHEN AND AS SOON AS THE TERM HEREBY CREATED OR ANY EXTENSION THEREOF SHALL HAVE EXPIRED, IT SHALL BE LAWFUL FOR ANY ATTORNEY AS ATTORNEY FOR SUBTENANT TO FILE AN AGREEMENT FOR ENTERING IN ANY COMPETENT COURT AN ACTION TO CONFESS JUDGMENT IN EJECTMENT AGAINST SUBTENANT AND ALL PERSONS CLAIMING UNDER SUBTENANT, WHEREUPON, IF SUBLANDLORD SO DESIRES, A WRIT OF EXECUTION OR OF POSSESSION MAY ISSUE FORTHWITH, WITHOUT ANY PRIOR WRIT OF PROCEEDINGS WHATSOEVER, AND PROVIDED THAT IF FOR ANY REASON AFTER SUCH ACTION SHALL HAVE BEEN COMMENCED THE SAME SHALL BE DETERMINED AND THE POSSESSION OF THE SUBLEASE PREMISES HEREBY DEMISED REMAIN IN OR BE RESTORED TO SUBTENANT, SUBLANDLORD SHALL HAVE THE RIGHT UPON ANY SUBSEQUENT DEFAULT OR DEFAULTS, OR UPON THE TERMINATION OF THIS SUBLEASE AS HEREINBEFORE SET FORTH, TO BRING ONE OR MORE ACTION OR ACTIONS AS HEREINBEFORE SET FORTH TO RECOVER POSSESSION OF THE SAID SUBLEASE PREMISES.

In any action to confess judgment in ejectment, Sublandlord shall first cause to be filed in such action an affidavit made by it or someone acting for it setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence, and if a true copy of this Sublease (and of the truth of the copy such affidavit shall be sufficient evidence) be filed in such action, it shall not be necessary to file the original as a warrant of attorney, any rule of Court, custom or practice to the contrary notwithstanding.

 **(INITIAL).**

SUBTENANT WAIVER. SUBTENANT SPECIFICALLY ACKNOWLEDGES THAT SUBTENANT HAS VOLUNTARILY, KNOWINGLY AND INTELLIGENTLY WAIVED CERTAIN DUE PROCESS RIGIITS TO A PREJUDGMENT HEARING BY AGREEING TO THE TERMS OF THE FOREGOING PARAGRAPHS REGARDING CONFESSION OF JUDGMENT. SUBTENANT FURTHER SPECIFICALLY AGREES THAT IN THE EVENT OF DEFAULT, SUBLANDLORD MAY PURSUE MULTIPLE REMEDIES INCLUDING OBTAINING POSSESSION PURSUANT TO A JUDGMENT BY CONFESSION AND ALSO OBTAINING A MONEY JUDGMENT FOR PAST DUE AND ACCELERATED AMOUNTS AND EXECUTING UPON SUCH JUDGMENT. FURTHERMORE, SUBTENANT SPECIFICALLY WAIVES ANY CLAIM AGAINST SUBLANDLORD AND SUBLANDLORD'S COUNSEL FOR VIOLATION OF SUBTENANT'S CONSTITUTIONAL RIGHTS IN THE EVENT THAT JUDGMENT IS CONFESSED PURSUANT TO THIS SUBLEASE.

(5) No delay or forbearance by Sublandlord in exercising any right or remedy hereunder, or Sublandlord's undertaking or performing any act or matter which is not expressly required to be undertaken by Sublandlord shall be construed, respectively, to be a waiver of Sublandlord's rights or to represent any agreement by Sublandlord to undertake or perform such act or matter thereafter. Waiver by Sublandlord of any breach by Subtenant of any covenant or condition herein contained (which waiver shall be effective only if so expressed in writing by Sublandlord) or failure by Sublandlord to exercise any right or remedy in respect of any such breach shall not constitute a waiver or relinquishment for the future of Sublandlord's right to have any such covenant or condition duly performed or observed by Subtenant, or of Sublandlord's rights arising because of any subsequent breach of any such covenant or condition

nor bar any right or remedy of Sublandlord in respect of such breach or any subsequent breach. Sublandlord's receipt and acceptance of any payment from Subtenant which is tendered not in conformity with the provisions of this Sublease or following an Event of Default (regardless of any endorsement or notation on any check or any statement in any letter accompanying any payment) shall not operate as an accord and satisfaction or a waiver of the right of Sublandlord to recover any payments then owing by Subtenant which are not paid in full or act as a bar to the termination of this Sublease and the recovery of the Sublease Premises because of Subtenant's previous default.

(6) In the event of litigation arising from default in the performance of any of the provisions of this Sublease by either Sublandlord or Subtenant, the prevailing party in any litigation shall be entitled to receive from the other party reasonable attorney's fees and costs of litigation incurred in connection with said litigation. In the event that Sublandlord or Subtenant shall be made a party to such litigation commenced by a person other than the parties hereto, then such party performing the act or committing the omission which is determined to be the cause of the damages suffered by the third party, if any, shall pay all costs and expenses of litigation, including reasonable attorney's fees incurred by the other party.

16. Notices. All notices, requests and consents herein required or permitted from either party to the other shall be in writing and shall be sent by personal delivery, nationally-recognized courier guaranteeing overnight delivery or by mailing the same by registered or certified mail, postage prepaid, return receipt requested, addressed to Sublandlord at its address set forth below, or, as the case may be, addressed to Subtenant at its address set forth below, or to such other address as the party to receive same may designate by notice to the other. All such notices, requests and other communications shall be deemed to have been sufficiently given for all purposes on the date of personal delivery, on the day after the date of deposit with a courier

guaranteeing overnight delivery, or if deposited in the United States mail, the date when the notice is either received or rejected by the addressee. Any notices or demands given under this Sublease shall be deemed to have been given if a copy thereof has been delivered as herein provided addressed as follows:

If to Sublandlord:

Unisys Corporation
c/o Jones Lang LaSalle Americas, Inc.
525 William Penn Place, 20th Floor
Pittsburgh, PA 15259
Attention: Lease Administration

With a copy to:

Unisys Corporation
801 Lakeview Drive
Suite 100
Blue Bell, PA 19424
Attention: Lease Administration

If to Subtenant:

Conner Strong Companies, Inc.
Attention: John F. Muscella
40 Lake Center Executive Park
401 Route 73 North
PO Box 989
Marlton, NJ 08053

With a copy to:

Stephen Mushinski
Parker McCay PA
Three Greentree Centre
7001 Lincoln Drive West
PO Box 974
Marlton, NJ 08053-0974

or to such other address or addresses as the party entitled to such notice may hereafter from time to time specify by written notice to the other party. Failure to provide copies of notices to those designated as entitled to a copy shall not result in a notice being ineffective. Any party's failure

to accept delivery shall be deemed to constitute receipt for the purposes of this Section 16. Any such notice may be properly delivered if sent as indicated above by an attorney acting for Sublandlord or Subtenant, as applicable.

17. Brokers. Sublandlord and Subtenant represent, warrant and agree that each has not dealt with any broker, agent, finder or other intermediary in connection with the sub-subletting of the Sublease Premises other than Jones Lang LaSalle Americas, Inc., on behalf of Sublandlord, and Tactix Real Estate Advisors, on behalf of Subtenant (collectively, "**Broker**"). Sublandlord and Subtenant agree to indemnify, defend and hold the other harmless from and against any claims against the other resulting from a breach or inaccuracy of the foregoing representation, warranty and agreement which shall survive expiration, cancellation or other termination of this Sublease. Any commissions or fees due and owing to Broker shall be paid by Sublandlord in accordance with a separate agreement between Sublandlord and Broker.

18. Master Landlord's Consent. Each of the parties hereto acknowledges that, pursuant to the provisions of the Master Lease, Sublandlord is required to obtain the Master Landlord's written consent ("**Master Landlord's Consent**") to this Sublease and, accordingly, that the rights and obligations of Sublandlord and Subtenant hereunder are expressly subject to Sublandlord's obtaining Master Landlord's Consent. If Master Landlord's Consent cannot be obtained within thirty (30) days from the date hereof or the terms thereof are not acceptable to Subtenant, this Sublease shall automatically terminate and be of no further force and effect; provided, however, that Sublandlord shall only be required to use commercially reasonable efforts to obtain Master Landlord's Consent. Each of Sublandlord and Subtenant agrees to execute and/or deliver such documents and perform such other acts as may reasonably be requested by Master Landlord in connection with the request for Master Landlord's Consent.

19. Holding Over. Subtenant shall have no right to occupy the Sublease Premises or

any portion thereof after the expiration of this Sublease or after termination of this Sublease or of Subtenant's right to possession in consequence of an Event of Default hereunder. In the event Subtenant or any party claiming by, through or under Subtenant holds over, Sublandlord may exercise any and all remedies available to it at law or in equity to recover possession of the Sublease Premises and to recover damages, including without limitation, damages payable by Sublandlord to Master Landlord by reason of such holdover. For each and every month or partial month that Subtenant or any party claiming by, through or under Subtenant remains in occupancy of all or any portion of the Sublease Premises after the expiration of this Sublease or after termination of this Sublease or Subtenant's right to possession, Subtenant shall pay, as liquidated damages and not as a penalty, monthly rental at a rate equal to 150% of the rate of Base Rent payable by Subtenant hereunder immediately prior to the expiration or other termination of this Sublease or of Subtenant's right to possession together with all Additional Rent otherwise due during such period. The acceptance by Sublandlord of any lesser sums shall be construed as payment on account and not in satisfaction of damages for such holding over. Subtenant shall be liable to Sublandlord for consequential damages resulting from such holdover but only to the extent Sublandlord is liable to Master Landlord under the Master Lease for consequential damages resulting from such holdover.

20. Miscellaneous.

(a) No Waiver. The failure of either party to insist on strict performance of any covenant or condition hereof, or to exercise any option contained herein, shall not be construed as a waiver of such covenant, condition or option in any other instance.

(b) Recording. This Sublease shall not be recorded.

(c) Governing Law. The parties agree that the rights and obligations of the parties under this Sublease shall be governed and construed in accordance with the laws of the

Commonwealth of Pennsylvania.

(d) Successors and Assigns. Each provision of this Sublease shall extend to and shall bind and inure to the benefit not only of Sublandlord and Subtenant, but also their respective successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge or subletting contrary to the provisions of the Master Lease or this Sublease.

(e) Amendments. No modification, waiver or amendment of this Sublease or of any of its conditions shall be binding upon Sublandlord or Subtenant unless in writing signed by both parties.

(f) Time of Essence. Time is of the essence of this Sublease and each and all of the provisions thereof.

(g) Severability. The invalidity of any of the provisions of this Sublease will not impair or affect in any manner the validity, enforceability or effect of the rest of this Sublease.

(h) Entire Agreement. All understandings and agreements, oral or written, heretofore made between the parties hereto are merged in this Sublease, which alone fully and completely expresses the agreement between Sublandlord and Subtenant.

(i) Relationship Between the Parties. This Sublease does not create the relationship of principal and agent, nor does it create any partnership, joint venture, or any association or relationship between Sublandlord and Subtenant other than as and to the extent specifically provided in this Sublease, the sole relationship of Sublandlord and Subtenant being that of sublandlord and subtenant as provided in this Sublease.

