

VENTRA
TRANSIT BENEFIT PROGRAM
DEFINITIONS

Active Card means a Ventra Card held by an Active Participant.

Active Participant means an Employee designated by Employer as eligible for participation in the Employer Program by Employer's addition of the Employee's information on the Benefit List.

Application means Employer's application to participate in the Ventra Employer Transit Benefit Program.

Benefit Funding Account is the Employer bank account described in Employer's Application from which the cost of Program Benefits are to be withdrawn.

Benefit List means a list in computer file format specified by CTA containing the information specified by CTA, which is completed by Employer with information for an Active Participant using the Ventra Program.

Benefit Month means the month in which a Program Benefit becomes effective.

Business Day means a weekday on which banks are open for business in Illinois, excluding a Saturday, Sunday, or Illinois or federal public holiday.

CTA means the Chicago Transit Authority, a political subdivision of the State of Illinois. CTA also includes any CTA contractors and subcontractors to the extent they are operating CTA's Ventra System.

CTA/Pace Service Area refers to areas in which public transportation services are provided by CTA or Pace.

CTA Transit Benefit Manager means the point of contact for CTA for the Ventra Employer Transit Benefit Program as provided on CTA's Ventra Transit Benefit website.

Employees are Employees of Employer that have elected to participate in the Employer Program.

Employer means the Employer as identified in the Application.

Employer Current Participants are Employees who currently are enrolled to receive a Chicago Card or Chicago Card Plus through Employer.

Employer Program means the program established by the Employer to provide Transit Benefits to its Employees through the Ventra Employer Transit Benefit Program.

Employer Program Start Date is the first day of the first Benefit Month of the Employer Program.

Internal Revenue Code Internal Revenue Code of 1986, as amended, or any Treasury Regulations promulgated thereunder.

Load/Loading is the function of adding a Ventra Product to a Ventra Transit Benefit Account.

Notice means a Notice, demand or consent required or permitted hereunder; provided that such Notice (1) must be in writing, (2) shall be considered delivered and effective when (i) personally delivered; (ii) the day following transmission if sent by Facsimile with confirmed receipt; or (iii) three (3) calendar days after posting when sent by certified or registered US Mail; or (vi) upon delivery by registered private carrier with confirmed receipt (e.g. DHL, Federal Express, etc); and (3) if to Employer, shall be given to the Employer contact and at the contact information provided on the Application and if to CTA to the

CTA Transit Benefit Manager and at the contact information provided on CTA's Ventra Transit Benefit website.

OSFS Fare Media means any form of payment authorized to be used on the Ventra System.

Pace is the public transportation system that serves the suburbs of Chicago through fixed bus routes, vanpools, and Dial-a-Ride programs.

Program Benefit means the Loading of Ventra Products available for transit benefits (pursuant to the Ventra User Agreement) to a Ventra Transit Benefit Account under the Employer Program via the Ventra Direct Load Program.

Transit Benefit Account means an account that is associated to a Ventra Card through which Active Participants can manage their Ventra Products (available for transit benefits pursuant to the Ventra User Agreement), personal information, and notification preferences.

Transit Benefit Stored-Value is cash value accessed through a Transit Benefit Account that may be used as payment for public transit provided by Transit Operators.

Transit Operator means one of the various public transportation agencies in the CTA/Pace Service Area that operates public transport through which Program Benefits can be delivered to Active Participants' Ventra Transit Benefit Accounts.

Ventra Card is the form of Fare Media that can be associated with a Transit Benefit Account onto which Ventra Products (available for transit benefits pursuant to the Ventra User Agreement) can be loaded.

Ventra Direct Load Program means the bulk ordering, and loading, of Ventra Products (available for transit benefits pursuant to the Ventra User Agreement) to Active Participant's Transit Benefit Accounts through the order process of the Ventra Employer Transit Benefit Program.

Ventra Employer Transit Benefit Program means the transit benefit program implemented through the Ventra System.

Ventra Products means Transit Benefit Stored-Value, Periodic Passes, and data associated with a Ventra Transit Benefit Account that represents any other rights to use transit services that form part of the Ventra System.

Ventra Program means a unified fare collection and transfer system serving the people who use the CTA and Pace public transportation systems.

Ventra System means the open-loop, centralized, automated fare collection system using various forms of OSFS Fare Media, including the Ventra Card, as the transit fare payment media for the CTA and Pace public transportation systems.

Ventra User Agreement means the portions of the *Ventra Program – User Agreement Terms and Conditions for Transit* entitled "Transit Benefit Fare Program Participants" set out on the Ventra Website.

Ventra Transit Benefit Website means the website through which the Ventra Employer Transit Benefit System is administered.

Ventra Transition Period means the period through December 31, 2013 or as otherwise extended by CTA.

Ventra Website means the website through which the Ventra System is administered.

