



INTRODUCTION and INSTRUCTIONS

Materials, Use and Limited License

TASC is granting a non-exclusive, non-assignable, limited license to use this Plan Document only in connection with the provisions of the Subscription Services. It is understood that the Plan Document and related materials are the confidential property of TASC, they are not “work for hire”, and no additional rights to use the Materials are granted. The Purchaser is responsible for its use and the protection of the confidentiality of Materials and shall be liable for any unauthorized use or disclosure.

Effect of Termination

The terms of the limited license to use this Plan Document continue after the termination of any or all agreements between TASC and the Purchaser.

Instructions

This Plan Document does not stand alone.

- This Plan Document incorporates by reference your Enrollment Materials. Place a copy of your entire enrollment package for each enrollment period, along with any changes that are communicated during the year, in a file with this Plan Document for easy access for participant requests or for an audit.
- This Plan Document refers to the Summary Description for specific details such as the plan year, plan name and other necessary demographics. These instances are spelled out in the Plan Document.
- Any amendment made by competent legal counsel should be attached to this Plan Document. TASC does not need to review such amendments. TASC will have no liability for any losses or penalties related to such amendments.

This Plan Document should be saved each year with a copy of the Summary Description and Enrollment Materials attached for ease in responding to any audits or Participant requests.

Important Notice

This Plan Document is intended as a prototype Plan Document for use with a TASC Subscription Service. TASC and its representatives are not attorneys and do not provide legal advice. Any questions regarding state or local requirements, and any requests for revisions or additional terms should be sent to your benefit advisor or legal counsel.

Adoption

This Plan Document is adopted by the Purchaser by its acts to download and save this Plan Document per these instructions. The Purchaser is advised to inquire internally and follow any and all specific or formal requirements for the adoption of a benefit plan.

**PLAN DOCUMENT
For the
CAFETERIA PLAN**

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Article II: Purpose

- 2.01 Adoption and Purpose.** The Employer adopts this Cafeteria Plan under the terms and conditions set forth in this Plan Document as well as through the Enrollment Materials that are expressly incorporated by reference into this Plan Document. The plan allows Participants to elect between cash compensation or certain nontaxable Qualified Benefits Plans maintained by the Employer as identified in the Enrollment Materials. The Employer intends that this plan qualify as a Cafeteria Plan under Section 125 of the Internal Revenue Code. If any term in this Plan Document is found to be in conflict with federal or state law, the term will automatically be amended to comply with the federal or state law. Neither the Employer nor its designated representatives makes any commitment or guarantee that any amounts elected or paid for the benefit of a Participant will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant.
- 2.02 Plan Detail and Demographics.** This Plan Document expressly incorporates by reference the following demographics from the Summary Description: The Plan Name; the Plan Sponsor's name and address; and the Plan Year.

