
# COMMUNITY ACTION TEAM INC

## SUMMARY PLAN DESCRIPTION
Premium Only Plan

*Effective: 5/1/2016*

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# PREMIUM ONLY PLAN

## I. Introduction

This Summary Plan Description provides, in general terms, the main features of the COMMUNITY ACTION TEAM INC Premium Only Plan (the "Plan"), how it can work for you, and how it can benefit you.

This Plan is intended to qualify as a Cafeteria Plan under Section 125 of the Internal Revenue Code of 1986, as amended. Under the Plan, you may choose to redirect a portion of your wages to pay for certain benefits for you, your spouse, and your dependents with pre-tax dollars instead of after-tax dollars.

You should read this Summary Plan Description carefully so that you understand the provisions of the Plan and the benefits you will receive. We want you to be fully informed of the benefits available to you under the Plan both before you enroll and while you are a Participant. You should direct any questions you have to your Employer. **IF THERE IS A CONFLICT BETWEEN THIS SUMMARY PLAN DESCRIPTION AND THE PLAN DOCUMENTS, THE PLAN DOCUMENTS WILL CONTROL.**

The provisions of the Plan, as initially adopted or subsequently amended and restated, as the case may be, are effective 5/1/2016 through 4/30/2017. Your Plan's records are maintained on a fiscal period known as the Plan Year.

**Note:** This Summary Plan Description does not describe the Group Sponsored Insurance Plan. Consult the Group Sponsored Insurance Plan Documents and the separate Summary Plan Description for the Group Sponsored Insurance Plan.

## II. Your Plan at a Glance

**PERIOD OF COVERAGE** and **PLAN YEAR** of this Plan: 5/1/2016 through 4/30/2017

| | |
|---|---|
| **Cafeteria Plan Name:** | COMMUNITY ACTION TEAM INC |
| **Three Digit Plan Number:** | 501 |
| **Employer Information:** | COMMUNITY ACTION TEAM INC<br>124 N 18TH ST<br>ST HELENS, OR 97051<br>(503) 366-6570 |
| **Type of Legal Entity:** | Non-Profit |
| **Benefits Coordinator:** | Human Resources/Benefits Representative |
| **Legal Representative:** | COMMUNITY ACTION TEAM INC |
| **Plan Administrator:** | COMMUNITY ACTION TEAM INC |
| **Third Party Administrator:** | PacificSource Administrators, Inc.<br>PO Box 70168<br>Springfield, OR 97475<br>Phone: (800) 422-7038<br>FAX: (541) 485-8759 |
| **Group Sponsored Insurance** | |
| **Medical Carrier:** | Cigna |
| **Dental Carrier:** | Cigna |
| **Other:** | |
| **The HIPAA Effective date:** | 5/1/2016 |
| **HIPAA Privacy Officer**: | COMMUNITY ACTION TEAM INC |

**Plan Expenses** are paid completely by the Employer.

- **Premium Only Plan** If you elect this program, your pre-tax salary reductions will be used to pay your medical and hospitalization insurance, major medical insurance, dental insurance, and/or insurance for you and your eligible family
    - **Period of Coverage:** Monthly
    - **Maximum Employee Contribution:** Sum of most expensive benefit choices
    - **Allow all applicable Change in Status options:** All of the events constituting a change in status under the regulations shall be allowed.

**Eligibility** Once you have met the eligibility requirements of your Group Sponsored Insurance Plan you may enroll in the Premium Only Plan.

**Enrollment** Your Employer will notify you when you are eligible to participate as well as explain the process of how to enroll in the Plan.

**Election Changes** Elections are irrevocable unless the Participant experiences a qualified change in status. This Plan has been updated to include all qualified events allowed by IRS regulations effective 1/1/01. These include family status changes, changes in cost or coverage, addition or elimination of benefit package option, change in spouse or dependent coverage, FMLA leave, and others. Some changes will be made automatically to coincide with the company health plan. Any new election must be made and communicated in writing to the Employer within 30 days of the change in family status.