VENTRA EMPLOYER
TRANSIT BENEFIT PROGRAM
TERMS AND CONDITIONS

CTA has established the Ventra Employer Transit Benefit Program which will be available to an Employer on completion by the Employer of the Ventra Employer Transit Benefit Program Application and approval by CTA of such Application. The Ventra Employer Transit Benefit Program will only be administered by CTA with all Employers wanting to participate in the Ventra Direct Load Program. All participating Employers will be required to participate pursuant to the Terms and Conditions set forth herein and the Ventra User Agreement (both as established and modified by CTA from time to time). Under the Ventra Employer Transit Benefit Program funds will only be permitted to be added as Ventra Products and will not be usable to purchase anything other than public transit provided by Transit Operators nor will such funds be permitted to be transferred out of a Transit Benefit Account.

Employer agrees to the following as a condition to and in consideration for participation in the Ventra Employer Transit Benefit Program:

- A. **Benefit List.** Employer will upload an electronic order file (the Benefit List) to a website designated by CTA in the format designated by CTA. Employer will upload this file by the 20th of the month before the Benefit Month.
- B. **Benefit Funding Account.** Employer will provide CTA access to the Benefit Funding Account from which to withdraw funds to fund transit value to be loaded to the Active Participant's Transit Benefit Accounts. Employer will ensure that on any given day, the Benefit Funding Account contains enough money to cover the cost of all the transactions on the Benefit List for the Program Benefits that Active Participants have chosen on the Ventra Website.
- C. **Current Employer Participants.** Employer will offer all appropriate Ventra Products (available for transit benefits pursuant to the Ventra User Agreement) and services to Current Employer Participants. Employer will work to transition Current Employer Participants to the Ventra Program pursuant to CTA's Transit Benefit Transition Procedures available on the Ventra Transit Benefit Website.
- D. **Ventra Products.** Employer shall inform Active Participants of all Ventra Products (available for transit benefits pursuant to the Ventra User Agreement). Each Active Participant shall make the final decision, at the Active Participant's sole discretion, regarding which of such products and services the Active Participant elects. Employer shall have the final decision, at the Employer's sole discretion, regarding which of such products and services it makes available to its Employees.
- E. **Ventra User Agreement.** Employer will ensure that all Active Participants are made aware of the Ventra User Agreement on the Ventra Website and that Active Participants are notified of their responsibility to comply with the current version of the Ventra User Agreement. All Active Participants of Employer shall be customers of CTA and shall be subject to the Ventra User Agreement.
- F. **Ordering of Ventra Cards.** Employer may order Ventra Cards for distribution to Active Participants pursuant to the procedures provided on the Ventra Website or otherwise as instructed by CTA. The cost of such Ventra Cards as described herein shall not include the cost of any Ventra Products. The Employer shall be responsible for registering such cards to each Active Participant through the Benefit List and no credit of Transit Benefit Stored-Value (otherwise available to the general public in connection with registration of a new Ventra Card pursuant to the Ventra User Agreement) or other Ventra Products shall be available in connection with registration of any such cards. Ventra Cards shall

be provided to Active Participants during the Ventra Card Transition Period pursuant to CTA's Transit Benefit Transition Procedures available on the Ventra Transit Benefit Website.

G. **Ventra Card Stock Fee:** Employer may purchase Ventra Cards for Employer Current Participants and Active Participants at CTA's cost. All Ventra Card Stock Fees shall be paid in connection with Employer's submission of an order for Ventra Cards. In the event CTA offers Ventra Cards free of charge to any users of the Ventra Program, Employer shall not be charged Card Stock Fees for Employer Current Participants or Active Participants. At no time will the Card Stock Fee be greater than the fee charged to any other user of the Ventra Program.

H. **Funding of Program Benefits**

1. Employer will be provided, via email, with an invoice each month prior to the Benefit Month, showing the aggregate of all Active Participants Program Benefits for the upcoming Benefit Month.

2. CTA will withdraw all amounts owed as described in the preceding paragraph through ACH transfer, from Employer's Benefit Funding Account during the month prior to the Benefit Month to which the Program Benefits apply. CTA shall notify Employer (via email) of the amount to be deducted before the funds are withdrawn.

3. The timing of invoicing of Program Benefits and withdrawal of funds for payments shall be as set forth on the Ventra Transit Benefit Website.

I. **No Refunds and Transfer of Ventra Products.** Internal Revenue Service Regulations state that pre-tax transit benefits cannot be refunded to an Active Participant once an election is made. An election is made once the pre-tax transit benefits are loaded into Active Participant's Transit Benefit Account. Employer acknowledges that CTA will not provide a refund of Ventra Products in a Transit Benefit Account to an Active Participant and that any refunds will be provided only in accordance with the Ventra User Agreement. Employer will support this restriction with Active Participants. Ventra card replacement for lost, damaged or defective cards will be handled in accordance with the Ventra User Agreement.