(j) Remedies Cumulative. Except as specifically provided herein, all rights and remedies of Sublandlord under this Sublease shall be cumulative and none shall exclude any

other rights and remedies allowed by law.

(k) Limitation of Liability. Subtenant, for itself and its successors and assigns, covenants and agrees that, in the event of any actual or alleged failure, breach or default by Sublandlord hereunder or otherwise related to or arising from this Sublease, the sole and exclusive remedy shall be against Sublandlord, it being understood that no officer, director, employee, partner, member or shareholder of Sublandlord, nor any of its or their respective personal representatives, heirs, successors or assigns, shall have any personal liability whatsoever.

(l) Waiver of Jury Trial. SUBLANDLORD AND SUBTENANT WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS SUBLEASE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY SUBTENANT AND SUBTENANT ACKNOWLEDGES THAT NEITHER SUBLANDLORD NOR ANY PERSON ACTING ON BEHALF OF SUBLANDLORD HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. SUBTENANT FURTHER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS SUBLEASE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THE WAIVER WITH COUNSEL. SUBTENANT FURTHER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER PROVISION AND AS EVIDENCE OF SAME AS EXECUTED THIS SUBLEASE

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Sublease as of the day and year first above written.

Witness: Kevin Krueger

SUBLANDLORD:

UNISYS CORPORATION

By: Jean R. Krueger
Name: Jean R. Krueger
Title: Director, CPVS

Witness: Linda Hart

SUBTENANT:

CONNER STRONG COMPANIES, INC.

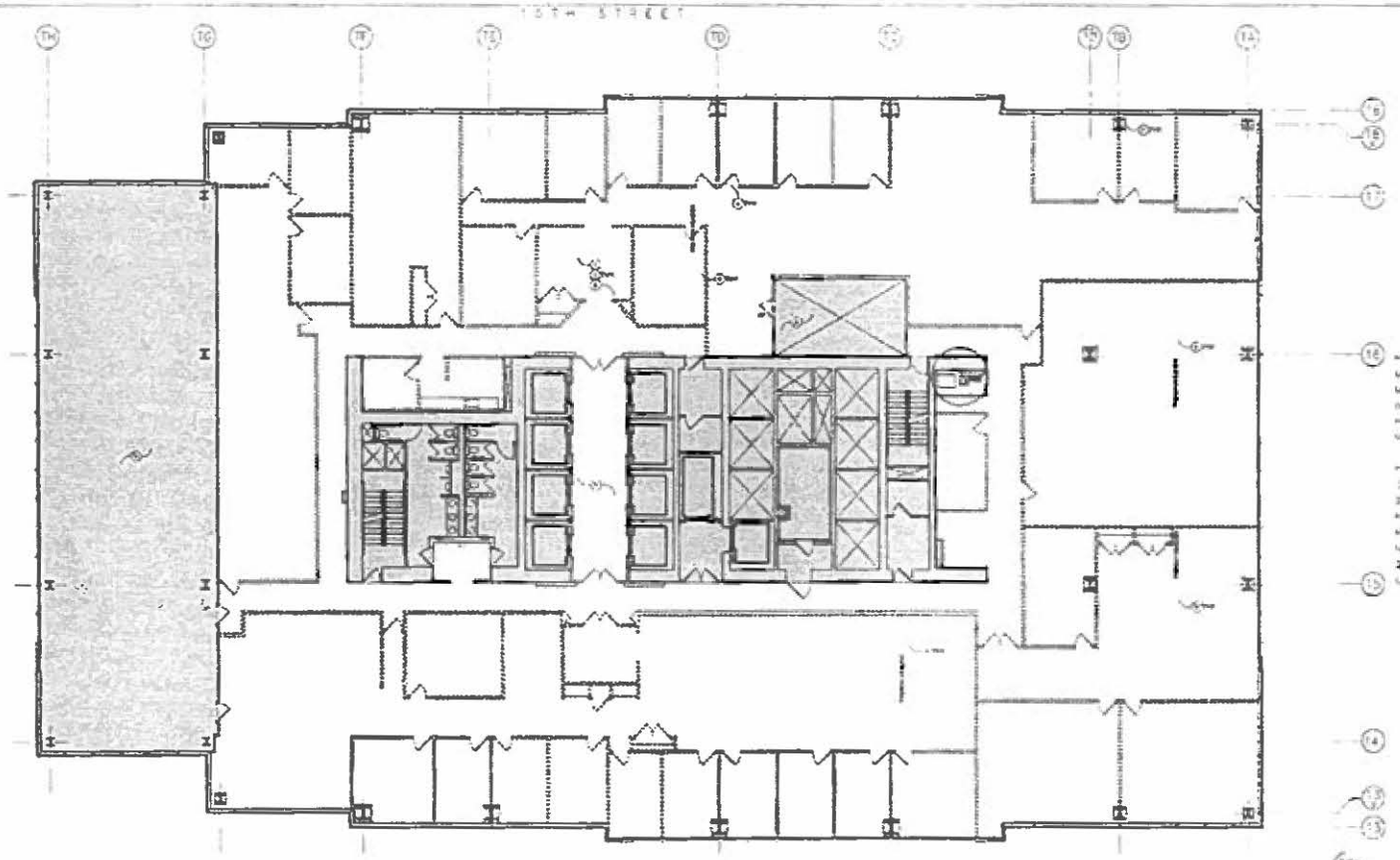
By: John F. Muscella
Name: John F. Muscella
Title: EVP/CFO

EXHIBIT "A"

The Master Lease

EXHIBIT "B"

The Sublease Premises



36

DEMOLITION PLAN NOTES

KLING STUBBINS

UNISYS
Imagine It. Done.

Philadelphia, PA 19103
Two Liberty Place

36th FLOOR
INTERIORS
DEMOLITION PLAN

IDD136

CONSENT TO SUBLEASE

AGREEMENT (this "Agreement") is made and entered into as of ~~March~~ April 1, ~~2010~~ 2011, by and among **TWO LIBERTY PLACE, L.P.**, a Delaware limited partnership ("Landlord"), **UNISYS CORPORATION**, a Delaware corporation ("Tenant"), and **CONNER STRONG COMPANIES, INC.**, a New Jersey (the "Subtenant").

Landlord and Tenant are parties to that certain Office Lease Agreement dated as of December 20, 2007 (which lease as heretofore or hereafter amended is herein called the "Main Lease"), pursuant to which Landlord leased to Tenant and Tenant hired from Landlord certain office space containing an agreed area of 89,488 rentable square feet, comprising the entire rentable area on floors 34, 35 and 36 and a portion of floor 27 (the "Premises") in the building located at 1601 Chestnut Street, Philadelphia, Pennsylvania, known as Two Liberty Place (the "Building").

NOW, THEREFORE, in exchange for good, valuable and sufficient consideration received and intending to be legally bound hereby, Landlord, Tenant and Subtenant mutually covenant and agree as follows:

A. Definitions. Unless otherwise defined in this Agreement, all terms used in this Agreement which are defined in the Main Lease shall have the meanings ascribed to them in the Main Lease.

B. Consent to Sublease. Landlord hereby consents to the subletting by the Tenant to the Subtenant, pursuant to a certain Sublease Agreement (the "Sublease") dated as of February 14, 2011, a true, correct and complete copy of which is attached hereto, of a portion of the Premises located on the 36th floor of the Building, containing approximately 23,015 rentable square feet, as shown and marked on the floor plan attached to the Sublease (which space is hereinafter referred to as the "Sublet Space"), such consent being subject to and conditioned upon the following terms and conditions, to each of which Tenant and Subtenant expressly agree:

1. Nothing contained in this Agreement shall

(a) operate as (i) Landlord's consent to or approval or ratification of any of the provisions of the Sublease (except in the event of a Continuation, as such term is defined in Section 9(b) of this Agreement) or (ii) a representation or warranty by Landlord, and Landlord shall not be bound or estopped in any way by the provisions of the Sublease; or

(b) be construed to modify, waive or affect (i) any of the provisions, covenants or conditions in the Main Lease, (ii) any of Tenant's obligations under the Main Lease, or (iii) any rights or remedies of Landlord under the Main Lease or otherwise or to enlarge or increase Landlord's obligations or Tenant's rights under the Main Lease or otherwise; or

(c) be construed to waive any present or future breach or default on the part of Tenant under the Main Lease. In case of any conflict between the provisions of this Agreement and the provisions of the Sublease, the provisions of this Agreement shall prevail unaffected by the Sublease.

2. The Sublease shall be subject and subordinate at all times to the Main Lease

and all of its provisions, covenants and conditions, except as herein otherwise expressly set forth. In case of any conflict between the provisions of the Main Lease and the provisions of the Sublease, the provisions of the Main Lease shall prevail unaffected by the Sublease. Notwithstanding any rule of law to the contrary, the Sublease conveys to Subtenant only a sublease estate in the Sublet Space and shall in no event be deemed to constitute an assignment *pro tanto* of a leasehold estate in the Sublet Space.

3. Landlord's consent to the Sublease as set forth in this Agreement is not assignable.

4. Neither the Sublease nor this Agreement shall release or discharge the Tenant from any liability under the Main Lease and Tenant shall remain fully and primarily liable and responsible for the full performance and observance of all the provisions, covenants and conditions set forth in the Main Lease on the part of Tenant to be performed and observed. Any breach or violation of any provision of the Main Lease by Subtenant shall be deemed to be and shall constitute a default by Tenant in fulfilling such provision.

5. Unless otherwise expressly set forth herein, (a) Landlord's consent to the Sublease as set forth in this Agreement shall not be construed as a consent by Landlord to any further subletting by either Tenant or Subtenant; (b) the Sublease may not be amended, assigned, renewed or extended, nor shall the Premises or Sublet Space, or any part thereof, be further sublet without the prior written consent of Landlord in each instance; and (c) Landlord's consent to any sub-subletting by Subtenant may be withheld in Landlord's sole discretion.

6. In consideration of Landlord's consent herein set forth, Subtenant acknowledges and agrees that, notwithstanding anything to the contrary contained in the Main Lease or the Sublease (and without limiting the generality of Sections 1(a) and 1(b) of this Agreement),

(a) Subtenant shall have no right to exercise any rights or options that may be granted to Tenant under the Main Lease to extend, renew or terminate the Term of the Main Lease, or to expand or contract the size of the Premises (whether pursuant to expansion or contraction options, renewal or termination options, rights of first offer or rights of first refusal, however denominated);

(b) Subtenant shall have no right to enforce the terms of the Main Lease against Landlord;

(c) Subtenant shall have no right to audit Operating Expenses and Real Estate Taxes under the Main Lease; and

(d) Landlord shall have no obligation to obtain (or to endeavor to obtain) a subordination, non-disturbance and attornment agreement for Subtenant's benefit.

7. Unless otherwise expressly set forth herein, nothing in this Agreement shall be deemed to constitute Landlord's consent to any signage, alterations, installations or improvements, if any, specified in the Sublease.