**Termination of Participation** If your employment is terminated, your active participation in the Plan will cease and you will not be able to make contributions to the Plan. If you cease to be eligible for reasons other than termination of employment then you must complete the eligibility requirements of your Group Sponsored Insurance Plan before again becoming eligible to participate in the Plan.

See the insurance benefits booklets for information on your right to continue or convert coverage after termination of employment.

**COBRA continuation coverage** Per Federal Law, COBRA Continuation Coverage may be offered. ***Note:*** *COBRA Coverage is not required for calendar years in which the Employer has 20 or fewer Employees.*

Federal law requires some Employers sponsoring a Group Sponsored Insurance Plan to offer Employees and their covered dependents the opportunity for a temporary extension of health coverage (called “continuation coverage”) at group rates in certain instances where coverage under the plan would otherwise end.

## III. Benefit Options

***What is a "Premium Only Plan"?***
A *premium-only-plan* is a cafeteria plan that offers as its sole benefit election between cash (for example, salary) and payment of the employee share of the Employer-provided health insurance premium. In other words, when you elect to participate in your Employer's Group Sponsored Insurance Plan the total premium for the coverage you select may be greater than the amount your Employer will contribute on your behalf. This Plan permits you to pay for your portion of Group Sponsored Insurance Plan premiums and/or Health Savings Account (HSA) with pre-tax dollars withheld from your salary or wages, dollar for dollar. When your Employer pays these premiums, you do not pay taxes on the amount they pay out on your behalf. If you pay these premiums yourself (outside this Plan), you must take your compensation in the form of cash, pay payroll and income taxes on the cash compensation, and then pay the insurance premiums with after tax dollars.

Eligible "***Group Sponsored Insurance Plans"*** include medical and hospitalization insurance, major medical insurance, dental insurance, and/or vision insurance made available by the Employer. The insurance may cover you, your spouse, and/or any eligible dependent children. You may not enroll for this benefit if you can be reimbursed for the insurance premium cost by any other source.

For purposes of the Group Sponsored Insurance benefits, the terms Spouse and Dependent are defined as provided in the Group Sponsored Insurance Plan. For purposes of the other benefits, Spouse means a person of the same or opposite sex who is treated as a spouse for federal tax purposes. Dependent means (a) your son, daughter, stepchild, legally adopted child, or eligible foster child who has not attained age 26 as of the end of the calendar year; and (b) your tax dependent under the Code except that an individual's status as a Dependent is determined without regard to the gross income limitation for a qualifying relative and certain other provisions of the Code's definition. See the Plan Administrator for more information about which individuals will qualify as your Spouse or Dependents.

**Health Savings Account Plan (HSA)** If an HSA is offered by your Employer and you elect to participate, eligible Participants may make contributions to a Health Savings Account on a pre-tax basis from which funds can be withdrawn to pay for eligible medical expenses.

## IV. Participation in the Plan

***Who is eligible to participate?***
When you meet the eligibility requirements of your Group Sponsored Insurance Plan, you will be eligible to participate in this Plan.

***When does participation end?***
An Employee continues to participate in the Plan until: (a) termination of the Plan; or (b) the date on which the Participant ceases to be an Eligible Employee (because of retirement, termination of employment, layoff, reduction of hours, or any other reason) under the Group Sponsored Insurance Plan; or (c) The Employee is no longer an Employee and has either chosen not to extend his coverage under Consolidated Omnibus Budget Reconciliation Act (COBRA) or has exhausted such COBRA rights if entitled to them.

If your employment with the Employer is terminated during the Plan Year, then your active participation in the Cafeteria Plan will cease. If you cease to be eligible for reasons other than termination of employment then you must complete the eligibility requirements of your Group Sponsored Insurance Plan.

See Employer for information on your right to continue or convert coverage after termination of employment.