J. **Compliance with IRS Provisions Regarding Transit Benefits.** CTA will administer the Ventra Transit Benefit Program in accordance with this agreement and the Ventra User Agreement. Employer understands and agrees that CTA makes no representation or warranty, and is not responsible for, compliance of the Employer Program (including the Ventra Employer Transit Benefit Program) with any tax law under the Internal Revenue Code of 1986. Employer should consult their own tax advisors in determining the tax effects (to both the employer and the Employee) of participation in the Employer Program. Should the CTA be held responsible by any taxing authority for any tax or taxes arising from, or associated with the Employer Program, Employer shall fully indemnify the CTA for any such tax or taxes, within thirty (30) calendar days of CTA providing Notice of such taxes.

K. **Right to Terminate.** Employer acknowledges and agrees that CTA may terminate Employer's participation in the Ventra Employer Transit Benefit Program at any time, and without cause, on providing ninety (90) calendar days advance written Notice. Employer may terminate its participation in the Ventra Employer Transit Benefit Program at any time on providing ninety (90) calendar days advance written Notice.

L. **Indemnification.** Employer shall defend, indemnify and hold harmless CTA, its officers, directors, employees, contractors, subcontractors and agents from and against any third party claims,

suits, demands, actions, judgments, awards, liabilities, losses, damages and expenses (including reasonable attorneys' fees and costs) arising out of relating to damages or causes of action arising out of its performance, failure to perform, or failure to comply with its obligations under these Terms and Conditions and the Ventra Employer Transit Benefit Program; provided that CTA shall give Notice to Employer promptly after becoming aware of any fact, condition or event that may give rise to a claim for which indemnification is sought and within seven (7) calendar days after the service of a citation or complaint or receipt of written notification of a claim or threatened claim in connection with any lawsuit, action or other proceeding that is filed or threatened to be filed against CTA. The failure of CTA to give timely Notice hereunder shall not affect rights to indemnification hereunder, except to the extent Employer demonstrates actual damage caused by such failure.

M. **No Assignment.** Employer shall notify CTA of any assignment of its approved Application and any rights to participate in the Ventra Employer Transit Benefit Program; provided that any such assignment shall become effective following completion of an Application by the assignee and approval thereof by CTA.

VENTRA EMPLOYER
TRANSIT BENEFIT PROGRAM
PROGRAM DESCRIPTION

- A. **Benefits List.** CTA will accept and process the Benefits List and retrieve the electronic funds provided by Employer in accordance with the requirements of these Terms and Conditions. Employer is responsible for the accuracy of all information, including customer information, on the Benefits List.

- B. **Review of Benefits List.** Upon receiving the Benefits List, CTA will electronically review it in accordance with its order file validation process to determine if any information on the list is non-conforming (bad information). CTA will also review the list to determine if any of the Program Benefits for an Active Participant on the Benefits List, when added to the value of Ventra Products on such Active Participant's Ventra Card, will be above the maximum amount allowable under the Ventra User Agreement, and if so such employees shall be rejected from the Benefits List and will no longer be Active Participants and no Program Benefits can be funded for such employees. If any non-conforming information is detected, it will be removed from the list and Employer will be notified of the details of those items that were removed in a format and frequency established by CTA. CTA's file validation process is available on the Ventra Transit Benefit Website.

- C. **Load of Program Benefits.** CTA will Load the Program Benefits into the Transit Benefit Account of each Active Participant only following Employer's upload of the Benefit List and Program Benefit Fees being paid by Employer subject to the requirements of the Terms and Conditions. The timing of Loading of Program Benefits shall be as set forth on the Ventra Transit Benefit Website.

- D. **Customer Information.** CTA shall keep confidential the customer information of Active Participant's in accordance with CTA's Ventra User Agreement.

- E. **Confidential Information.** The term "**Confidential Information**" means any and all nonpublic information, communicated by or on behalf of Employer to CTA in writing or electronic format, provided that: (x) such information is proprietary to Employer, and (y) such information is conspicuously marked "confidential" and is disclosed separately from (and not a part of) any other information disclosed or otherwise delivered to CTA. CTA agrees that it will (a) refrain from using the Confidential Information of Employer except to the extent necessary and appropriate to perform its obligations, or exercise its rights, under the Ventra Employer Transit Benefit Program, (b) except for Permitted Disclosures as described below, refrain from disclosing any Confidential Information of Employer, and (c) take reasonable security precautions to keep confidential the Confidential Information of Employer.

"Permitted Disclosures" include the following:

- 1. Disclosure to CTA's contractors to the extent that such disclosure is reasonably necessary for the applicable contractor to perform its obligations to CTA.

2. Disclosure required by and in accordance with a judicial or other governmental order. CTA shall use commercially reasonable efforts to advise Employer at the time of such disclosure.

3. Disclosure of any Employer Confidential Information that CTA is required to release and/or disclose under the Illinois Freedom of Information Act or other applicable law, as reasonably determined by CTA. CTA shall use commercially reasonable efforts to advise Employer at the time of such disclosure.