8. Upon the expiration or early termination of the Sublease, any alterations, additions, or improvements in or upon the Sublet Space made by Subtenant shall remain property of Landlord and part of the Sublet Space and shall not be removed by Subtenant unless Landlord or Tenant requires such removal; provided, however, that Tenant may, at its election, remove any or all of the

Subleasehold Improvements (as defined in the Sublease) that are constructed in the Sublet Space by Subtenant at the commencement of the term of the Sublease. If such removal is required, or if Subtenant elects to remove any of the Subleasehold Improvements as aforesaid, Subtenant shall restore the Sublet Space to the same condition in which they were on the commencement date of the Sublease, reasonable wear and tear excepted, to Landlord's reasonable satisfaction and at Subtenant's sole expense, in default of which, in addition to any and all other rights and remedies that may be exercisable by Landlord on account thereof, Landlord may (but need not) undertake such restoration and Subtenant shall reimburse Landlord for its actual out-of-pocket costs so incurred within fifteen (15) days after billing.

9. (a) Upon the expiration or any earlier termination of the term of the Main Lease, or in case of the surrender of the Main Lease by Tenant to Landlord, except as provided in subsection 9(b) hereof, the Sublease and its term shall expire and come to an end as of the effective date of such expiration, termination or surrender and Subtenant shall vacate the Sublet Space on or before the effective date of such expiration.

(b) Notwithstanding anything to the contrary contained herein, in the event that the term of the Main Lease expires or is sooner terminated (without a future reinstatement thereof in any form) by reason of an Event of Default on the part of the Tenant under the Main Lease (other than an Event of Default that is directly attributable to the acts or omissions of Subtenant or its agents, employees or contractors), then without any additional or further agreement of any kind on the part of Landlord or Subtenant, the Sublease shall continue with the same force and effect as if Landlord as lessor and Subtenant as lessee had entered into a lease for a term commencing on the effective date of termination of the Main Lease (the "Effective Date") and ending on the last day of the term of the Sublease and containing the same terms and conditions as those contained in the Sublease, except that the rate or rates of Base Rent per rentable square foot payable by Subtenant for the Sublet Space on and after the Effective Date shall be the same rate or rates of Base Rent per rentable square foot payable by Tenant under the terms of the Main Lease during the same period (a "Continuation"). In the event of a Continuation, Subtenant shall attorn to Landlord, Subtenant's possession of the Premises shall not be disturbed, and Landlord and Subtenant shall have the same rights, obligations and remedies under the Sublease as were had by Tenant and Subtenant thereunder prior to the Effective Date, except that in no event shall Landlord be: (1) liable for any act or omission by Tenant prior to the Effective Date, or (2) subject to any offsets or defenses which Subtenant had or might have against Tenant (unless and solely to the extent Tenant would have had such an off-set or defense against Landlord under the Main Lease), or (3) bound by any rent or additional rent or other payment paid by Subtenant to Tenant paid more than one month in advance, unless actually received by Landlord, or (4) obligated to pay to Subtenant any construction allowances or other sums that are payable by Tenant to Subtenant under the terms of the Sublease, or (5) bound by any amendment to the Sublease not consented to in writing by Landlord. Furthermore, in the event of a Continuation, (a) Landlord and Subtenant, each if requested by the other, shall confirm such Continuation in a writing prepared by Landlord and reasonably acceptable to Subtenant within thirty (30) days after such request, or (b) at Landlord's request, in Landlord's sole discretion, the parties shall execute a direct lease of the Sublet Space from Landlord to Subtenant on the terms above provided, without further modification of any of the terms of the Sublease or the Main Lease, utilizing a form of lease prepared by Landlord and reasonably acceptable to Subtenant, and upon full execution of such direct lease the Sublease shall terminate and be of no further force or effect.

(c) Upon expiration of the Sublease pursuant to the provisions of subsection 9(a), above, in the event of the failure of Subtenant to vacate the Sublet Space as therein provided, Landlord shall be entitled to all the rights and remedies available to a landlord against a tenant

holding over after the expiration of a lease term, including, without limitation, all holdover remedies available to Landlord against Tenant under the Main Lease in the event that Tenant holds over after the expiration of the Lease term.

10. Solely during the period that an uncured Event of Default exists under the Main Lease, Landlord may (but need not) elect in a writing sent to both Tenant and Subtenant to collect directly from Subtenant all rent and additional rent owing from Subtenant under the Sublease from and after Subtenant's receipt of such written election. In such event, Landlord shall apply the net amount so collected toward payment of the Rent owing from Tenant under the Main Lease, but no such collection shall be deemed (a) a waiver of any Event of Default by Tenant that may then exist under the Main Lease, or (b) the acceptance by Landlord of Subtenant as Tenant, or (c) a release of Tenant from further performance by Tenant of the covenants of Tenant contained in the Main Lease. Upon receipt of notice from Landlord electing to collect directly from Subtenant all rent and additional rent owing from Subtenant under the Sublease, Subtenant agrees to pay directly to Landlord in full, at the times required under the Sublease, all rent and additional rent owing under the Sublease, and Tenant hereby releases Subtenant from any liability for so doing and agrees that, for purposes of the Sublease, such payments shall be deemed to have been made to Tenant and Subtenant shall not be in default if Subtenant timely pays all Sublease rent and additional rent to Landlord following receipt of such a notice, and that no such collection of Rent from Subtenant shall operate to release Tenant from its obligations under the Main Lease.

11. From and after the date possession of the Sublet Space is delivered to Subtenant under the Sublease, both Tenant and Subtenant shall be and continue to be jointly and severally liable for all bills rendered by Landlord for charges incurred by or imposed upon Subtenant for services thereafter rendered and materials thereafter supplied to the Sublet Space, although Subtenant's liability for each such charge shall be discharged by Subtenant's payment to Tenant therefor unless Subtenant shall have previously received written notice from Landlord electing to collect directly from Subtenant all rent and additional rent owing from Subtenant under the Sublease. If a separate submeter shall be installed to measure electric current furnished to the Sublet Space, then payment for the current so furnished shall be made by Subtenant directly to Landlord which payment shall be deemed to satisfy any obligation on the part of the Subtenant to make such payment to Tenant pursuant to the Sublease as and when billed and the furnishing of such current shall be in accordance with and subject to all of the applicable terms, covenants and conditions of the Main Lease.

12. By signing below, Tenant and Subtenant agree to indemnify Landlord from and against all claims for brokerage fees or commissions arising out of the Sublease, other than any fee or commission by a broker claiming to have represented Landlord in connection with the Sublease or the Sublet Space.

13. Any notice or communication which any party hereto may desire or be required to give to any other party under or with respect to this Agreement shall be given in the manner required by the notice provisions of the Main Lease. Unless and until changed by Subtenant by written notice delivered to Landlord in the manner required in the by the notice provisions of the Main Lease, notices from Landlord to Subtenant shall be sent to the addresses specified in Section 16 of the Sublease.

14. In accordance with Section 16(f) of the Main Lease, Landlord's consent to the Sublease hereunder is conditioned upon receipt by Landlord, together with originals of this Agreement executed by Tenant and Subtenant, of Tenant's check in the sum of **$2,400.00**, as payment in full of

Landlord's reasonable attorney's fees incurred in connection with preparing and negotiating this Agreement.

15. The term "Landlord" as used in this Agreement, so far as covenants or agreements on the part of Landlord are concerned, shall be limited to mean and include only the owner for the time being of the Property. If the Property be sold or transferred, the seller thereof shall be automatically and entirely released of all covenants and obligations under this Agreement from and after the date of conveyance or transfer, provided the purchaser on such sale has assumed and agreed to carry out all covenants and obligations contained in this Agreement to be performed on the part of Landlord hereunder and which arise thereafter, it being hereby agreed that the covenants and obligations contained in this Agreement to be performed on the part of Landlord shall be binding against Landlord, its successors and assigns, only during their respective successive period of ownership. The liability of Landlord and its successors in interest, under or with respect to this Agreement, shall be strictly limited to and enforceable only out of its or their interest in the Property, and shall not be enforceable out of any other assets. Subject to the foregoing, the provisions hereof shall be binding upon and inure to the benefit of the successors and assigns of Landlord.

[The remainder of this page is intentionally left blank.]

16. This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania without reference to conflicts of laws principles, contains the entire Agreement of the parties hereto with respect to the subject matter hereof, and may only be amended or terminated by a writing duly executed by all of the parties hereto. This Agreement may be executed in any number of identical counterparts, each of which shall be an original and all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

UNISYS CORPORATION

By: Jean R. Krueger
Name: Jean R. Krueger
Title: Director, GPWS

CONNER STRONG COMPANIES, INC.

By: _____
Name:
Title:

TWO LIBERTY PLACE, L.P.,
a Delaware limited partnership

By: Two Liberty Place GP, LLC, a Delaware limited liability company, its general partner

By: Michael Everly
Name: Michael J. Everly
Title: Authorized Signatory

16. This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania without reference to conflicts of laws principles, contains the entire Agreement of the parties hereto with respect to the subject matter hereof, and may only be amended or terminated by a writing duly executed by all of the parties hereto. This Agreement may be executed in any number of identical counterparts, each of which shall be an original and all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

UNISYS CORPORATION

By: _____
Name:
Title:

CONNER STRONG COMPANIES, INC.

By: John F. Muscella
Name: John F. Muscella
Title: EVP/CFO

TWO LIBERTY PLACE, L.P.,
a Delaware limited partnership

By: Two Liberty Place GP, LLC, a Delaware limited liability company, its general partner

By: _____
Name:
Title:

FIRST AMENDMENT TO SUBLEASE AGREEMENT

THIS FIRST AMENDMENT TO SUBLEASE AGREEMENT (this "**Amendment**") is made the 1st day of April, 2014, between UNISYS CORPORATION, a Delaware corporation ("**Sublandlord**") and CONNER STRONG COMPANIES, INC., a New Jersey corporation ("**Subtenant**").

Background

Sublandlord and Subtenant are parties to that certain Sublease Agreement dated as of February 14, 2011 (the "**Sublease**") pursuant to which Subtenant subleases the Sublease Premises (as defined in the Sublease).

Sublandlord and Subtenant desire to amend the Sublease to adjust the Sublease Premises.

NOW, THEREFORE, for good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Incorporation of Recitals. The recitals set forth above and the Sublease referred to therein are hereby incorporated herein by reference as if set forth in full in the body of this Amendment.

2. Definitions. All terms defined in the Sublease and not otherwise defined in this Amendment shall have the respective meanings ascribed to them in the Sublease when used in this Amendment. In addition, as used in this Amendment, the following terms shall have the following meanings:

Effective Date. The term "Effective Date" shall mean April 1, 2014.

Reduction Space. The term "Reduction Space" shall mean that portion of the Sublease Premises, agreed to contain 100 rentable square feet, located on the 36th floor of the Building and labeled "Reduction Space" on Exhibit "A" attached hereto and hereby made a part hereof.

Remaining Space. The term "Remaining Space" shall mean that portion of the Sublease Premises that is exclusive of the Reduction Space, agreed to contain an aggregate of 22,915 rentable square feet.

3. Reduction of Sublease Premises. On the Effective Date the Sublease Premises shall be permanently reduced by the elimination therefrom of the Reduction Space. The resulting Sublease Premises shall consist of the Remaining Space. Effective on the Effective Date, the Sublease is amended to define the term "Sublease Premises" to mean the Remaining Space. Subtenant shall tender possession of the Reduction Space to Sublandlord on or before the Effective Date, vacant and broom clean but otherwise in "as-is" condition.