***What must I do to enroll?***
You will be given notice of your eligibility to participate prior to your entry date so that you have time to decide whether or not to participate. There are two methods your Employer may use to enroll you in the Plan:

- If the negative election method is used your Employer will send a memorandum stating that you will be automatically enrolled in the Plan and will continue to be enrolled Plan Year to Plan Year unless you inform your Employer in writing that you do not wish to have your share of insurance premiums deducted on a pre-tax basis.
- If the Evergreen method is used your Employer will provide you with an Evergreen Election Form. By signing the form you agree to be automatically enrolled Plan Year to Plan Year unless you inform your Employer in writing that you do not wish to have your share of insurance premiums deducted on a pre-tax basis. If a new Employee fails to return a completed election form to the Employer on or before the specified due date for the Plan Year in which he became eligible (or re-eligible) to be a Participant, he shall be deemed to have elected not to participate in this Plan for that Plan Year.

***Does the Premium Only Plan change my Group Sponsored Insurance Plan?***
No. Making an election under the Premium Only Plan will not affect the types and amounts of insurance benefits available to you, the requirements for participating in the Employer's Group Sponsored Insurance Plan, or any other terms and conditions of coverage or benefits under the Employer's Group Sponsored Insurance Plan. The purpose of the Premium Only Plan is to give you the opportunity to make your premium payments for those insurance benefits on a pre-tax basis.

## V. Administrative Provisions

The Employer shall supervise and administer the Plan. It shall be a principal duty of the Employer to see that the Plan is carried out in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discriminating among them. The Employer will have full power to administer the Plan in all of its details, subject to applicable requirements of law. The actual authorities granted to the Employer are listed in the Plan Document. Any claim having to do with the Employer's Group Sponsored Insurance Plan shall not be subject to review under this Plan, and the Employer's authority shall not extend to any matters which the Employer under the Employer's Groups Sponsored Insurance Plan is/are responsible for.

Although the Employer expects to maintain the Premium Only Plan, it has the right to amend or terminate all or any part of the Plan at any time for any reason. It is also possible that future changes in state or federal tax laws may require that the Plan be amended accordingly.

The maximum contribution that may be made under this Plan for a Participant is the total of the maximums that may be elected as Employer and Participant Contributions.

***Who pays the Premium Only Plan expenses?***
Your Employer pays all administrative expenses associated with the Premium Only Plan.

***How are my Group Sponsored Insurance Plan insurance premiums paid?***
Your Employer will pay the entire insurance premium for the coverage you have selected and your salary will be reduced by your portion of the insurance premium. The Employer's payment of the Employee insurance premium shall not be subject to taxation to the extent allowed by law.

The amount of the salary reduction during the Plan Year for the Employer's Group Sponsored Insurance Plan coverage shall equal the Employee insurance premium for the year under the Employer's Group Sponsored Insurance Plan coverage you select and shall be adjusted automatically in the event of a change in such Employee insurance premium.

***Are the insurance premium amounts paid through the Plan reported on my W-2 at the end of the year?***
The insurance premium amounts that are paid through the Plan are not considered taxable wages by the IRS or by most states. As a result, "Wages, tips and other compensation" reported for Federal and State income taxes, and Federal Insurance Contributions Act (FICA) on your W-2 will be gross income less any insurance premiums paid through the Plan.

Participating in the Plan will reduce the amount of your taxable compensation. Accordingly, there could be a decrease in your Social Security benefits and/or other benefits (e.g., pension, disability, and life insurance), which are based on taxable compensation. However, the tax savings that you realize through participation in the Plan will often more than offset any reduction in other benefits. For actual tax advice specific to your situation, please see a qualified tax professional.

## VI. Election Changes

If you wish to change your election based on a change in status, you must establish that the revocation is due to the change in status. The Employer, in its sole discretion, shall determine whether a requested change is due to a change in status. As a general rule, a desired election change will be found to be consistent with a change in status event if the event affects coverage eligibility.

***Can I change my elections under the Plan during the Plan Year?***
As a general rule, your elections for the Plan Year are irrevocable for the balance of the year. Certain exceptions apply which may allow you to revoke your election and make a new election which is noted below.