Article III: Definitions

- 3.01 Change in Status Event.** A Change in Status Event allows a Participant to revoke or change his/her pre-tax election during the Plan Year, and outside of the scheduled open enrollment period. The Employer allows all of the Change in Status Events published by the IRS for this type of plan under 26 CFR 1.125-4, as amended. A Participant who becomes eligible under the Health Insurance Portability & Accountability Act of 1996 ("HIPAA") for coverage under an accident or health benefit offered by the Employer will be allowed to make a consistent election, or election changes under this Cafeteria Plan.
- 3.02 Code.** The Internal Revenue Code of 1986, as amended from time to time.
- 3.03 Compensation.** All the earned income, salary, wages and other earnings paid by the Employer to a Participant during a Plan Year, including any amounts contributed by the Employer pursuant to a salary reduction agreement which are not includable in gross income under Sections 125, 402(g)(3), 402(h), 403(b) or 457(b) of the Internal Revenue Code.
- 3.04 Dependent.** For the purpose of the tax advantages available under this plan, a Dependent is an individual who is a dependent of a Participant within the meaning of Section 152(a) of the Internal Revenue Code, and any child of the Participant to whom IRS Rev. Proc. 2008-48 applies (regarding certain children of divorced or separated parents who receive more than half of their support for the calendar year from one or both parents and are in the custody of one or both parents for more than half of the calendar year). For the purposes of the tax advantages available under Qualified Benefit Plans that provide accident and health benefits as defined under Sections 105 and 106 of the Code, a Dependent is determined without regard to Subsections (b)(1), (b)(2), and (d)(1)(B) thereof and includes any child (as defined in Code § 152(f)(1)) of the Participant who at the end of the taxable year has not attained age 27.
- 3.05 Eligible Employee.** An Employee who is eligible to participate in the one or more Qualified Benefits Plans sponsored by the Employer, limited to an "Employee" as defined below in Section 3.06, who meets additional requirements defined in the Employer's Enrollment Materials and not including the following:
- (a) Employees who are Non-Resident Aliens (within the meaning of Section 7701(b)(1)(B) of the Internal Revenue Code) who are deriving no earned income (within the meaning of Section 911(d)(2) of the Code) from the Employer which constitutes income from sources within the United States (within the meaning of Section 861(a)(3) of the Code); and,
 - (b) Employees who are self-employed individuals (as described in Section 401(c) of the Internal Revenue Code) including sole proprietors, partners in a partnership, or more than 2% owners of subchapter "S" Corporations. This exclusion applies to the Spouse, children, parents, and grandparents under the Code Section 318 attribution rules.

If an Employee is not eligible to participate in this plan and allowed to participate under any Qualified Benefits Plan, then the Employee cost will be paid with taxable income, and the Compensation will not be reduced by the Employer.

- 3.06 Employee.** An Employee is a person who is currently or hereafter employed by the Employer, or by any other Employer aggregated under Sections 414(b), (c), (m), (n), or (o) of the Internal Revenue Code and the regulations thereunder, including a leased Employee subject to Section 414(n) of the Code.
- 3.07 Employer.** The Employer adopting this plan and any affiliate or subsidiary that, with the consent of the Employer becomes an Employer, by adopting the plan, or any successor business organization that assumes the obligations of the Employer.
- 3.08 Enrollment Materials.** The Employer will provide written Enrollment Materials at each enrollment period and during the Plan Year for midyear enrollees. The Enrollment Materials will provide the specific process for enrollment in the Qualified Benefits Plans. The Enrollment Materials are expressly incorporated by reference into this Plan Document.
- 3.10 Participant.** Any person who has been or is an Eligible Employee and who qualifies to participate and enrolls in a Qualified Benefits Plan.
- 3.11 Plan Year.** Commencing on the first day of the Plan Year and each anniversary thereof, except that the first Plan Year may include a period of fewer than twelve (12) consecutive months.
- 3.12 Qualified Benefits Plan.** Employer-sponsored plans that are allowed tax advantages under this plan pursuant to Section 125(f) of the Internal Revenue Code. The list of Qualified Plans available under this Cafeteria Plan is provided in the Enrollment Materials.
- 3.13 Spouse.** Any individual who is legally married to a Participant under applicable state law.

Article IV: Administration

- 4.01 Employer's Duties.** In addition to any rights, duties or powers specified in this Plan Document, the Employer will have the following rights, duties, and powers:
- (a) to interpret the plan, to determine the amount, manner and time for payment of any benefits under the plan, and to construe or remedy any ambiguities, inconsistencies or omissions under the plan;
 - (b) to adopt and apply any rules or procedures to ensure the orderly and efficient administration of the plan, and from time to time, amend or supplement such rules and regulations;
 - (c) to determine the rights of any Participant, Spouse, or Dependent to benefits under the Qualified Benefit Plans;
 - (d) to develop appellate and review procedures for any Participant, Spouse, or Dependent denied benefits under the plan;
 - (e) to maintain records, it may require in connection with the proper administration of the plan;
 - (f) to employ any agents, attorneys, accountants or other parties (who may also be employed by the Employer) and to allocate or delegate to them such powers or duties as is necessary to assist in the proper and efficient administration of the plan, provided that such allocation or delegation and the acceptance thereof is in writing;
 - (g) to correct any defect, supply any omission, or reconcile any inconsistency in the plan in such a manner and to such extent as it shall be deemed expedient to administer the plan;
 - (h) to amend or terminate this plan.
- 4.02 Information to be Provided to Employer.** The Employer, or any of its agents, will collect employment records of Participants under the plan. These records will include any information the Employer may need for the proper administration of the plan. A Participant will furnish the Employer the data the Employer reasonably requests to ensure the proper and efficient administration of the plan.
- 4.03 Interpreting Plan Terms.** Any interpretation of any provision of this plan made in good faith by the Employer as to the terms of this plan is final and will be binding upon the parties.
- 4.04 Misstatements.** Any misstatement or other mistake of fact will be corrected as soon as reasonably possible upon notification to the Employer and any adjustment or correction attributable to such misstatement or mistake of fact will be made by the Employer as he considers equitable and

