
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) December 13, 2013

BENEFITFOCUS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36061
(Commission
File Number)

46-2346314
(IRS Employer
Identification No.)

100 Benefitfocus Way, Charleston, South Carolina 29492
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (843) 849-7476

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On December 13, 2013, Benefitfocus.com, Inc., a wholly owned subsidiary of Benefitfocus, Inc. (the “Company”), executed a lease agreement with DIEC II, LLC (the “Lease”). Pursuant to the Lease, DIEC II will construct a building of approximately 145,000 square feet on its property, Daniel Island Executive Center II (Berkeley County, South Carolina), for the Company to expand its campus with a Customer Success Center and accommodate new Company associates. Through December 13, 2016 (the “Option Period”), Benefitfocus.com may exercise an option requiring DIEC II to build additional space for it to lease on Daniel Island Executive Center II, including either a four-story office building of approximately 145,000 square feet (“Option 1”) and/or a two-story welcome center of approximately 18,500 square feet (“Option 2”), under leases in a form substantially similar to that of the Lease. If Benefitfocus.com does not exercise an Option by the end of the Option Period, it must pay DIEC II carrying costs and termination fees for the unexercised Option, totaling up to approximately \$1,865,451 for Option 1 and \$288,216 for Option 2. Benefitfocus.com may terminate an Option prior to the end of the Option Period upon 90 days notice to DIEC II and payment of a portion of the carrying costs and termination fees described above for the terminated Option, prorated to the Option termination date.

The target commencement date of the Lease is January 1, 2015 and runs for 15 years. Benefitfocus.com may renew the Lease upon 365 days notice to DIEC II for five additional one year terms, provided that Benefitfocus.com is not in default at the time of its request. If Benefitfocus.com exercises an Option to lease additional space from DIEC II, the term of the Lease will reset to 15 years from the date Benefitfocus.com begins paying rent for the additional space under the Option.

Annual rent for the first year of the Lease is \$30.05 per square foot of Rentable Area (as defined in the Lease). Thereafter, rent will increase by three percent of the rent paid for the preceding Lease Year (as defined in the Lease). Beginning in the second Lease Year, Benefitfocus.com will also be responsible for its proportionate share of the cost of operating expenses above \$5.05 per square foot of Rentable Area, subject to a three percent cap on the annual escalation of Controllable Expenses (as defined in the Lease). Upon an event of default under the Lease, including the failure to pay rent (subject to a cure period), DIEC II may, among other things, terminate the Lease and require Benefitfocus.com to surrender possession of the leased premises and pay rent due and outstanding as of the termination date.

DIEC II is a South Carolina limited liability company. The Holland Family Trust and Shawn Arthur Jenkins Living Trust own DIEC II equally. Since Mason R. Holland, Jr., Executive Chairman of the Company’s Board of Directors (the “Board”) and member of the Board, and Shawn A. Jenkins, President and director of the Company, are each affiliated with the Holland Family Trust and Shawn Arthur Jenkins Living Trust respectively, a majority of the disinterested directors of the Board approved the Lease.

A copy of the press release regarding the Lease is attached hereto as Exhibit 99.1. The description of the Lease provided above is qualified in its entirety by reference to the full and complete terms of the Lease which will be filed as an exhibit to the Company’s Annual Report on Form 10-K for the fiscal year ending December 31, 2013.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth above in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

(d) Election of Directors

On December 16, 2013, the Board appointed Stephen M. Swad as a Class II director, to hold office until the Company's 2015 Annual Meeting of Stockholders or until his death, resignation, retirement, removal, disqualification, or until such time that his successor is duly elected and qualified.

The Nominating and Corporate Governance Committee of the Board conducted the search for director candidates. It has not formulated any specific minimum qualifications for director candidates, but has determined certain desirable characteristics including strength of character, mature judgment, career specialization, relevant technical skills and independence. The Nominating and Corporate Governance Committee Charter calls for it to consider diversity to be an additional desirable characteristic in potential nominees. After reviewing several director candidates, the Nominating and Corporate Governance Committee recommended Mr. Swad for appointment to the Board. Mr. Swad will serve on the Audit Committee and chair the Compensation Committee of the Board.

There were no arrangements or understandings between Mr. Swad and any other person pursuant to which Mr. Swad was appointed as a director of the Board and there are no related party transactions between Mr. Swad and the Company.