- **A change in status** The Plan allows you to make a mid-plan year change or revocation of a benefit election if the change or revocation is consistent with a change in status. In this regard, a change in status is any of the following:
    - An event that changes the Participant's legal marital status, including marriage, death of a Spouse, legal separation, or annulment;
    - An event that changes the number of the Participant's Dependents, including by reason of birth, adoption, placement for adoption, or death of a Dependent;
    - Any of the following events that change the employment status of the Participant or the Participant's Spouse or Dependent: a termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in work site; and any change in employment status that causes the Participant, Participant's Spouse or Participant's Dependent to become (or cease to be) eligible under this Plan, any Employee benefit plan underlying this Plan, or any plan or Employee benefit plan of the Employer of the Participant's Spouse or Participant's Dependent (e.g., a change from hourly to salaried status where such change affects eligibility);
    - An event which causes a Dependent to satisfy or cease to satisfy the eligibility requirements for coverage due to attainment of age, student status or any similar circumstance as provided in the applicable plan;
    - A change in the place of residence of the Participant or the Participant's Spouse or Dependent.

- **Significant Change in Cost or Coverage** If the cost of a plan underlying the Group Sponsored Insurance Plan increases (or decreases) during a Plan Year, then your elections will generally be automatically adjusted to reflect the increase (or decrease) in cost. The Plan allows the Employer, in the Employer's discretion, to offer you and other affected Participants new elections under certain limited circumstances due to a significant change in the cost or coverage of a plan underlying the Employer's Group Sponsored Insurance Plan. The Employer will notify you if and when such election changes become available.

- **Changes Pursuant to Your HIPAA Enrollment Rights** The Plan allows you to make election changes pursuant to your enrollment rights under Health Insurance Portability and Accountability Act (HIPAA), which are set forth in Section 9801(f) of the Internal Revenue Code. In brief, those rights provide that if you lose other healthcare plan

coverage under certain circumstances, marry, or obtain an additional child through birth or adoption, you may be able to change your healthcare plan elections and make a corresponding change to your elections under this Plan. If you would like to do so, you should contact the Employer as soon as possible after the event occurs, but in no case later than 30 days after that event.

***Do limitations apply to those who are Key Employees?***
IRS regulation requires that the Plan be tested on a yearly basis to ensure that the Section 125 Plan does not benefit Key Employees more than all other Employees. At renewal your Employer will be provided with a concentration testing worksheet to assist with defining who is considered a Key Employee. If you are a **Key** Employee as defined by IRS, the amount of your contributions and benefits may be limited so that the Plan as a whole does not unfairly favor those who are highly paid. Federal tax laws provide that a plan will be considered to unfairly favor the Key Employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under the Plan.

Plan experience will dictate whether contribution limitations will apply to Key Employees. You will be notified of these limitations if you are affected. Your Employer may also reduce the amount of your chosen salary reductions (and increase your taxable regular pay) during the Plan Year if you are a Key Employee as defined by the Internal Revenue Code ("the Code"), if necessary to prevent the Plan from becoming discriminatory within the meaning of the federal income tax law.

***Are there any other events that allow me to change my decision to participate in the Plan that do not fit the events listed above?***
IRS regulations allow Participants to make a mid-year election change to the Group Sponsored Insurance Plan for certain “Special Events” that are not specifically addressed in the Changes in Status categories. These events are:

- **Judgment, Decree or Order** If there is a judgment, decree or order resulting from a divorce, legal separation, annulment, or change in legal custody that requires a change in health coverage for your child or foster child, you may make an election change to add or drop coverage as ordered.

- **Entitlement to Medicare or Medicaid** If you, your spouse, or dependent becomes entitled to Medicare or Medicaid, you may make a prospective election change to cancel or reduce health coverage under the Employer’s Group Sponsored Insurance Plan. If you, your spouse, or dependent loses coverage to Medicare or Medicaid, you may make a prospective election to commence or increase coverage under the Employer’s Group Sponsored Insurance Plan..

- **HIPAA Special Enrollment Rights** If you gain the right to enroll in the Group Sponsored Insurance Plan or to add coverage for a family member under the special enrollment rights of HIPAA, the Participant may revoke an election for coverage during a period of coverage and make a new election.