practicable.

- 4.05 Review Procedures.** An Employee or his/ her authorized representative can appeal a decision made to deny enrollment in a Qualified Benefits Plan or a decision to disallow an election change by sending a written request for an appeal to the Employer within 60 days of the decision to deny enrollment or an election change. The appeal will be performed in a manner that does not afford deference to the initial determination and will be conducted by the Employer or designee. A Participant can request, free of charge, reasonable access to, and copies of, all documents and records relevant to the decision. Benefit appeals for denied claims are addressed in the Qualified Benefits Plan descriptions provided by the Employer.
- 4.06 Medical Child Support Orders.** The Employer will adhere to the terms of any judgment, decree, or court order (including a court's approval of a domestic relations settlement agreement) which complies with federal or applicable state law, including 29 USC Sec. 1169 relating to Qualified Medical Child Support Orders (QMCSO), including any federal regulations or state laws relating to the same. On the date coverage is provided as directed by a QMCSO the Employee-parent will become eligible to participate in this plan in order to pay his/her share of the cost of the coverage on a pre-tax basis.

Article V: Eligibility and Participation

- 5.01 Eligibility Requirements.** Each Employee who enrolls in a Qualified Benefits Plan must be eligible to participate in this plan to receive the tax advantages made available under this plan. The eligibility requirements for this plan are set forth in the Enrollment Materials.
- 5.02 Re-employment of Former Employees.** A Participant whose employment terminates and is subsequently re-employed within 30 days of his/her separation of service and within the same Plan Year will immediately rejoin the plan with the same benefit elections. Should the Participant return within 30 days of his/her separation of service during the following Plan Year, the Participant will be allowed to change elections through the plan enrollment process. A Participant whose employment terminates and who is subsequently re-employed with more than 30 days separation of service will need to re-satisfy plan eligibility requirements to rejoin the plan. Any unused reimbursement benefits account balance prior to the initial separation of service date will be forfeited.
- 5.03 Termination of Participation.** A Participant will automatically cease to be a Participant on the earliest of the following dates:
- the date on which this plan or any Qualified Benefits Plan is terminated by the Employer;
 - the end of the Plan Year, unless the Participant enrolls in a Qualified Benefits Plan for the next Plan Year;
 - the date on which the Participant fails to pay any required premium (including payment by salary reduction);
 - when the Participant's employment is terminated the plan will terminate on the day of the termination or the day using the rule stated in the employer's enrollment materials or Summary Description.
- 5.04 Family Medical Leave Act.** The Family & Medical Leave Act of 1993 (29 U.S.C. 2611) as amended, is referred to as FMLA. FMLA Leave will not be available to Employees for Plan Years in which the Employer has fewer than 50 Employees as counted in that Act. For Plan Years in which the Employer has 50 or more Employees, the Employer is required to make FMLA Leave available to Eligible Employees under circumstances that are prescribed by applicable federal law, including a period in which an Employee is off due to the FMLA shall be treated in accordance with the rules for a layoff or a leave of absence and provided to the extent required by the FMLA (e.g., the employer will continue to pay its share of the contribution to the extent the Participant opts to continue coverage). If the Employer is subject to the FMLA, a Participant may revoke or continue an election through the plan upon commencement of the FMLA Leave, whether such leave is paid or unpaid. This provision applies in addition to any other right to revoke and reelect benefits under the plan. Upon return from FMLA Leave, a Participant may be reinstated to all pre-leave elections.
- 5.05 Uniformed Services Employment & Re-employment Rights Act (USERRA).** The Employer shall permit

Participants to continue benefits elections as required under the Uniformed Services Employment & Reemployment Rights Act and shall provide such reinstatement rights as required by such law.