Mr. Swad is currently the President, Chief Executive Officer and a director and was previously the Chief Financial Officer of Rosetta Stone Inc. Prior to joining Rosetta Stone, Mr. Swad served as the Executive Vice President and Chief Financial Officer of Converse Technology, Inc. Prior to that, he served as Executive Vice President and Chief Financial Officer of Federal National Mortgage Association (Fannie Mae). He has also held various senior financial management positions with AOL, Time Warner and its subsidiaries. Mr. Swad, a former partner of KPMG LLP, has also served as a Deputy Chief Accountant at the U.S. Securities and Exchange Commission. He served on the board of Eloqua, Inc. from August of 2011 until February 2013, including during the period between August 2012 through February 2013, during which it was a publicly held company. He holds a B.A. in Business Administration from the University of Michigan and is a Certified Public Accountant.

A copy of the press release regarding the appointment of Mr. Swad to the Board is attached hereto as Exhibit 99.2.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated December 16, 2013 regarding the Lease.
99.2	Press release dated December 16, 2013 regarding the appointment of Mr. Swad to the Board.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BENEFITFOCUS, INC.

Date: December 18, 2013

/s/ Milton A. Alpern

Milton A. Alpern, Chief Financial Officer

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Benefitfocus Breaks Ground to Expand Headquarters' Campus
Leading provider of cloud-based benefits technology intends to create 1,200 new jobs

Charleston, S.C. – December 16, 2013 – **Benefitfocus, Inc.** (NASDAQ: BNFT), a leading provider of cloud-based benefits software solutions, today announced that it will break ground on a building project that will expand the size of its technology campus on Daniel Island from 13 acres to 40 acres. South Carolina Governor Nikki Haley will join Benefitfocus President and CEO Shawn Jenkins on Tuesday for the groundbreaking ceremony and in announcing the anticipated creation of 1,200 new, high-tech jobs in South Carolina.

“Benefitfocus is an excellent example of innovation in our state,” said Gov. Haley. “Today’s announcement highlights the entrepreneurial spirit that keeps South Carolina in the forefront of the technology industry on the East Coast. We celebrate their continued investment in South Carolina and the creation of 1,200 new jobs.”

The campus expansion will triple the size of the current Benefitfocus headquarters to nearly 500,000 square feet. Abundant wide walking paths, cart paths and trails will provide interconnectivity between the five buildings creating a “campus” style, community-friendly environment for Benefitfocus associates. The additional space will allow for extensive recruitment and increase capacity for approximately 1,200 additional associates as the company continues to grow.

“We are creating a community within a community, and it’s exciting to see this expanded technology campus come to life,” said Shawn Jenkins, President and CEO of Benefitfocus. “We are committed to the Charleston community and to our Daniel Island neighbors especially. Our passion for design and engineering is such a powerful part of what makes Benefitfocus great, and we believe the new campus will add to the vitality of the region as we continue to attract world-class engineering talent.”

The next building on the campus will be a cutting edge 145,000 square foot Customer Success Center. This new facility will house the growing base of customer implementation and service associates. Reflecting one of the company’s core values of “Providing Anticipatory Service,” the Customer Success Center will also be home to the new training and certification programs for associates, customers and ecosystem partners. The new facility is expected to be complete and operational in the first quarter of 2015.

Founded in 2000 with a single office in Mount Pleasant, Benefitfocus moved to its Daniel Island campus in 2006. Last year, the company opened a state-of-the-art Design + Engineering building at the Daniel Island campus. The new expansion project is a reflection of the significant investment Benefitfocus is making to strengthen the technology industry in the greater Charleston region as well as the local Daniel Island community.

Gov. Haley, Charleston Mayor Joe Riley, Berkeley County Supervisor Dan Davis and Ernest Andrade, Founder and Director of the Charleston Digital Corridor and the City of Charleston’s Office of Business Development, will be in attendance as members of the community join Benefitfocus for the ceremonial groundbreaking and reception at 10:00 a.m. ET on Tuesday, Dec. 17. Members of the media are invited to attend, and interested parties may contact pr@benefitfocus.com for more information.