4. Base Rent. The Sublease is amended to provide that, commencing on March 1, 2014, the Base Rent payable by Subtenant for the Remaining Space for the remainder of the Term shall be as summarized in the following table:

TIME PERIOD	Rent Per Square Foot	ANNUALIZED BASE RENT	MONTHLY BASE RENT
4/1/2014 – 1/31/2015	$21.00	$481,215.00	$40,101.25
2/1/2015 – 1/31/2016	$21.50	$492,672.50	$41,056.04
2/1/2016 – 1/31/2017	$22.00	$504,130.00	$42,010.83
2/1/2017 – 1/31/2018	$22.50	$515,587.50	$42,965.63
2/1/2018 – 1/31/2019	$23.00	$527,045.00	$43,920.42
2/1/2019 – 3/31/2019	$23.50	$538,502.50	$44,875.21

5. Binding Effect. Except as expressly amended hereby, the Sublease remains in full force and effect in accordance with its terms. **Subtenant specifically acknowledges and agrees that Section 15(b) (4) of the Sublease concerning Confession of Judgment is and shall remain in full force and effect in accordance with its terms.**

Subtenant's initials: JPM

6. Counterparts. This Amendment may be executed in one or more counterparts all of which together shall constitute one and the same agreement. Execution of this Amendment may be evidenced by facsimile or PDF signature.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the first day and year first above written.

SUBLANDLORD:

UNISYS CORPORATION

By:_____
Name: Tracey Lange
Title: Director of Real Estate & Facilities, Americas Region

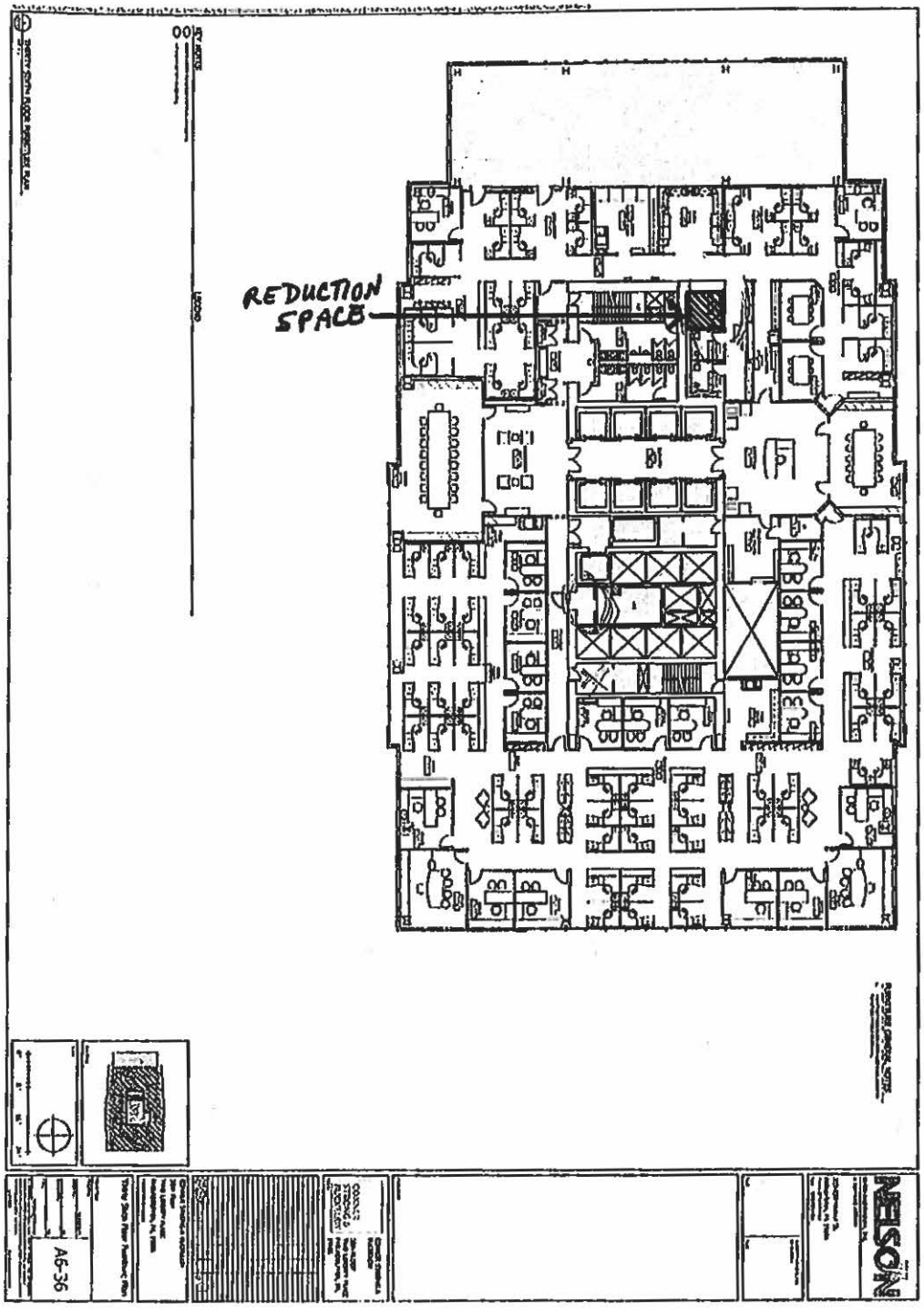
SUBTENANT:

CONNER STRONG COMPANIES, INC.

By: John F. Muscella
Name: John F. Muscella
Title: EVP | CFO

EXHIBIT "A"

FLOOR PLAN SHOWING REDUCTION SPACE



1601 MARKET STREET

Silver LEED EB O&M Certified
Wired Silver Certified

August 29, 2016

Exclusively offered to:
Conner Strong & Buckelew

Presented By:
Michael Kane
Senior Vice President
michael.j.kane@cbre.com
+1 215 561 8922

Christian Dyer
First Vice President
christian.dyer@cbre.com
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APFPROPERTIES

CBRE, INC.
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www.cbre.com/philadelphia
Licensed Real Estate Broker

CBRE

COMMERCIAL REAL ESTATE SERVICES

Michael J. Kane
Senior Vice President

Christian L. Dyer
First Vice President

CBRE, Inc.
Office Leasing Division

Two Liberty Place
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Philadelphia, PA 19102

215 561 8900 Main
215 557 6719 Fax

michael.j.kane@cbre.com
christian.dyer@cbre.com
www.cbre.com

August 29, 2016

Mr. Kenneth R. Zirk
Senior Vice President
CBRE, Inc.
50 South 15th Street
Philadelphia, PA 19102

Re: Proposal to Lease – CONNER STRONG & BUCKELEW

Dear Ken,

On behalf of APF Properties, CBRE is pleased to present the following proposal for 1601 Market Street, a 36-story Class A office building located in the heart of Philadelphia's CBD. As you will see, the building is adding new amenities and design features that will provide a Class AA type of environment at Class A pricing – an extraordinary value for **Conner Strong & Buckelew.**

1601 Market Street is one of Philadelphia's most desirable Class A buildings, providing an excellent location, first-class building services and amenities, and its best of class commitment to sustainable building management as evidenced through its Silver EB LEED certification.

An ongoing capital campaign in excess of $10 million dollars will be completed by the end of 2016, and in time for your occupancy will provide significant improvements including a

- Modern, sleek new lobby Glass exterior retail addition that will feature two of the most exciting new food concepts
- New state of the art gym with shower facilities, towel services and daily exercise classes
- Hallway and restroom upgrades
- Tenant only conference center on 22nd floor.
- Highly visible new monument signage on 16th and Market Street

1601 Market Street maintains a consistently high level of occupancy (currently 97%) and tenant retention due in part to its tenant orientation and its productive, healthy work environment. The building is one of the most financially stable assets in the CBD. Coupled with APF Properties' strong ownership and the dedicated property management team, 1601 Market offers **Conner Strong & Buckelew** a tremendous opportunity for its new home.

Here are some of 1601 Market Street's major benefits for Conner Strong & Buckelew:

- **Quicker commute time and access to large employee pool –** 1601 Market Street has direct access to Suburban Station, a major hub for commuters living in Philadelphia and its surrounding suburbs. Since 89% of the building's current employees utilize mass transportation to get to work, this access gives employees the ability to go from desk to train in 120 seconds or less. It also gives our tenants access to a greater pool of qualified candidates.

- **Environment and Energy Conservation -** 1601 Market Street is the first existing office building in Philadelphia that has been awarded the coveted **Silver EB-LEED certification.** This distinction is a result of APF Properties' dedication to providing each tenant with a healthy work environment, as well as its desire to use energy resources responsibly. 1601 Market was deemed **82% more efficient** than comparable buildings across the country, giving it an acclaimed Energy Star rating. This translates into savings for tenants.

- **On site management and high level of security** – 1601 has an experienced and attentive **on-site building management team**, as well as a safe and reliable security system. This system includes 24 hour security guards, key card access, and computerized guest registration. This creates a **safe environment** for your employees.

- **Abundant amenities** – Employees will have access to a new state of the art gym with shower facilities, towel services and daily exercise classes, on-site banking, two exciting new food retail concepts, newsstand, shoe shine, Fed Ex and UPS drop boxes and one of the nation's leading childcare centers, Bright Horizons. Additionally, 1601 Market Street is situated adjacent to the Septa concourse offering numerous shops, restaurants, the US Post office, and the Comcast food court.

Ken, we're pleased to present the following proposal for your consideration. We look forward to discussing our offer with you at your first opportunity.

Regards,

Michael J. Kane
Senior Vice President
+1 215 561 8945

Christian L. Dyer
First Vice President
+1 215 561 8946

cc: Berndt Perl, APF Properties
Kenneth Aschendorf, APF Properties
John Fitzsimmons, APF Properties

PROPOSAL FOR

Conner Strong & Buckelew

at

1601 Market Street

Landlord:	Founded over 20 years ago in New York City, APF Properties acquired its first office building in Manhattan in 1995. The firm's core holdings consist of a portfolio of traditional and unique office buildings with locations in Manhattan, Philadelphia, and Houston. APF Properties puts a premium on hands-on property management as well as aggressively pursuing environmentally sustainable practices across its portfolio, as evidenced by the Energy Star and Silver LEED Certifications Achieved at 1601 Market Street. The firm's portfolio today is valued around $900 million.
Tenant:	**Conner Strong & Buckelew ("Tenant")**
Available Floors:	Floors 3-7 measuring 95,378 RSF Floors 11-12 measuring 57,967 RSF
Term:	Fifteen (15) Years and eight (8) months
Lease Start Date:	**Any time after December 1st, 2017**
Base Rent:	**$25.95/RSF + Electric** *Base Rent shall increase 2.5% per rentable square foot annually. Electric charges are currently estimated at $.90/RSF. Landlord shall provide Tenant with electricity for plugs, lights and HVAC up to 5.0 watts per USF.
Base Year:	The Base Year shall be set at 2018 to calculate any increases Operating Expenses & Real Estate Taxes. Operating expenses and Real Estate taxes are subject to reimbursement for increases over Tenant's current base year.
Tenant Improvement Allowance:	$65/RSF per rentable square foot * * Landlord will provide an allowance of $65.00 per rentable square foot of office space for design, engineering and construction of the Premises. Tenant may use up to $3/RSF for costs associated with their moving expenses.
Rent Abatement:	The first eight (8) months of Base Rent shall be abated starting at Lease Commencement. The Rent Abatement is an abatement of base rent at the Substantial Completion Date of the initial lease term and is offered outside of the 15-year Lease Term proposed herein.

