

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0104 |
| Estimated average burden hours per response: | 0.5       |

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |   |   |   |
|--|---|---|---|
| 1. Name and Address of Reporting Person*<br><u>BuildGroup LLC</u><br><hr/> (Last) (First) (Middle)<br>3500 JEFFERSON ST.<br>SUITE 303<br><hr/> (Street)<br>AUSTIN TX 78731<br><hr/> (City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year)<br>06/04/2020 | 3. Issuer Name and Ticker or Trading Symbol<br><u>Benefitfocus, Inc. [ BNFT ]</u>   |   |
|  |   | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br>Director <input checked="" type="checkbox"/> 10% Owner<br>Officer (give title below) Other (specify below) | 5. If Amendment, Date of Original Filed (Month/Day/Year)<br><hr/> 6. Individual or Joint/Group Filing (Check Applicable Line)<br>Form filed by One Reporting Person<br><input checked="" type="checkbox"/> Form filed by More than One Reporting Person |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
|---------------------------------|---|--|---|

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) |                             | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|-----------------------------|--|--|---|
|  | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares  |  |  |   |
| Series A Convertible Preferred Stock       | (1)(2)   | (3)             | Common Stock  | 5,333,334 <sup>(1)(2)</sup> | (1)(2)   | D <sup>(4)</sup>   |   |

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| 1. Name and Address of Reporting Person*<br><u>BuildGroup LLC</u><br><hr/> (Last) (First) (Middle)<br>3500 JEFFERSON ST.<br>SUITE 303<br><hr/> (Street)<br>AUSTIN TX 78731<br><hr/> (City) (State) (Zip) |
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| 1. Name and Address of Reporting Person*<br><u>BuildGroup Management, LLC</u><br><hr/> (Last) (First) (Middle)<br>3500 JEFFERSON ST.<br>SUITE 303<br><hr/> (Street)<br>AUSTIN TX 78731<br><hr/> (City) (State) (Zip) |
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**Explanation of Responses:**

1. Subject to the Issuer's Certificate of Designations setting forth the terms and provisions of the Issuer's Series A Convertible Preferred Stock (the "Series A"), the Series A is convertible at any time, at the election of the holder thereof, in whole or in part, into the Issuer's common stock at a conversion rate equal to the quotient of dividing (I) the sum of



Joint Filer Information

Name of Joint Filer: BuildGroup LLC

Address of Joint Filer: 3500 Jefferson Street, Suite 303  
Austin, TX 78731

Relationship of Joint Filer to Issuer: 10% Owner

Issuer Name and Ticker or Trading Symbol: Benefitfocus, Inc. [BNFT]

Date of Event Requiring Statement:  
(Month/Day/Year): 06/04/2020

Name of Joint Filer: BuildGroup Management, LLC

Address of Joint Filer: 3500 Jefferson Street, Suite 303  
Austin, TX 78731

Relationship of Joint Filer to Issuer: 10% Owner

Issuer Name and Ticker or Trading Symbol: Benefitfocus, Inc. [BNFT]

Date of Event Requiring Statement:  
(Month/Day/Year): 06/04/2020

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