About Benefitfocus

Benefitfocus, Inc. (NASDAQ: BNFT) is a leading provider of cloud-based benefits software solutions for consumers, employers, insurance carriers and brokers. Benefitfocus has served more than 20 million consumers on its platform that consists of an integrated portfolio of products and services enabling clients to more efficiently shop, enroll, manage and exchange benefits information. With a user-friendly interface and consumer-centric design, the Benefitfocus Platform provides one place for consumers to access all their benefits. Benefitfocus solutions support the administration of all types of benefits including core medical, dental and other voluntary benefits plans as well as wellness programs. For more information, visit www.benefitfocus.com.

Except for historical information, all of the statements, expectations, and assumptions contained in this press release are forward-looking statements. Actual results might differ materially from those explicit or implicit in the forward-looking statements. Important factors that could cause actual results to differ materially include: the immature and volatile nature of the market for our products and services and other factors that could impact our anticipated growth; management of growth; the need to innovate and provide useful products and services; our ability to compete effectively; reliance on key personnel; privacy, security and other risks associated with our business; and the other risk factors set forth from time to time in our filings with the Securities and Exchange Commission. These documents are available within the Investor Relations section of the Benefitfocus website at <http://investor.benefitfocus.com/sec.cfm> or at www.sec.gov. Benefitfocus assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

Source: Benefitfocus, Inc.

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Benefitfocus Appoints Rosetta Stone CEO Steve Swad to its Board of Directors

Charleston, S.C. – December 16, 2013 – Benefitfocus, Inc. (NASDAQ: BNFT), a leading provider of cloud-based benefits software solutions, today announced the appointment of independent director Stephen M. Swad to its Board of Directors.

Mr. Swad brings to the Benefitfocus Board over 25 years of experience as a business leader in both consumer and B2B settings. He is currently the President and Chief Executive Officer of Rosetta Stone Inc. (NYSE: RST), whose innovative, technology-driven language and literacy solutions are used by millions of individuals and thousands of schools, businesses and government organizations around the world. A Rosetta Stone director since 2012, Mr. Swad was previously the company's Chief Financial Officer. With expertise in the areas of technology, education, media, corporate finance and accounting, he was named one of 2013's Top 100 CEO Leaders in science, technology, engineering and math by STEMConnector.

Prior to joining Rosetta Stone, Mr. Swad served as Executive Vice President and Chief Financial Officer of Comverse Technology, Inc. and Executive Vice President and Chief Financial Officer of the Federal National Mortgage Association (Fannie Mae). Previously, he held various senior-level financial management positions at AOL, Time Warner and its subsidiaries. A former partner at KPMG LLP, Mr. Swad has also served as a Deputy Chief Accountant at the U.S. Securities and Exchange Commission. He holds a B.A. in Business Administration from the University of Michigan and is a Certified Public Accountant.

"We are excited to welcome Steve to the Benefitfocus Board," said Mason Holland, Executive Chairman of the Board. "We look forward to his contributions as Benefitfocus continues to innovate within its industry and grow as a public company."

Mr. Swad's appointment to the Board increases the number of Benefitfocus directors to seven. Mr. Swad will chair the Benefitfocus Board's Compensation Committee and serve as a member of its Audit Committee.

About Benefitfocus

Benefitfocus (NASDAQ: BNFT), is a leading provider of cloud-based benefits software solutions for consumers, employers, insurance carriers and brokers. Benefitfocus serves more than 20 million consumers on its platform that consists of an integrated portfolio of products and services enabling clients to more efficiently shop, enroll, manage and exchange benefits information. With a user-friendly interface and consumer-centric design, the Benefitfocus Platform provides one place for consumers to access all their benefits. Benefitfocus solutions support the administration of all types of benefits, including core medical, dental, and other voluntary benefits plans as well as wellness programs. For more information, visit www.benefitfocus.com.

Safe Harbor Statement

Except for historical information, all of the statements, expectations, and assumptions contained in this press release are forward-looking statements. Actual results might differ materially from those explicit or implicit in the forward-looking statements. Important factors that could cause actual results to differ materially include: the fact that the Company has only been publicly traded since September 2013; the immature and volatile market for our products and services; the need to innovate and provide useful products and services; risks related to changing healthcare and other applicable regulations; our ability to compete effectively; our ability to maintain our culture and recruit and retain qualified personnel; privacy, security and other risks associated with our business; and the other risk factors set forth from time to time in our SEC filings, copies of which are available free of charge within the Investor Relations section of the Benefitfocus website at <http://investor.benefitfocus.com/sec.cfm> or upon request from our Investor Relations Department. Benefitfocus assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

Source: Benefitfocus, Inc.