Lease Commencement: Tenant will have one (1) month from the date of Substantial Completion to access the Premises for Tenant's installation of furniture, fixtures and equipment, information technology and relocation of materials and personnel.

Rent Commencement: Upon Expiration of Rent Abatement Period.

Use & Occupancy Tax: Tenant shall be responsible for paying the Philadelphia City Use & Occupancy Tax. The current Use & Occupancy Tax at 1601 Market Street is $1.63 per RSF.

Operating Expenses And Real Estate Tax Escalations: Tenant will pay its pro rata share of increases in operating expenses and real estate taxes over a 2018 base year, grossed up to 95% occupancy. Tenant shall have a 5% cumulative cap on controllable operating expenses. Non-controllable expenses shall be utilities, real estate taxes, insurance, non-customary security expenses, union salary and benefit costs and snow removal.

	OPEX	RET
2012	$8.21	$2.93
2013	$8.37	$2.93
2014	$8.27	$2.34
2015	$8.59	$2.26

Architectural Plans: Landlord shall provide Tenant fifteen cents ($0.15) per usable square foot to perform preliminary space plans to assist Tenant in its evaluation of the proposed Premises.

Renewal Option: Tenant shall have two (2) consecutive five (5) year renewal options at 100% of the then current Fair Market Value ("FMV"). FMV shall be defined as comparable rent, current market concessions, tenant improvement allowances, brokerage commissions, base year, inducements and other economic considerations for lease renewals comparable to the Premises being offered in similar buildings in the marketplace. Tenant shall exercise the option to renew with twelve (12) months prior written notice.

Parking: Landlord would like to discuss Tenant's parking needs in more detail.

HVAC: Landlord shall provide heating, ventilation and air-conditioning for normal office usage, Monday through Friday, from 8:00 a.m. to 6:00 p.m., and Saturday, from 9:00 a.m. to 1:00 p.m., except for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas. Overtime HVAC is currently charged at a rate of $175/hour.

Construction Management Fee:	Improvement work may be performed by Landlord or Tenant, at Tenant's option. Tenant may select contractors and subcontractors for the design and construction of the Premises, subject to Landlord review and approval. If Tenant performs its own construction, a one and one-half percent (1.5%) construction management fee will be payable for initial construction of the Premises. If Landlord performs the construction, a three percent (3%) construction management fee will be payable for initial construction of the Premises.
Assignment and Subletting:	Tenant shall have the right to sublease and assign all or any portion of its space, subject to Landlord's consent, which consent shall not be unreasonably withheld or delayed. Tenant may assign or sublet the Premises, or any portion thereof, without Landlord's consent, to any corporation which controls, is controlled by or is under common control with Tenant, or to any corporation resulting from the merger or consolidation with Tenant, or to any person or entity which acquires all the assets of Tenant as a going concern of the business that is being conducted on the Premises, provided that said assignee assumes, in full, the obligations of Tenant under this Lease.
SNDA:	Landlord will request a non-disturbance agreement from its lender and tenant will agree to execute a subordination agreement.
Security:	1601 Market has manned security force on the premises 24 hours a day 7 days a week.
Stairwell/Premises Restoration:	Tenant may use the existing fire stairs to communicate between their floors. Cosmetic improvements may be made to the stairwell from the Tenant Improvement allowance. Tenant shall be required to remove all wiring and non-standard building improvements within the Premises and to restore any affected areas.
Security Deposit:	Subject to review of company financials. Landlord requests credit documentation from Tenant in the form of an annual report of the last three years of audited financial statements and shall base its decision about securitization after analysis of said financial information. Please provide this documentation as soon as possible.
Broker:	Landlord shall recognize CBRE as Agent for Tenant and shall pay a commission under a separate agreement.

UNIQUE BUILDING FEATURES:

- Exterior building signage for Conner Strong & Buckelew on the 16th Street side of the building, on the concrete spandrel above the retail tenants.
- Inter-connecting interior staircases providing a 93,400 SF vertical campus (additional 58,000 SF are available in same elevator bank)
- A millennial tailored amenity package designed to attract companies with a young work force (such as KPMG and WeWork) including:
  - New, state of the art 3rd party operated tenant-only Fitness Center
  - Re-designed sleek, modern building lobby
  - Two new food retailers appealing to young consumers
  - Covered secure bicycle storage
- Best transportation portfolio including direct Concourse Access to all Septa regional rail lines, the Market-Frankford Line, Broad Street Line & underground access to PATCO
- Conference Facility with wifi & video conferencing capabilities
- Highest company visibility through new Tenant Monument signage at corner of 16th & Market Streets

ADDITIONAL BUILDING FEATUERS

Fitness Center:	***First year discounted membership to all Conner Strong employees to 'Fitness 1601' located on the 10th floor in same elevator bank.***
Inter-Connecting Stairway:	***Landlord shall share the cost to construct inter-connecting stairway for floors 3-7, up to $4/RSF.***
Tenant Amenity Suite:	***In addition to the primary space, Landlord offers the 2,103 RSF on the second floor for creation of a tenant amenity suite for Conner Strong & Buckelew's exclusive use. Tenant to fit-out the space.***

Confidentiality/ Disclaimer: The contents of this proposal are confidential and are not to be reproduced or distributed to any person or entity without the prior written consent of the Landlord or used for any purpose other than initial evaluation as indicated above. It is understood that this letter merely summarizes certain proposals and neither party shall be legally bound by any of the information contained herein until a mutually acceptable lease has been fully executed by both Landlord and Tenant.

EXHIBITS

Exhibit A – Proposed Exterior Building Signage

Exhibit B – Proposed Tenant Fitness Center

Exhibit C – Proposed Lobby

Exhibit D – Proposed Tenant Monument Signage

Exhibit A

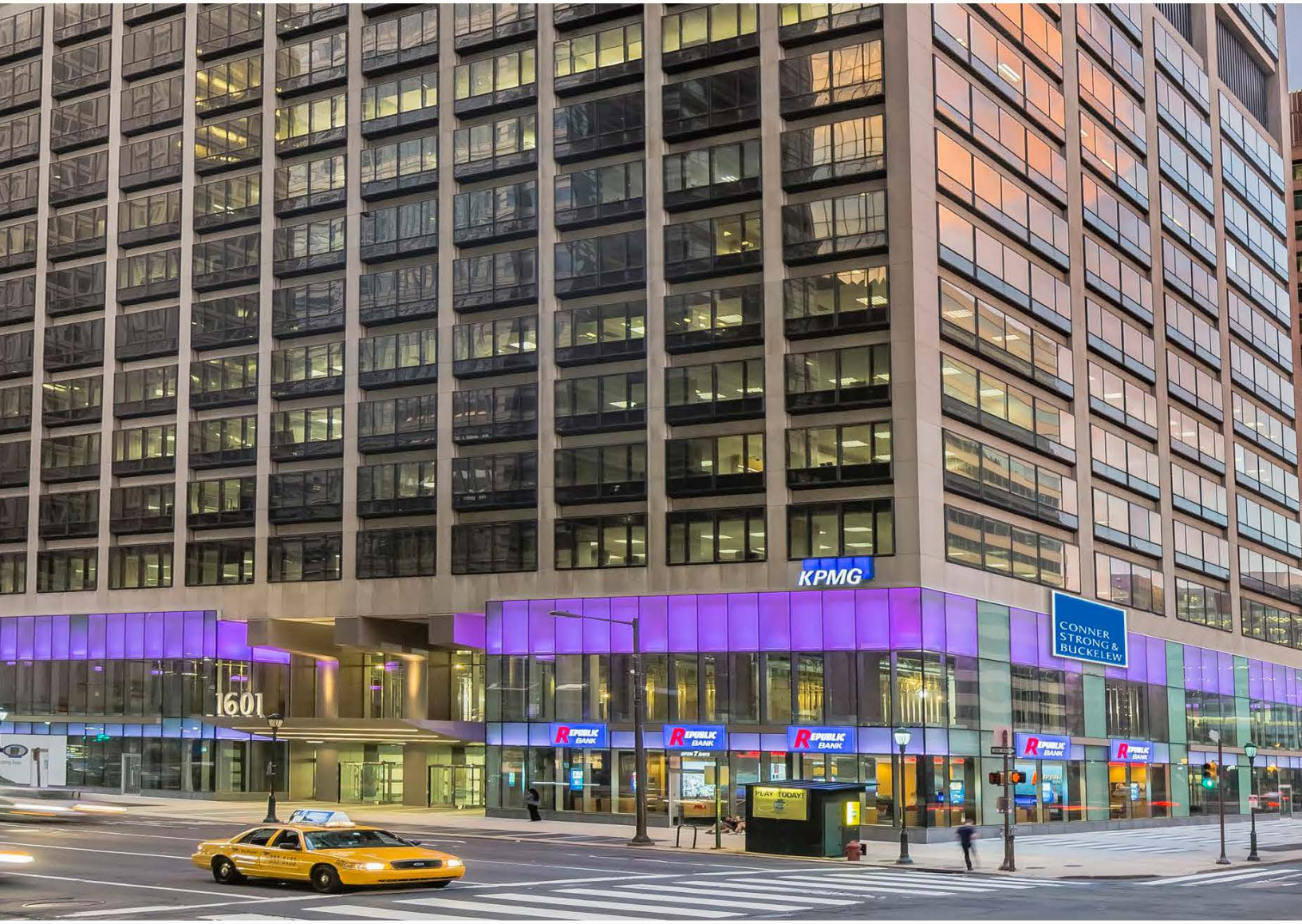
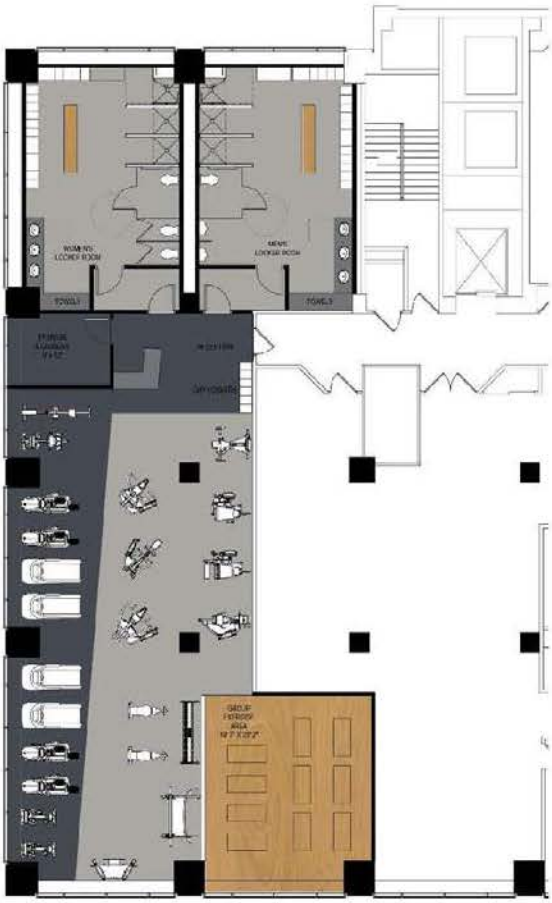
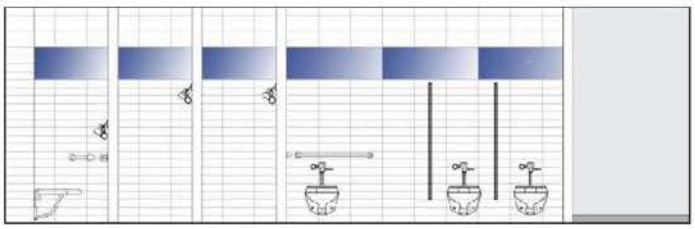
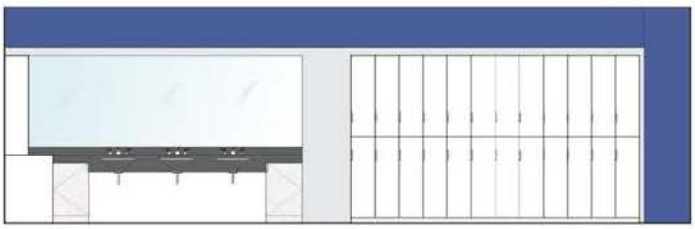


