Community Action Team Inc

SUMMARY PLAN DESCRIPTION
Premium Only Plan

Effective: 5/1/2021

With Third Party Administrative Services Provided By:

This document explains in detail the operation and rules that govern your Plan. Refer to Section II – Your Plan at a Glance to determine the specific features your Employer offers.

All participants must receive a copy of this Summary Plan Description. P00973
Print Date: 6/4/2021

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Community Action Team Inc

SUMMARY PLAN DESCRIPTION
PREMIUM ONLY PLAN

I. Introduction

This Summary Plan Description (SPD) 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. Such plans are also known as cafeteria plans, or Section 125 plans.

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. 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 Plan participation will often more than offset any reduction in other benefits. Alternatively, eligible Employees may choose to pay for any of the benefits with after-tax contributions on a payroll-reduction basis.

You should read this SPD 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 the Employer. A copy of your Plan Document is on file at your Employer's office and may be read by you, your Beneficiaries, or your legal representatives at any reasonable time. **IF THERE IS A CONFLICT BETWEEN THIS SUMMARY PLAN DESCRIPTION AND THE PLAN DOCUMENT, THE PLAN DOCUMENT WILL TAKE PRECEDENCE.**

The provisions of the Plan, as initially adopted or subsequently amended and restated, as the case may be, are effective 5/1/2021, through 4/30/2022. Your Plan's records are maintained on a fiscal period known as the Plan Year.

This SPD does not describe the Group Sponsored Insurance. The provisions of this Plan are not intended to override any exclusions, eligibility requirements, or waiting periods specified in the Group Sponsored Insurance plan documents.

Assistance in Other Languages
Plan Participants who do not speak English may contact PacificSource Administrator's Customer Service Department for assistance. PacificSource Administrators can usually arrange for a multilingual staff member or interpreter to speak with them in their native language.

II. Your Plan at a Glance

PERIOD OF COVERAGE and **PLAN YEAR** of this Plan: 5/1/2021 through 4/30/2022

Cafeteria Plan Name:	Community Action Team Inc
Three Digit Plan Number:	501
Type of Legal Entity:	Non-Profit
Employer/Plan Sponsor:	Community Action Team Inc 124 N 18th St St Helens, OR 97051
Benefits Coordinator:	Human Resources/Benefits Representative 503-366-6570
Legal Representative:	Community Action Team Inc
Plan Administrator:	Community Action Team Inc
Employer Representative or Named Fiduciary:	Community Action Team Inc

BENEFITS: The administrative plan expenses are paid by the Employer.

Premium Only Plan: Your salary reductions will be used to pay the premium for medical and hospitalization insurance, major medical insurance, dental insurance, vision insurance, and/or other qualified benefits under Section 125 for you and your eligible family members.

- **Period of Coverage:** Monthly
- **Maximum Employee Contribution:** Sum of most expensive benefit choices

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.

Deemed Elections: Under the Premium Only Plan you will be deemed to elect for each upcoming Plan Year whatever election is in effect in the current Plan Year, unless you expressly change your election by turning in a completed election form prescribed by the Employer.

For example, if you are enrolled in the Premium Only Plan in the current year and want to remain enrolled in the upcoming year, you need not do anything, but if you want to stop participating in that Plan, you must affirmatively elect not to participate during the open enrollment period for the upcoming Plan Year.

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 contribute 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 Group Sponsored Insurance plan documents for information on your right to continue or convert coverage after termination of employment.

III. Participation in the Plan

✓ ***Who can participate in the Plan?***
You are eligible to participate in this Plan if you: (a) are an Employee; and (b) have met the Employer's Group Sponsored Insurance eligibility requirements.

Eligibility for the Group Sponsored Insurance is also subject to the additional eligibility requirements, if any, specified in the insurance plan documents.