- **Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA) Special Enrollment Rights** If you or your dependent lose health coverage as a result of loss of eligibility under Medicaid or a state child health plan, or if you become eligible for premium assistance from the state under its child health plan or Medicaid, you may

request enrollment within 60 days after the loss of eligibility under Medicaid or the child health plan or after the date you are determined to be eligible for premium assistance. This event does not apply to a high deductible health plan.

- **Significant Curtailment of Coverage that is Not a Loss of Coverage** If your coverage under the Employer's Group Sponsored Insurance Plan is significantly curtailed without a loss of coverage, you may revoke your election under the plan that is being curtailed, but must make a new election for similar coverage under a new benefit package option.

- **Significant Curtailment of Coverage with a Loss of Coverage** If your coverage under your Employer's Group Sponsored Insurance Plan is significantly curtailed with a loss of coverage, you may revoke coverage under that plan being curtailed and make a new election for similar coverage under a new benefit package option, if available. You may drop coverage if no similar coverage is available.

- **Addition or Improvement of Benefit Package Option Providing Similar Coverage** If during a Period of Coverage under the Employer's Group Sponsored Insurance Plan there is a new coverage option or a significantly improved option, you may be allowed to elect the new option or improved benefit option prospectively on a pre-tax basis and change your election with respect to the other benefit option providing similar coverage.

- **Coverage Change of Another Employer Plan** You may change your election under the Employer's Group Sponsored Insurance Plan if the change is on account of, and consistent with, a change in another Employer's plan and (i) the change is permitted under the plan of the other Employer or (ii) the periods of coverage under the Employer's Group Sponsored Insurance Plan are different from the periods of coverage under the plan of the other Employer.

Employer will default to not allow Employees to revoke their election under their Group Sponsored Health Insurance if they meet the conditions specified under "Reduction in hours in service" or "Enrollment in a Qualified Health Plan".

## Family and Medical Leave Act
## *(if applicable)*

### *Family and Medical Leave Act (FMLA)*

If your Employer is subject to the requirements of FMLA, this legislation entitles Employees who take leave to retain any health benefits which are in effect before the date on which the leave begins. If you take a leave under FMLA, your Employer must permit you to continue health coverage under the Employer's Group Sponsored Insurance Plan during the period of the leave. You are required to pay any applicable insurance premium due for coverage extended during the leave if you were paying the insurance premium prior to the leave. If the leave is paid, pre-tax premiums deducted before taxes can continue during the leave. If the leave is unpaid, there are several options available for payment of your insurance premiums.

See your Employer for more information regarding FMLA and this Plan.

## ERISA Rights
## *(if applicable)*

As a Participant in the Plan**,** you may be entitled to certain rights and protections under the Employee Retirement Income Security Act ("ERISA"). ERISA does not apply to Employee benefit plans sponsored by governmental entities or churches. If your Employer is a church or governmental organization (such as a city or school district), ERISA will not apply and you will not have the rights described in this section.

ERISA provides that Plan Participants are entitled to:

- Examine, without charge, at the Employer's office and at other specified locations, such as work-sites and union halls, all Plan Documents and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports.
- Obtain copies of all Plan Documents and other Plan information upon written request to the Employer. The Employer may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report, if any. The Employer is required by law to furnish each Participant with a copy of this Summary Plan Description.

### *Fiduciary Obligations*

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of an Employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of the Plan Participants and beneficiaries. No one, including your Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit from the Plan, or from exercising your rights under ERISA.

### *Enforcing your rights*

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan Documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Employer to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Employer. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit

in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

***Assistance with Your Questions***

Contact your Employer if you have any questions about your Plan, this statement or about your rights under ERISA or HIPAA. If you need assistance in obtaining documents from the Employer, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## COBRA Rights
## *(if applicable)*

You may have a right to continue certain benefit plan coverage’s if there is a loss of coverage under the Employer’s Group Sponsored Insurance Plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review your Group Sponsored Insurance Plan’s Summary Plan Description for rules governing your COBRA continuation coverage rights.