Exhibit B





TYPICAL WET WALL ELEVATION



TYPICAL LAVATORY & LOCKER ELEVATION

MEYER
ARCHITECTURE + INTERIORS

FITNESS CENTER PLAN & ELEVATIONS
1601 MARKET STREET | PHILADELPHIA, PA

APFPROPERTIES

Exhibit C

MEYER
ARCHITECTURE + INTERIORS

LOBBY
1601 MARKET STREET | PHILADELPHIA, PA

APFPROPERTIES

Exhibit D

MEYER
ARCHITECTURE + INTERIORS

EXTERIOR MONUMENT SIGNAGE
1601 MARKET STREET | PHILADELPHIA, PA

APFPROPERTIES

Applicant: Conner Strong & Buckelew **Application ID #209423**
Company: Conner Strong & Buckelew
Project: New Headquarters
Product: Grow New Jersey Program

Material Factor - The provision of a grant from the Grow New Jersey Program must be a 'material factor' in a company's decision to retain/relocate/expand operations in New Jersey.

A. A full economic analysis of all locations under consideration including such components as, but not limited to the cost effectiveness of remaining in this State versus relocation under alternative plans (e.g. Real Estate listings, Tax or other State/Local financial incentives offered to the applicant and **Cost - Benefit Analysis**, which may include cost per square foot, real estate tax, tax incentives, training incentives, labor costs, etc.)

See Attached Analysis.

B. All lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations

See attached lease.

C. All lease agreements, ownership documents, or substantially similar documentation for the potential out-of-state location alternatives, to the extent they exist

See attached letter of intent

D. A description of the 'at risk' nature of the employees that may be leaving the State. Include how such issues as the following will be addressed: mobility, labor and regulatory requirements as applicable (e.g., is the lease at the current facility expiring, will there be stranded assets if the business leaves; is the business' labor force required to be in the State; is a union contract required; is a license required to operate in the State).

Conner Strong & Buckelew currently operates dual headquarters in Marlton NJ and Philadelphia PA. It is seeking to consolidate its two headquarters into one location. It has located a site on the Camden waterfront on which it can have a new facility constructed into which it can move all employees from its Marlton and Philadelphia offices into one location. It has also located a proposed site in Philadelphia. The cost of the Camden site is significantly greater than the cost of the Philadelphia site. Without the tax credits it would not make economic sense to locate a new facility in Camden. Relocating to one facility in Philadelphia would

remove 172 existing jobs from New Jersey. Locating in Camden would keep 172 jobs in New Jersey and add 98 jobs from Philadelphia. A move to Philadelphia would not have a significant impact on the current workforce given its proximity to the existing NJ office.

E. A specific statement on the role the grant will play in the company's decision-making process to relocate in New Jersey

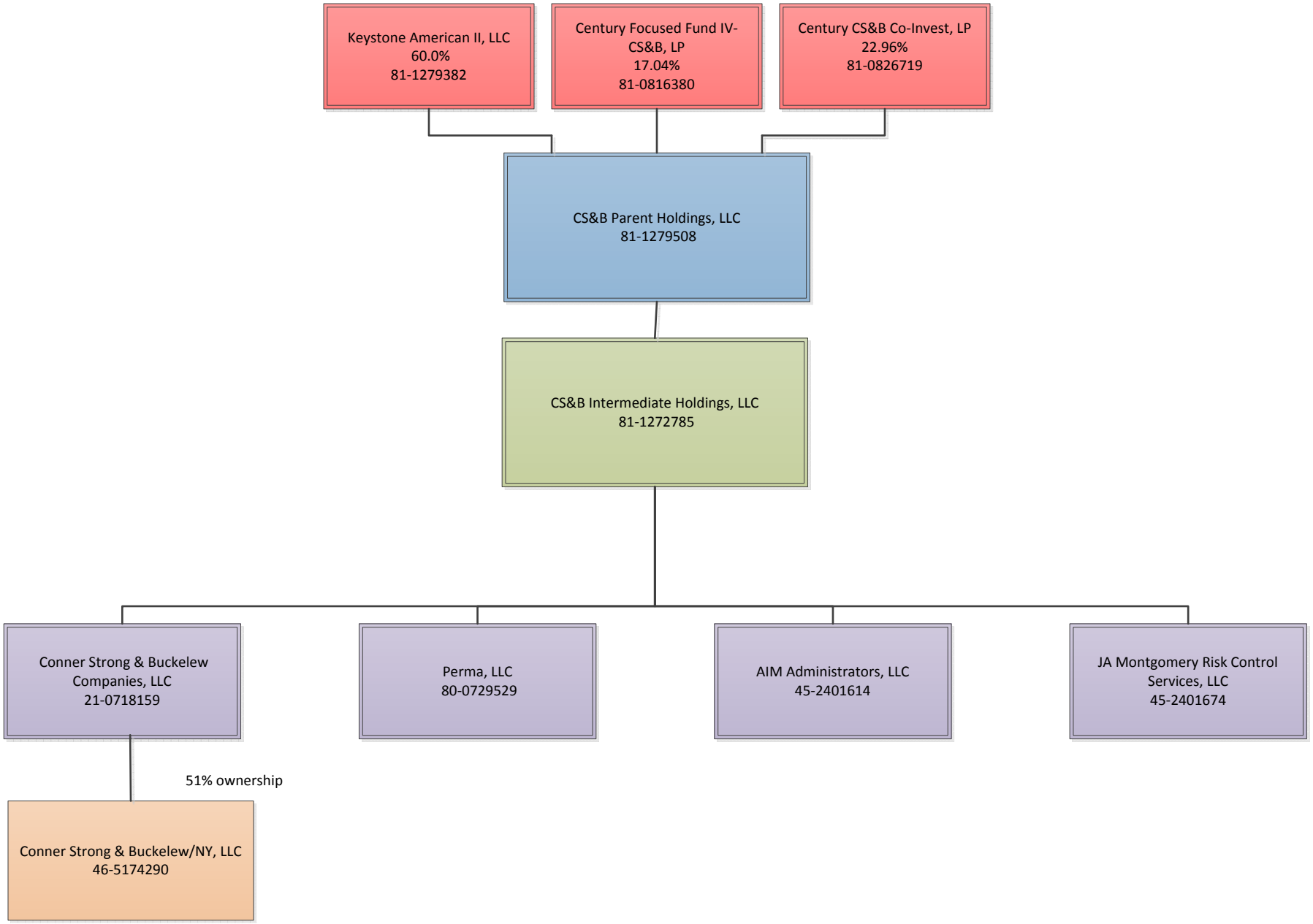
The grant is required in order for the Applicant to make a capital investment in Camden, NJ.

Camden Tower

TOTAL RENTABLE SQUARE FEET	**410,366**
TENANT 'S RENTABLE SQUARE FEET	**410,366**
TENANT PROPORTIONATE SHARE	**100%**

	2016	2016	2019	2019
	Total ($)	Total PSF ($)	Total ($)	Total PSF ($)
Real Estate Taxes	$ 8,207	$ 0.02	$ 8,968	$ 0.02
Insurance	$ 61,555	$ 0.15	$ 67,263	$ 0.16
Janitorial	$ 964,360	$ 2.35	$ 1,053,782	$ 2.57
Trash Removal	$ 41,037	$ 0.10	$ 44,842	$ 0.11
Exterior Landscaping	$ 57,451	$ 0.14	$ 62,779	$ 0.15
Security	$ 151,835	$ 0.37	$ 165,915	$ 0.40
BOS Engineering	$ 217,494	$ 0.53	$ 237,662	$ 0.58
HVAC Contract Services, Equipment, Supplies	$ 123,110	$ 0.30	$ 134,525	$ 0.33
Administrative Management	$ 295,464	$ 0.72	$ 322,861	$ 0.79
R&M	$ 184,665	$ 0.45	$ 201,788	$ 0.49
Roof	$ 12,311	$ 0.03	$ 13,453	$ 0.03
Snow Removal	$ 164,146	$ 0.40	$ 179,367	$ 0.44
Window Cleaning	$ 90,281	$ 0.22	$ 98,652	$ 0.24
Elevator Maintenance	$ 61,555	$ 0.15	$ 67,263	$ 0.16
Fire Protection	$ 61,555	$ 0.15	$ 67,263	$ 0.16
Exterminating	$ 12,311	$ 0.03	$ 13,453	$ 0.03
Equipment/Supplies	$ 32,829	$ 0.08	$ 35,873	$ 0.09
Common Area Owner's Association	$ 735,858	$ 1.79	$ 804,092	$ 1.96
Management Fees (4%)	$ 131,153	$ 0.32	$ 143,314	$ 0.35
Estimated Utilities				
Diesel Fuel	$ 24,622	$ 0.06		
Water and Sewer	$ 164,146	$ 0.40		
Electric	$ 1,025,915	$ 2.50		
TENANT ANNUAL OPERATING EXPENSES *EXCLUDING* UTILITIES	**$ 3,409,977.31**	**$ 8.31**	**$ 3,726,174.28**	**$ 12.22**
TENANT ANNUAL OPERATING EXPENSES *INCLUDING* UTILITIES	**$ 4,624,660.67**	**$ 11.27**	**$ 4,940,857.64**	**$ 15.18**

Conner Strong & Buckelew Companies, LLC
Organizational Chart



Project Description

The Applicant proposes to relocate its office headquarters to Camden, NJ. The Applicant currently has dual headquarters in Marlton NJ and Philadelphia, PA. The Applicant will move 172 employees (157 Grow qualified) from Marlton to Camden; move 98 employees (96 Grow qualified) from Philadelphia to Camden; and create 15 new jobs in Camden.