✓ ***Are there any Employees who are not eligible to participate in the Plan?***
An "Employee" is an individual that the Employer classifies as a common-law Employee and who receives Compensation from the Employer. Employees do not, however, include (a) individuals classified by the Employer as independent contractors, even if such an individual is later reclassified as a common-law employee; (b) individuals who perform services for the Employer but who are paid by a temporary or other employment or staffing agency; or (c) self-employed individuals, partners in a partnership, or more-than-2% shareholders in a Subchapter S corporation.

✓ ***What must I do to enroll?***
When you first meet the eligibility requirements of the Plan, your Employer will notify you in writing that you are eligible to participate in the Plan and the process for enrollment using one of two methods:

- Negative election method: If the negative election method is used you will be notified in writing that you will be automatically enrolled in the Plan. If you chose not to enroll in the Plan, you must inform the Employer in writing that you do not wish to have your insurance premiums deducted on a pre-tax basis.

- Evergreen election method: If the Evergreen election method is used you will be provided with an Evergreen Election Form that must be completed and returned to your Employer specifying you agree to pay your insurance premium on a pretax basis through the Plan on or before the date specified by your Employer. If an Employee fails to file an Evergreen Election Form, then the Employee will be deemed to have elected not to participate in the Plan (insurance premium will be paid on an after-tax basis) and will not be eligible to enroll until the next Open Enrollment Period.

Once you have elected to participate in the Plan, you will be deemed to have made the same election as was in effect immediately prior to the end of the preceding plan year, unless you expressly change your election by turning in a completed election form prescribed by the Employer.

Failure to make an election will be treated as electing to not participate in the Plan unless an event occurs that would justify a mid-year election change, as described in Section V Administrative Provisions – Election Changes.

✓ ***When does participation end?***
You will continue to participate in the Plan until: (a) the Plan terminates; or (b) the date you cease to be an Eligible Employee (e.g. retirement, termination of employment, layoff, reduction of hours, or any other reason) under the Group Sponsored Insurance Plan; or (c) you are no

longer an Employee and have either chosen not to extend your coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) or have exhausted your COBRA rights if applicable.

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

✓ ***What if I terminate and I am rehired?***

If you terminate employment for any reason and then are rehired or if you (whether or not a Participant) cease to be an Eligible Employee for any reason, including (but not limited to) a reduction of hours, and then become an Eligible Employee again, the Premium Only Plan will be reinstated only to the extent that coverage under the Group Sponsored Insurance is reinstated.

IV. Benefits

✓ ***What is the Premium Only Plan?***

You will be able to pay for your share of contributions for Group Sponsored Insurance premiums or other qualified benefits with pre-tax dollars, provided you elect this coverage on the applicable enrollment form. Because the share of the contributions that you pay will be with pre-tax funds, you may save both federal income taxes and FICA (Social Security) taxes. In some situations, your Employer may fund a portion of the premium.

Eligible Group Sponsored Insurance premiums include the premiums paid for medical and hospitalization insurance, major medical insurance, dental insurance, vision insurance, and/or other qualified benefits under Section 125 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 premium cost by any other source.

If a Health Savings Account (HSA) is offered by your Employer and you elect to participate, eligible Participants may make contributions to the HSA on a pre-tax basis from which funds can be withdrawn to pay for eligible healthcare expenses. Your Employer does not offers a Health Savings Account (HSA) Benefit under the Plan.

✓ ***How are my benefits paid for under the Premium Only Plan?***

If you select Group Sponsored Insurance described above, then you may be required to pay a portion of the contributions. When you complete the enrollment form, if you elect to pay for benefits on a pre-tax basis, you agree to a salary reduction to pay for your share of the cost of coverage (also known as contributions) with pre-tax funds instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes. From then on, you must pay a contribution for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally, an equal portion from each paycheck, or an amount otherwise agreed to or as deemed appropriate by the Employer). The Employer may contribute all, some, or no portion of the benefits under the Premium Only Plan that you have selected, as described in documents furnished separately to you.