## VII. Notices Required by Law

**Michelle's Law**
"Michelle's Law", enacted October 9, 2008, requires group and individual health plans to continue to cover otherwise eligible dependent children taking a medical leave of absence from a postsecondary educational institution (e.g., a college, university, or vocational school) due to a serious illness or injury. Dependent children on a leave of absence must be covered until the earlier of one year from the first day of the leave of absence or the date on which the coverage otherwise would terminate.

**The Genetic Information Nondiscrimination Act of 2008 (GINA)**
GINA prohibits discrimination by health insurers and Employers based on individuals' genetic information. Genetic information includes the results of genetic tests to determine whether someone is at increased risk of acquiring a condition in the future, as well as an individual's family medical history. GINA imposes the following restrictions: prohibits the use of genetic information in making employment decisions restricts the acquisition of genetic information by Employers and others imposes strict confidentiality requirements and prohibits retaliation against individuals who oppose actions made unlawful by GINA or who participate in proceedings to vindicate rights under the law or aid others in doing so.

**Health Information Technology for Economic and Clinical Health Act (HITECH Act)**
HITECH was passed as part of the American Recovery and Reinvestment Act of 2009 to strengthen the privacy and security protection of health information, and to improve the workability and effectiveness of HIPAA Rules.

**The Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008**
This law amends ERISA, the Public Health Service Act (PHSA), and the Internal Revenue Code (IRC) and applies to all ERISA group health plans and to health insurers that provide insurance coverage to group health plans. In general, this new law requires group health plans that provide mental health or substance use disorder benefits to provide such benefits on par with medical-surgical benefits.

**Group Sponsored Insurance Plan Documents and Information**
This Summary Plan Description does not describe the Group Sponsored Insurance Plan. Consult the Group Sponsored Insurance Plan Document and the separate Summary Plan Description for the Group Sponsored Insurance Plan.

**Qualified Medical Child Support Order**
The Group Sponsored Insurance Plan will provide benefits as required by any qualified medical child support order (QMCSO), as defined in ERISA § 609(a). The Plan has detailed procedures for determining whether an order qualifies as a QMCSO. Participants and beneficiaries can obtain, without charge, a copy of such procedures from the Employer.

**Newborns' and Mothers' Health Protection Act of 1996 (NMPHA)**
Group health plans and health insurance issuers generally may not, under federal law, 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 vaginal delivery or to less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's

attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the Employer's Group Sponsored Insurance Plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

**Women's Health and Cancer Rights Act of 1998 (WHCRA)**
The Women's Health and Cancer Rights Act of 1998 (WHCRA) is a federal law that provides protections to patients who choose to have breast reconstruction in connection with a mastectomy. This law applies generally both to persons covered under group health plans and persons with individual health insurance coverage. But WHCRA does NOT require health plans or issuers to pay for mastectomies. If a group health plan or health insurance issuer chooses to cover mastectomies, then the Employer's Group Sponsored Insurance Plan or issuer is generally subject to WHCRA requirements.

**Qualified Reservist Distribution**
A Qualified Reservist Distribution permits you to take a distribution of the amount you have contributed to the Employer's Group Sponsored Insurance Plan. (less reimbursements you have received or distributions previously taken) as of the date you request the distribution. If you are ordered or called to active military duty for 180 days or more you may request a Qualified Reservist Distribution by delivering a copy of such order or call to active duty to the Employer. You must request a Qualified Reservist Distribution on or after the date of the order or call to active duty, and before the last day of the Plan Year (or Grace Period, if applicable) during which the order or call to active duty occurred. A Qualified Reservist Distribution is included in your gross income and wages, and is subject to employment taxes. You may submit expenses incurred after the date a Qualified Reservist Distribution has occurred. The amount that may be reimbursed is the amount by which you have elected to reduce your Compensation, less the sum of the Qualified Reservist Distribution and the amount of the reimbursements you received as of the date of the Qualified Reservist Distribution.