Camden Waterfront Development Overview:

The proposed Camden Tower Office Building, identified as building "C-1" on the Camden Master Plan prepared by Robert A.M. Stern Architect's dated August 1, 2016, is part of the Liberty Property Trust (Liberty Property Trust and Liberty Property Limited Partnership are collectively referred to as "LPT") comprehensive vision for a mixed-use urban waterfront comprised of office, retail, and residential space, and accompanying structured and surface level parking in the City of Camden. The development site presently consists of eight separate tax lots, and is located north of Market Street, south of Pearl Street, and west of Delaware Avenue, in close proximity to the Benjamin Franklin Bridge. The entirety of the site is currently utilized as surface level parking lots.

The various lots located within the development site are currently owned by the New Jersey Economic Development Authority ("EDA"), the City of Camden Redevelopment Agency ("CRA"), and Camden Town Center, LLC ("CTC"). In October of 2004, CTC and the EDA entered into a Development and Option Agreement for the redevelopment properties. However, attempts to redevelop the site have been unsuccessful for the twelve year period. In August of 2015, LPT entered in an Agreement of Sale and Purchase to acquire 100% of the membership interest in CTC. Immediately prior to Closing, CTC will exercise its option to purchase the EDA redevelopment properties and it, or LPT, will act as the overall project developer for the waterfront site. The various tax lots will be consolidated and entered into a condominium regime. CTC will sell the individual condo "units," or parcels within the condominium regime, to various end users.

Overview of C-1 Building Ownership and Space Allocation:

The condominium unit encompassing buildings C-1 and P-1 will be sold to Camden Partners Tower Equities, LLC ("Landlord"), a Garden State Grown Zone Development entity. Landlord will enter into a build-to-suit contract with LPT for construction of the multi-tenant office building C-1 and parking garage P-1 at the condo unit site. Upon delivery of the office building and parking garage, Landlord will lease the building to Camden Partners Operating Company, LLC ("Operating Company"). Operating Company will sublease the office building and parking garage to three tenants, The Michaels Organization, LLC ("Michaels"), NFI, L.P. ("NFI") and Conner Strong & Buckelew, LLC ("Conner Strong") (collectively "Tenants").

The proposed office building C-1 and the parking garage P-1 are located upon present Block 81.06, Lots 3.01 and 3.02 as identified on the Tax Map of the City of Camden. The proposed office building will consist of thirteen stories with a gross area of 420,602 sf and a total rentable area of 386,900 sf. Building space will be specifically occupied by the three Tenants as follows:

- NFI will occupy Floors 4, 5, and 6 totaling 88,233 sf.
- Michaels will occupy Floors 7, 8, and 9 totaling 88,233 sf.
- Conner Strong will occupy Floors 10, 11, and 12, along with the corporate conference center with related facilities on Floor 13 totaling 90,000 sf.

General space within the building that will be allocated to, or shared by each Tenant includes:

- 20,118 sf of mechanical space on Floor 1;
- 12,314 sf of retail/restaurant space on Floor 1;
- 9,323 sf of retail/restaurant space on the mezzanine level;
- 32,499 sf in amenity space (cafeteria and fitness center);
- 28,697 sf of Floor 3 will be shared mail room and conference space;
- 17,387 sf of mechanical space on Floor 14; and
- 96 sf helipad

There is a total of 120,434 sf of general space within the C-1 building allocated to the three Tenants.

The proposed parking garage P-1 will contain 785 parking spaces, all of which will be restricted to the exclusive use of the C-1 Tenants.

Overview of Total Capital Investment and Allocation of Landlord's Investment amongst Tenants:

Landlord and each Tenant have entered into a Letter of Intent ("LOI") for the construction and lease of the building. Tenants will lease space within the building and garage as set forth above. The LOI also provides a fit out allowance for each Tenant that will include interior improvements to the core and shell, furniture fixtures and equipment, relocation costs and other Landlord costs associated with the construction of the building. A budget with line item costs/sf is attached hereto.

The total cost of construction of the C-1 core and shell and the P-1 garage will be $188,420,300. The total cost of the Landlord's allowance for fit out and other costs included in the capital expense is estimated at $81,249,000. Other Landlord costs eligible toward the Tenant's capital expense amount to $22,153,182.

Pursuant to N.J.A.C. 19:31-18.2, a business that leases a qualified business facility is deemed to have acquired the capital investment made or acquired by the landlord if pertaining primarily to the premises of the qualified business facility, and, if pertaining generally to the qualified business facility being leased, shall be allocated to the premises of the qualified business facility on the basis of the gross leasable area of the premises in relation to the total gross leasable area in the qualified business facility. Accordingly, the three tenants will be deemed to have acquired the total capital investment made by the landlord that pertains directly to their business facility and a pro rata portion of the landlord's capital investment pertaining to the general building space.

The GrowNJ statute states that within a mixed-use building up to 7.5% of the project may be included in the mixed-use project application for a grant of tax credits along with the non-retail facilitates. N.J.S.A. 34:1B-244.e.

The three Tenants will solely occupy a total of 266,466 sf in the C-1 building. Of the 266,466 sf, NFI will solely occupy 88,233 sf, or 33.1 percent, Michaels will solely occupy 88,233 sf or 33.1 percent, and Conner Strong will solely occupy 90,000 sf or 33.8 percent. The remaining 120,434 sf of space is the shared third floor, retail/restaurant space and other common space within the building, the cost of which is shared pro rata pursuant to N.J.A.C. 19:31-18.2.

Each Tenant's share of the Landlord's total capital investment is as follows:

- NFI - $96,593,242
- Michaels - $96,593,242
- Conner Strong - $98,635,999

See attached Project Cost spreadsheet that identifies the space allocation, the total project cost, the Tenant's share of the total project costs, and the Tenant's specific capital investment.

The Applicant hereby requests that the Authority grant two six-month extensions of the time within which the Applicant is required to certify completion of the project and that the following language be included within the Incentive Agreement for this project.

In no event shall the incentive effective date occur later than four years following the date of the Authority's approval; provided that, so long as the company is using and has used its best efforts, with all due diligence, to proceed with the completion of the project and of the tax credit certificate documents, the company shall be provided an extension to the incentive effective date in the event that (a) the company is delayed in the completion of the project or of the tax credit certificate documents due to the following unforeseeable acts related to the project: strikes; acts of god; regulation, requirement, or restriction imposed by government; non-issuance of governmental permits or approvals; enemy act; civil commotion; fire or other casualty; litigation or other similar judicial or administrative proceeding; non-performance by third-party transaction participants; or any other unforeseeable causes related to the project beyond the company's control and without its fault or negligence, (b) the company has made and continues to make reasonable efforts to prevent, avoid, mitigate, and overcome the delay, and (c) the company shall have satisfied the conditions set forth below for such extension.

An extension to the incentive effective date resulting from a delay described in subsection (a) of the immediately preceding paragraph shall be granted to the company by the Authority if (a) the company shall have provided reasonable written notice to the Authority of the occurrence of the delay, which notice describes the nature of the delay, the date upon which the event causing the delay occurred and the steps being taken by the company to mitigate and overcome such delay, and (b) the Authority shall have considered the details of the event causing the delay set forth in the notice and shall not have, within fifteen (15) business days of the Authority's receipt thereof, contested or otherwise disputed the event causing the delay; provided, however, if and to the extent that any events described in a notice received by the Authority from the company shall cause or are expected to cause an extension of the incentive effective date beyond November 17, 2020, the Authority shall have forty-five (45) business days to review and consider the details of such event causing the delay and shall not have contested or otherwise disputed such event causing the delay during such forty-five (45) business day period. The consideration by the Authority of the event causing the delay shall be made in a reasonable manner. During the duration of the event causing the delay, the company shall provide periodic reports (not less than every 30 days) describing the status of the delay, the steps being taken to mitigate or overcome the delay and the expectations as to timing for resolution. The company shall provide written notice to the Authority within five (5) business days of the cessation of the event causing an excusable delay.

Map | Report: 1

Disclaimer: The data returned in this query is for informational purposes only. It is necessary to check all categories (Environmental, Economic Growth/Planning and Work Force/Demographic) to determine all possible constraints that might exist in or near your particular location.

Reference Layers

Reference Layers

Parcels

Block: 81.06
Lot: 3.02
County: Camden
Municipality: CAMDEN CITY
Owner: CAMDEN TOWN CENTER, LLC
Property Location: RIVERSIDE DRIVE
Property Class: 4A
Acres: 2
Land Value: $984,200
Improvement Value: $172,900
Net Value: $1,157,100
Last Year Taxes: $31,866.53

Public Use Airports	Not Applicable
Commuter Rail Stations	Aquarium
Commuter Rail Lines	Not Applicable

Economic Growth

Economic Opportunity Act

Please Note: The final award determination will be made by New Jersey Economic Development Authority (NJEDA) in an independent review and at NJEDA's sole discretion based upon geographic and non-geographic criteria

Base Grant Contributions

✓ GSGZ

✓	Urban Aid
✓	Mega Project Eligible
✓	Urban Transit Hub Municipalities
✗	Transit Village
✓	Urban Transit Hub
✓	Transit Oriented Development
✓	Distressed Municipality
✗	Priority Area
✗	Other Eligible Area

Other Contributing Factors

✓	Area in Need of Redevelopment
✗	Area in Need of Rehabilitation
✗	Aviation District
✗	CHOICE Neighborhood
✓	Deep Poverty Pocket
✗	Federal Military Base Closure and Realignment Commission (BRAC) Land
✗	Highlands Development Credit Receiving Area or Redevelopment Area
✗	Located in an area in need of redevelopment located within 1/4 mile of at least two NJ State highways
✓	Located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean or Salem Counties with a 2007 Municipality Revitalization Index Greater than 465
✗	Located within 1/2 mile of a light rail station constructed after 9/18/13
✗	Meadowlands
✗	Pinelands Regional Growth Area, town, Village or Federal Military Installation
✓	Port District

✓	Qualified Incentives Area
✗	Sports and Exposition Land in Hackensack Meadowlands District

State Plan - Planning Area: METROPOLITAN, PA 1

✓	State Plan - Designated Center
✗	State Plan - Growth Center

Economic Growth

Brownfield Sites	Not Applicable
Urban Enterprise Zones	Yes
Innovation Zones	Yes
Urban Aid Communities	Yes
Areas in Need of Redevelopment	Yes
Areas in Need of Rehabilitation	Not Applicable
Municipal Revitalization Index	Rank: 566
Urban Coordinating Council Qualified Municipalities	Yes
NJ Redevelopment Authority Eligible Municipalities	Yes
Main Street New Jersey Program Focus Areas	Not Applicable

Planning

Planning

Smart Growth Areas	Yes
Endorsed Plans	Not Applicable
Designated Centers	Camden
Cores	Not Applicable
Nodes	Not Applicable
Critical Environmental Sites	Not Applicable
Historical and Cultural Sites by State Plan	Not Applicable

State Planning Areas	Planning Area Name: Metropolitan Planning Area ID: 1
Sewer Service Areas	Wastewater Mgt Plan: Camden County Mua Type: SW Facility Name: Delaware No 1 WPCF Wastewater Mgmt Plan Agency: CCMUA

Environmental

Land Use/Conservation

CAFRA Area	Not Applicable
Meadowlands District	Not Applicable
Pinelands Area	Not Applicable
Highlands Area	Not Applicable
Well Head Protection Areas	Not Applicable
Land Use/Land Cover, Urban	General: Urban Category: Stadium, Theaters, Cultural Centers And Zoos
Land Use/Land Cover, Non-Urban	Not Applicable

Water/Wetlands

Streams	Not Applicable
Category 1 Waters	Not Applicable
Water Bodies	Not Applicable
Wetlands	

	Not Applicable

Contaminated Sites

Deed Notice Extents for Known Contaminated Sites	Not Applicable
Groundwater Contamination Extents - Known Sources	Not Applicable
Groundwater Contamination Extents - Unknown Sources	Not Applicable

Work Force / Demographic

Municipal Work Force Statistics

Total Labor Force (per sq mile)	3,152
Labor Force Unemployed	19%
Total Number of Local Employers / Establishments Covered by Unemployment Insurance	1124
Total Employment by Local Employers / Establishments Covered by Unemployment Insurance	33,752

Municipal Demographics

Population (per sq mile)	8,670
High School Graduation Rates	59%
College Graduation Rates	6%
Per Capita Income	$11,967
Residential Housing Units Authorized by Building Permits	197
Congressional Districts	District 1
Legislative Districts	District 5

HMFA

HMFA

HMFA Program Eligibility

* Contact the Department of Transportation at 609-530-6542 to confirm Transit Village status.