The Employer will then disburse the premium payment(s) to the applicable carrier(s).

Note: This SPD does not describe the Group Sponsored Insurance. Consult the Group Sponsored Insurance plan documents and the separate SPD for the Group Sponsored Insurance.

V. Administrative Provisions

Funding and Type of Plan Administration

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.

Nothing herein will be construed to require the Employer to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which benefits are paid.

You must make all elections about the use of the Plan before your entry date into the Plan. If you elect to pay for benefits on a pre-tax basis, you agree to a salary reduction to pay for your share of the cost of coverage (also known as contributions) with pre-tax funds instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes. From then on, you must pay contributions for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally, an equal portion from each paycheck, or an amount otherwise agreed to or as deemed appropriate by the Employer). The amount reduced from your salary or wages cannot exceed the amount of your annual salary or wages.

For purposes of the Group Sponsored Insurance, the terms Spouse and Dependent are defined as provided in the Group Sponsored Insurance.

Election Changes

✓ ***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. However, certain exceptions apply which may allow you to revoke your election and make a new election. If you wish to change your election based on a change in status, you must establish that the revocation is on account of and corresponds with the change in status. The Employer, in its sole discretion and on a uniform and consistent basis, shall determine whether a requested change is on account of and corresponds with 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.

Increases and Decreases to the Group Sponsored Insurance premiums (if permitted by insurance carrier) shall automatically result in a corresponding election change to the Premium Only Plan.

✓ ***When can I change my elections under the Plan during the Plan Year?***

If any change in election event occurs, you must inform the Employer and complete a Status Change Form within 30 days after the occurrence (or within 60 days after the occurrence in the case of a special enrollment right due to loss of eligibility for Medicaid or state children's health insurance program coverage, or eligibility for a state premium assistance subsidy from a Medicaid plan or through a state children's health insurance program with respect to coverage under the Medical Insurance Plan). If the change involves a loss of your spouse's or dependent's eligibility for medical insurance benefits, then changes made to your Group Sponsored Insurance Plan will be deemed effective as of the date that eligibility is lost due to the occurrence of the Change in Election Event, even if you do not request it within 30 days.

- **Leaves of Absence.** You may change an election under the Plan upon FMLA and non-FMLA leave only as described in Section V Administrative Provisions – Family and Medical Leave Act.

- **A Change in Status.** The Plan allows you to make a mid-year plan 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 your legal marital status, including marriage, death of a Spouse, legal separation, or annulment;

    - An event that changes the number of your 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 you, your Spouse, or your Dependent and that affect benefits eligibility under a cafeteria plan (including this Plan) or other employee benefit plan of you, your Spouse, or your Dependents. Such events include any of the following changes in employment status: termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite; switching from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa); incurring a reduction or increase in hours of employment; or any other similar change that makes the individual become (or cease to be) eligible for a particular employee benefit;

    - An event that causes your Dependent to satisfy or cease to satisfy an eligibility requirement for a particular benefit (such as attaining a specific age, ceasing to be a student, or a similar circumstance); or

    - A change in your, your Spouse's, or your Dependent's place of residence.

- **Change in Status-Other Requirements.** Generally, a revocation or change of your election is consistent with a change in status only if it is on account of and corresponds to a change in status that affects eligibility under an Employer's benefit plan. For example, if your Spouse terminates employment and loses healthcare coverage under the former Employer's benefit plan as a result, then that is a change in status affecting eligibility for healthcare coverage; if you then add your Spouse under the Employer's benefit plan, you could modify your election under the Premium Only Plan to pay for the increase in premiums under this Plan.

  In addition, you must satisfy the following specific requirements in order to alter your election based on that change in status:

- **Loss of Spouse or Dependent Eligibility; Special COBRA Rules.** A special rule governs which types of election changes are consistent with the change in status. If you, your spouse, or dependent gains or loses coverage due to a COBRA qualifying event, you may change your election under the Premium Only Plan to pay for the continuation of coverage on a pre-tax basis or to reduce your election for the corresponding loss of coverage. See your Employer for more information.