- 5.06 Layoff, Leave of Absences, and Sabbaticals.** Continuation under the plan may occur in one of the following ways:
- (a) In the case of a planned layoff, an Employee may be able to pre-fund a Qualified Benefits Plan through the end of the planned leave or the end of the Plan Year.
 - (b) During the period which the Employee is off and receiving a salary, the pre-tax deductions may continue. If the Employee is not receiving a salary, he/she may continue to fund his/her election with after-tax dollars while on leave. (Payment schedule to be agreed upon between the Employer and Employee prior to the commencement of the leave.)

Article VI: Elections

- 6.01 Election Maximum Amounts.** The maximum election amounts for each Qualified Benefit Plan will be included in the Enrollment Materials and the literature available for each Qualified Benefits Plan.
- 6.02 Failure to Elect.** A Participant failing to complete the enrollment process on or before the specified due date for the Plan Year, or a midyear enrollee during the Plan Year, shall be deemed to have elected to receive Compensation in cash.
- 6.03 Effective Periods for Elections.** The election must be made by each Participant prior to the commencement of each Plan Year and shall be irrevocable for the Plan Year except as provided for in a Change in Status Event that would allow an election change.
- 6.04 Non-Discrimination.** The plan is not intended to discriminate in favor of highly compensated individuals or key Employees as to eligibility to participate or contributions and benefits as required by the Code. The Employer may exclude or limit certain highly compensated individuals from participation in the plan, in the Employer's judgment, such actions serve to assure that the plan does not violate applicable non-discrimination rules. The Employer can make necessary adjustments to Employee contributions during the Plan Year to assure that the plan passes the required discrimination tests.

Article VII: Contributions

- 7.01 Employer Contributions.** The Employer will contribute out of its general assets the amounts necessary to meet its obligations under the plan. The Employer may provide additional contributions in the way of cash or spending credits that can be used for any Qualified Benefits Plan or used in a limited manner as defined by the Employer. The Enrollment Materials will include the amount of any Employer contribution, the rules defining how the Employer contributions can be used by the Participants, and any limitations on the use of Employer contributions. Employer contributions will continue to be provided while on approved FMLA Leave to the same extent provided to an Employee actively at work.
- 7.02 Employee Salary Reductions.** The Participant shall agree to reduce his/her Compensation from the Employer by such amounts as are necessary to provide for those Qualified Benefits Plans which the Participant has elected. No Participant shall have, by virtue of the plan, any interest in any specific asset or assets of the Employer. A Participant has only an unsecured contractual right to receive the benefits defined and limited by the Qualified Benefits Plans.
- 7.03 Administrative Fees.** The Employer may charge the Employee reasonable cafeteria plan administrative fees.
- 7.04 SIMPLE Section 125 Cafeteria Plan.** If the Employer intends to offer a SIMPLE Plan, as set forth in Code Section 125(j), under the Employer's Cafeteria Plan, then the Employer contributions are limited as follows;
- a) Uniform Percentage Contribution Requirements: Employer must contribute to provide Qualified Benefits on behalf of each Qualified Employee, regardless of whether an Employee makes a salary contribution of their own. The Uniform Percentage Contribution method requires the Employer to contribute a uniform percentage (of at least two percent) of an Eligible Employee's compensation for

the Plan Year.

- b) Matching Contribution Requirements: Employer must contribute to provide Qualified Benefits on behalf of each Qualified Employee, regardless of whether an Employee makes a salary contribution of their own. The Matching Contribution method requires the Employer to make an annual contribution in an amount equal to the lesser of the following 2 options (select the lesser option): (1) 6% of each Employee's Plan Year compensation, or (2) 2x the amount of salary reduction contributions from each Qualified Employee.