Programs	Eligibility
	HMFA Programs for Developers
Low Income Housing Tax Credits	You are eligible to apply for Low Income Housing Tax Credits. Please reference the most current QAP for guidance, on the **QAP** (http://www.state.nj.us/dca/hmfa/developers/credits/allocations/qap.shtml) web site. You are in a Qualified Census Tract (QCT), as of 2013. You are in a Smart Growth Area. Please reference the most current QAP for guidance on the **QAP** (http://www.state.nj.us/dca/hmfa/developers/credits/allocations/qap.shtml) web site. For more information please email (mailto:jpena@njhmfa.state.nj.us) call 609.278.7629 or visit the program's website (http://www.state.nj.us/dca/hmfa/developers/credits/)
CHOICE	You may be eligible to receive financing and subsidy for single-family and two-family rehabilitation and new construction home ownership projects. For more information please email (mailto:akasperek@njhmfa.state.nj.us) call 609.278.8829 or visit the program's website (http://www.state.nj.us/dca/hmfa/developers/choice)
Multifamily Programs	You may be eligible for lending for multifamily rental housing construction and/or permanent loans. For more information please email (mailto:mrodriguez@njhmfa.state.nj.us) call 609.278.7526 or visit the program's website (http://www.state.nj.us/dca/hmfa/developers/multi/)
	HMFA Programs for Homebuyers

Homebuyer Programs	First Time Homebuyer Program (http://www.state.nj.us/dca/hmfa/homeownership/buyers/first) You may be eligible for the first-time homebuyer mortgage program if you have not owned a home in the last three (3) years. Please contact the HMFA Single Family division at **1-800-NJ-HOUSE (654-6873)** for more information. Smart Start Program (http://www.state.nj.us/dca/hmfa/homeownership/buyers/smart) You are in a Smart Growth Area. If you are a first time or Urban Target Area homebuyer, you may be eligible for down payment and closing cost assistance, totaling up to 4% of your HMFA mortgage, through the Smart Start program. Live Where You Work Program (http://www.state.nj.us/dca/hmfa/homeownership/buyers/live) If you are a first time or Urban Target Area homebuyer, you may be eligible for the Live Where You Work program if you are also employed in the town where you are purchasing a home. You may be eligible for a low interest mortgage, more flexible underwriting and down payment and closing cost assistance, totaling up to 4% of your HMFA mortgage. For more information please call 1.800.NJ.House or visit the program's website (http://www.state.nj.us/dca/hmfa/homeownership/buyers/)

Note: There are many HMFA resources for developers and consumers that are not location based. For more information, please visit the HMFA website (http://www.state.nj.us/dca/hmfa/homeownership/buyers/)

Census Data Results for 2010

County:	Camden County			
Municipality:	Camden city			
Congressional District:	1			
Legislative District:	5			
Census Tract #:	6103			
Census Block Group #:	1			
	Census Block Group # (1)	Census Tract# (6103)	Municipality (Camden city)	County (Camden County)
SOCIAL CHARACTERISTICS				

Total Population	2253	2253	78047	513574
# Families	259	259	17858	129833
% Population (18+yrs)	91.9	91.9	68.3	75.2
% Unemployed	No data	10.1	19.3	9.2
% Commuting to Work	No data	90.3	98.7	97.2
ECONOMIC CHARACTERISTICS				
Median Household Income ($)	15130	15130	27027	60976
Median Family Income ($)	68274	68274	29118	74385
% Population Below Poverty	No data	33.6	36.1	11.2
% Families Below Poverty	13.1	13.1	33.5	8.9
HOUSING CHARACTERISTICS				
Total Housing Units	1275	1275	30400	204435
% Renter Occupied Units	72.5	72.5	48.5	28.3
% Owner Occupied Units	15.3	15.3	34.7	65
% Vacant	12.2	12.2	16.8	6.7
% Homeowners with Mortgage	86.2	86.2	58.5	72.9
Median Rent ($)	784	784	783	897

Data Source: American Community Survey 5-year estimates, 2005 – 2010Data Source: American Community Survey 5-year estimates, 2005 – 2010
See ACS Data Guidance for further information and margin-of-error values (http://www.census.gov/acs/www/guidance_for_data_users/guidance_main/)

Census Data Results for 2000

County:	Camden County
Municipality:	Camden city
Congressional District:	1

Legislative District:	5			
Census Tract #:	6005			
Census Block Group #:	1			
	Census Block Group # (1)	Census Tract# (6005)	Municipality (Camden city)	County (Camden County)
SOCIAL CHARACTERISTICS				
Total Population	826	826	79904	508932
# Families	119	119	17655	130729
% Population (18+yrs)	43.49	43.494424	48.07	76.67
% Unemployed	26.13	26.126126	15.18	5.9
% Commuting to Work	54	54	67.74	85.36
ECONOMIC CHARACTERISTICS				
Median Household Income ($)	8569	8569	23421	48097
Median Family Income ($)	14196	14196	24612	57429
% Population Below Poverty	50.97	50.968523	35.52	10.44
% Families Below Poverty	53.78	53.781513	32.78	8.11
HOUSING CHARACTERISTICS				
Total Housing Units	625	625	29769	199679
% Renter Occupied Units	89.69	89.694656	54.01	30.01
% Owner Occupied Units	8.64	8.64	37.35	65.11
% Vacant	16.16	16.16	18.78	6.98
% Homeowners with Mortgage	21.21	0.212121	57.79	72.02
Median Rent ($)	308	308	522	635
Data Source: Census 2000 (http://www.census.gov/)				

Applicant: Conner Strong & Buckelew **Application ID #209423**
Company: Conner Strong & Buckelew
Project: New Headquarters
Product: Grow New Jersey Program

List all local and/or state financial assistance being utilized in the proposed project including:

- development subsidies being requested or receiving - **EDA GrowNJ Assistance Tax Credits.**
- other state assistance – **None**
- low interest rate loans - **None**
- infrastructure improvements - **None**
- property tax abatements and exemptions – **Tax exemption pursuant to NJSA 52:27D-489s.**
- training grant assistance - **TBD**

Please specify program name, granting body, dollar amounts or value, terms and status of application.

State of New Jersey
DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
P. O. BOX 272
TRENTON, NEW JERSEY 08695-0272

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

FORD M. SCUDDER
State Treasurer

JOHN J. FICARA
Acting Director

Telephone (609) 292-5503 / Facsimile (609) 292-1882

November 2, 2016

CONNER STRONG & BUCKELEW COMPANIES
401 RT 73 NORTH, SUITE 300
MARLTON, NJ 08053

BUSINESS ASSISTANCE OR INCENTIVE CLEARANCE CERTIFICATE

Agency: Economic Development Authority

Applicant ID: xxx-xxx-159/000

The Director of the Division of Taxation, in accordance with Chapter 101, Laws of N.J. 2007, has reviewed the records of the above Applicant for Business Assistance or Incentive from the above referenced agency. This review shows that the Applicant is in compliance with this act.

This certificate indicates the Division of Taxation has no objections to the issuance of said Assistance or Incentive. This certificate does not constitute a waiver of authority to demand resolution of any other deficiencies and delinquencies and shall not prevent further audit or the assessment of additional taxes, penalties, interest or fees as may be provided by law.

This certificate is valid for 180 days from the date of issuance.

John J. Ficara
Acting Director

CONNER STRONG & BUCKELEW

INSURANCE | RISK MANAGEMENT | EMPLOYEE BENEFITS

John F. Muscella, CPA
Managing Director
Executive Vice President
Chief Financial Officer

P : 856-552-4770
F : 856-552-4771
jmuscella@connerstrong.com
40 Lake Center Executive Park
401 Route 73 North, Suite 300
P.O. Box 989
Marlton, NJ 08053

October 24, 2016

SENT VIA OVERNIGHT MAIL

Ms. Christina Fuentes
New Jersey Economic Development Authority
36 West State Street
Trenton, NJ 08625

Re: Conner Strong & Buckelew Companies, LLC GrowNJ Application #209423

Dear Ms. Fuentes:

Please find enclosed our checks for GrowNJ Application #209423, which has been filed electronically.

If you need any further information, please feel free to contact me at the above numbers. Thank you.

Sincerely,

John F. Muscella
Executive Vice President

JFM/lh

Enclosures (2)

000172586

NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY
36 WEST STATE STREET
TRENTON, NJ 08625

DATE	AMOUNT
10/14/16	*****$5,000.00

GrowNJ Application #209423

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.

CONNER STRONG & BUCKELEW

EXPENSE CHECK

Conner Strong & Buckelew
401 Route 73 North
P O Box 989
Marlton, NJ 08053
(877) 861-3220

60-295
313

000172586

DATE 10/14/16 *****$5,000.00

Void Over $5,000.00

Void after 180 Days

PAY ONLY FIVE 5000 00 CTS CTS

M&T BANK
MTOP - Operating Account

PAY ■FIVE THOUSAND DOLLARS AND ZERO CENTS **********

TO THE ORDER OF **NEW JERSEY ECONOMIC DEVELOPMENT**
AUTHORITY
36 WEST STATE STREET
TRENTON, NJ 08625

[redacted]

000172585

NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY
36 WEST STATE STREET
TRENTON, NJ 08625

DATE	AMOUNT
10/14/16	*****$75.00

GrowNJ Application #209423

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.

CONNER STRONG & BUCKELEW

EXPENSE CHECK

Conner Strong & Buckelew
401 Route 73 North
P O Box 989
Marlton, NJ 08053
(877) 861-3220

PAY ONLY $75.00

60-295
313

000172585

DATE 10/14/16 *****$75.00

Void Over $75.00

Void after 180 Days

M&T BANK
MTOP - Operating Account

PAY ■SEVENTY-FIVE DOLLARS AND ZERO CENTS **********

TO THE ORDER OF **NEW JERSEY ECONOMIC DEVELOPMENT**
AUTHORITY
36 WEST STATE STREET
TRENTON, NJ 08625

John F. Muscella

[redacted]