  Example: Employee Mike is married to Sharon, and they have one child. The Employer offers a calendar-year cafeteria plan that allows Employees to elect any of the following: no medical coverage, employee-only coverage, employee-plus-one-dependent coverage, or family coverage. Before the plan year, Mike elects family coverage for himself, his wife Sharon, and their child. Mike and Sharon subsequently divorce during the plan year; Sharon loses eligibility for coverage under the plan, while the child is still eligible for coverage under the plan. Mike now wishes to revoke his previous election and elect no medical coverage. The divorce between Mike and Sharon constitutes a change in status. An election to cancel medical coverage for Sharon is consistent with this change in status. However, an election to cancel coverage for Mike and/or the child is not consistent with this change in status. In contrast, an election to change to employee-plus-one-dependent coverage would be consistent with this change in status.

- **Gain of Coverage Eligibility under Another Employer's Plan.** For a change in status in which you, your Spouse, or your Dependent gains eligibility for coverage under another Employer's cafeteria plan (or qualified benefit plan) as a result of a change in your marital status or a change in your, your Spouse's, or your Dependent's employment status, your election to cease or decrease coverage for that individual under the Plan would correspond with that change in status only if coverage for that individual becomes effective or is increased under the other Employer's plan.

- **Special Enrollment Rights.** In certain circumstances, enrollment for Medical Insurance Benefits may occur outside the Open Enrollment Period. The Employer's Special Enrollment Notice also contains important information about your special enrollment rights. When a special enrollment right applies to your Medical Insurance Benefits, you may change your election under this Plan to correspond with the special enrollment right 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, within 30 days of that event.

- **Certain Judgments, Decrees, and Orders.** If a judgment, decree, or order from a divorce, separation, annulment, or custody change requires your child (including a foster child who is your Dependent) to be covered under the Group Sponsored Insurance, you may change your election to provide coverage for the child. If the order requires that another individual (such as your former Spouse) cover the child, then you may change

your election to revoke coverage for the child, provided that such coverage is, in fact, provided for the child.

- **Medicare and Medicaid.** If you, your Spouse, or your Dependent becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid, then you may reduce or cancel that person's accident or health coverage under the Group Sponsored Insurance may be canceled completely but not reduced. Similarly, if you, your Spouse, or your Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then you may elect to commence or increase that person's accident or health coverage (here, Group Sponsored Insurance, as applicable).

- **Change in Cost.** If the cost charged to you for your Group Sponsored Insurance significantly increases during the Plan Year, then you may choose to do any of the following:

    - make a corresponding increase in your contributions;

    - revoke your election and receive coverage under another benefit package option (if any) that provides similar coverage, or elect similar coverage under the plan of your Spouse's employer;

    - drop your coverage, but only if no other benefit package option provides similar coverage.

  For these purposes, an HMO and a PPO are considered to be similar coverage; and coverage under another employer plan, such as the plan of a Spouse's or Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage. If the cost of Group Sponsored Insurance significantly decreases during the Plan Year, then the Employer may permit the following election changes:

    - if you are enrolled in the benefit package option that has decreased in cost, you may make a corresponding decrease in your contributions;

    - if you are enrolled in another benefit package option, you may change your election on a prospective basis to elect the benefit package option that has decreased in cost; or

    - if you are otherwise eligible, you may elect the benefit package option that has decreased in cost on a prospective basis, subject to the terms and limitations of the benefit package option.

  For insignificant increases or decreases in the cost of benefits, however, the Employer will automatically adjust your election contributions to reflect the minor change in cost.

  The Employer generally will notify you of increases or decreases in the cost of Group Sponsored Insurance.

- **Change in Coverage.**
  You may also change your election if one of the following events occurs:

    - **Significant Curtailment of Coverage.** If your Group Sponsored Insurance

coverage is significantly curtailed without a loss of coverage (for example, when there is an increase in the deductible under the Medical Insurance Benefits), then you may revoke your election for that coverage and elect coverage under another benefit package option that provides similar coverage. (Coverage under a plan is significantly curtailed only if there is an overall reduction of coverage under the plan generally-loss of one particular physician in a network does not constitute significant curtailment.) If your Group Sponsored Insurance coverage is significantly curtailed with a loss of coverage (for example, if you lose all coverage under the option by reason of an overall lifetime or annual limitation), then you may either revoke your election and elect coverage under another benefit package option that provides similar coverage, elect similar coverage under the plan of your Spouse's employer, or drop coverage, but only if there is no option available under the plan that provides similar coverage. (The Employer generally will notify you of significant curtailments in Group Sponsored Insurance.

- **Addition or Significant Improvement of Salary Reduction Plan Option.** If the Plan adds a new option or significantly improves an existing option, then the Employer may permit Participants who are enrolled in an option other than the new or improved option to elect the new or improved option. Also, the Employer may permit eligible Employees to elect the new or improved option on a prospective basis, subject to limitations imposed by the applicable option.

- **Loss of Other Group Health Coverage.** You may change your election to add group health coverage for you, your Spouse, or your Dependent, if any of you loses coverage under any group health coverage sponsored by a governmental or educational institution (for example, a state children's health insurance program or certain Indian tribal programs).

- **Change in Election Under Another Employer Plan.** You may make an election change that is on account of and corresponds with a change made under another employer plan (including a plan of the Employer or a plan of your Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change permitted under the IRS regulations; or (b) the Salary Reduction Plan permits you to make an election for a period of coverage (for example, the Plan Year) that is different from the period of coverage under the other cafeteria plan or qualified benefits plan, which it does. For example, if an election to drop coverage is made by your Spouse during his or her employer's open enrollment, you may add coverage under this Plan to replace the dropped coverage.

- **Mid-Year Election Changes for Health Coverage**
  Employer will default to not allow Employees to revoke their election under their Premium Payment Component if they meet the conditions specified under "Reduction in hours in service" or "Enrollment in a Qualified Health Plan".

✓ **Other than the reasons above, when could my elections change?**
You may also change your election if one of the following events occurs:

- **Error at time of Enrollment.** If a mistake is made as to your eligibility or participation,

the allocations made to your account, or the amount of benefits to be paid to you or another person, then the Employer shall, to the extent that it deems administratively possible and otherwise permissible under the Code and other applicable law, allocate, withhold, accelerate, or otherwise adjust such amounts as will in its judgment accord the credits to the account or distributions to which you are or such other person is properly entitled under the Plan. Such action by the Employer may include withholding of any amounts due from your compensation.

- **Highly Compensated and/or a Key Employee.** If you are a Highly Compensated Employee or a Key Employee as defined by the 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. Congress has intended this Plan to be available to all classes of Employees and not to be considered top-heavy in participation.

  Plan experience will dictate whether contribution limitations on Highly Compensated or Key Employees will apply. Employees will be notified of these limitations if affected. Your Employer may also reduce your salary reductions (and increase your taxable regular pay) during the Plan Year if you are a Highly Compensated and/or 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.

Family and Medical Leave Act
(if applicable)

✓ ***What is the Impact of the Family and Medical Leave Act (FMLA)?***
Notwithstanding any other provision in this Plan, the Employer may (a) permit you to revoke (and subsequently reinstate) your election under the Plan, (b) adjust your compensation reduction as a result of a revocation or reinstatement and (c) permit payment of your share of the cost of benefit coverage during an unpaid leave with after-tax dollars (or pay for benefits under another arrangement such as pre-paying the benefits with pre-tax dollars prior to the leave or “catching up” by paying for the benefits with pre-tax dollars subsequent to the leave) to the extent the Employer deems necessary or appropriate to assure the Plan’s compliance with the provisions of the FMLA and any regulation pertaining thereto. You should consult the Employer if you have any questions.

✓ ***How does a leave of absence (such as FMLA) affect my health benefits?***
***FMLA Leaves of Absence*.** If you go on a qualifying leave under the FMLA, then to the extent required by the FMLA your Employer will continue to maintain your Group Sponsored Insurance coverage on the same terms and conditions as if you were still active (that is, your Employer will continue to pay its share of the contributions to the extent that you opt to continue coverage). Your Employer may require you to continue all Group Sponsored Insurance coverage while you are on paid leave (so long as Participants on non-FMLA paid leave are required to continue coverage). If so, you will pay your share of the contributions by the method normally used during any paid leave (for example, on a pre-tax salary-reduction basis).

If you are going on unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued) and you opt to continue your Group Sponsored Insurance coverage, then you may pay your share of the contributions in one of the following ways:

- **Pay-as-you-go:** with after-tax dollars, by sending monthly payments to the Employer by

the due date established by the Employer;

- **Pre-pay:** with pre-tax dollars, by having such amounts withheld from your ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, you must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);

- **Catch-up:** under another arrangement agreed upon between you and the Employer (e.g., the Employer may fund coverage during the leave and withhold "catch-up" amounts from your Compensation on a pre-tax or after-tax basis) upon your return.

If your Employer requires all Participants to continue Group Sponsored Insurance coverage during the unpaid FMLA leave, then you may discontinue paying your share of the required contributions until you return from leave. Upon returning from leave, you must pay your share of any required contributions that you did not pay during the leave. Payment for your share will be withheld from your compensation either on a pre-tax or after-tax basis, depending on what you and the Employer agree to. If your Group Sponsored Insurance coverage ceases while you are on FMLA leave (e.g., for non-payment of required contributions), you will be permitted to re-enter such Benefits, as applicable, upon return from such leave on the same basis as when you were participating in the Plan before the leave or as otherwise required by the FMLA. You may be required to have coverage for such Benefits reinstated so long as coverage for Employees on non-FMLA leave is required to be reinstated upon return from leave.

Non-FMLA Leaves of Absence. If you go on an unpaid leave of absence that does not affect eligibility, then you will continue to participate and the contributions due for you will be paid by pre-payment before going on leave, by after-tax contributions while on leave, or with catch-up contributions after the leave ends, as may be determined by your Employer.

If you go on an unpaid leave that affects eligibility, then the election change rules in Section V Administrative Provisions – Election Changes will apply.

How Benefits are Taxed

Generally, you may not be taxed for the amounts you elect under the Plan. However, the Employer cannot guarantee that specific tax consequences will flow from your participation in the Plan. **This information is not intended to provide legal or tax advice. You should consult your own personal tax advisor.**

The Plan Can Be Changed

The Plan is intended to comply with all applicable sections of the Internal Revenue Code and specifically Section 125; therefore, the Plan and any Employer benefit plans offered under the Plan may be amended to comply with the Internal Revenue Code and the Treasury Regulations as they may be amended. In addition, the Plan and any Employer benefit plans offered under the Plan may be amended at any time for reasons other than compliance with new law.

Although the Employer expects to maintain the Plan, it has the right to amend or terminate all or any part of the Plan at any time for any reason.

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.

ERISA Rights

The Premium Only Plan is not an ERISA welfare benefit plan under the Employee Retirement Income Security Act of 1974 (ERISA). However, the Group Sponsored Insurance is governed by ERISA. Note: This SPD does not describe the Group Sponsored Insurance. Consult the Group Sponsored Insurance plan documents and the separate SPDs for the Group Sponsored Insurance.

VI. Notices Required by Law

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 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 plan or issuer is generally subject to WHCRA requirements.

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.

USERRA
Continuation and reinstatement rights may also be available if you are absent from employment due to service in the uniformed services pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). More information about coverage under USERRA is available from the Employer.