

TRICO Companies, LLC Salary Reduction Plan Plan Summary

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Attachment 1: When Can I Change Elections Under the Salary Reduction Plan During the Plan Year?

**Trico Companies, LLC Salary Reduction Plan
Plan Summary**

INTRODUCTION

Trico Companies, LLC (the “Employer”) sponsors the Trico Companies, LLC Salary Reduction Plan (the “Salary Reduction Plan”) that allows Eligible Employees to choose from a menu of different benefits to suit their needs and to pay for those benefits with pre-tax dollars. (Such plans are also known as “cafeteria plans.”)

This Summary describes the basic features of the Salary Reduction Plan, how it operates, and how to get the maximum advantage from it. This Summary does not describe every detail of the Salary Reduction Plan. If there is a conflict between the Salary Reduction Plan documents and this Summary, then the Salary Reduction Plan documents will control. If there is a conflict between this Summary and the Plan document or Summary Plan Description for the Medical Insurance Plan (as defined in Q-2), the Plan document or Summary Plan Description for the Medical Insurance Plan will control.

Q-1. How do employees pay for benefits on a pre-tax basis?

An Employee’s election to pay for benefits on a pre-tax basis is made by entering into an Election Form/Salary Reduction Agreement with the Employer (ask the Administrative Manager for a copy if you have not received one). This may be part of the same form that you use to elect benefits generally. An Election Form/Salary Reduction Agreement may be completed electronically if so prescribed by the Plan Administrator. Under your Election Form/Salary Reduction Agreement, you agree to Salary Reductions to pay for your share of the cost of your elected benefits (also known as your contributions) with pre-tax funds instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes. Your contributions will be 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 Plan Administrator). See Q-5 for the rules and procedures for making your election.

Q-2. What benefits may be elected under the Salary Reduction Plan?

The Salary Reduction Plan includes the following benefit plans:

- *Premium Payment Component* — permits an Eligible Employee to pay for his or her share of contributions for elected Medical Insurance Plan coverage with pre-tax dollars. “Medical Insurance Plan” means the medical plan that your Employer maintains for Employees, their Spouses, and dependents, providing medical-type benefits through a group insurance policy or policies and/or a self-insured arrangement including, if applicable, dental and vision benefits. Benefits provided under the Medical Insurance Plan are called “Medical Insurance Benefits.” Benefits provided generally under the Premium Payment Component (including any benefits that may be added at a later date) are called “Premium Payment Benefits.”

If you elect Premium Payment Benefits, you will pay all or some of the contributions for your elected Medical Insurance Benefits, and the Employer may contribute some or no portion of them. The applicable amounts will be described in documents furnished separately to you.

Q-3. Who can participate in the Salary Reduction Plan?

An Employee is eligible to participate in this Plan (an “Eligible Employee”) upon satisfying the eligibility requirements for participation in the Medical Insurance Plan. See Q-5 for the rules and procedures for making an election to participate in this Plan.

For purposes of this Plan, an “Employee” means an individual who the Employer classifies as a common-law employee and who is on the Employer’s W-2 payroll. Employees do not, however, include the following: (a) any common-law employee who is a leased employee or any common-law employee classified by the Employer as a contract worker, independent contractor, temporary employee, or casual employee even if such an individual is later reclassified as a common-law employee; (b) any individual who performs services for the Employer but who is paid by a temporary or other employment or staffing agency; (c) any employee covered under a collective bargaining agreement unless their collective bargaining agreement provides for participation in this Plan; or (d) self-employed individuals, partners in a partnership, or more-than-2% shareholders in a Subchapter S corporation.

Q-4. What tax savings are possible under the Salary Reduction Plan?

You may save both federal income tax and FICA (Social Security and Medicare) taxes by participating in the Salary Reduction Plan. That’s because your elected contributions come out of your paychecks on a pre-tax basis (i.e., no income taxes or FICA taxes will be withheld on the amount you contribute). How much you actually save will depend on what family members are covered and your contributions for the coverage, your total family income, and the tax deductions and exemptions you claim.

Q-5. When does participation begin and end in the Salary Reduction Plan?

When you first become an Eligible Employee, you may elect to become a Participant by completing and submitting an Election Form/Salary Reduction Agreement in the manner and within the time period specified in the Plan’s enrollment materials. If you fail to do so, you will not be able to elect any benefits under the Salary Reduction Plan until the next Open Enrollment Period (unless a “Change in Election Event” occurs, as explained in Q-7).

Subsequently, you will need to complete and submit an Election Form/Salary Reduction Agreement during each Open Enrollment Period in order to elect benefits under the Salary Reduction Plan for the next Plan Year.” Once the Open Enrollment Period ends, you will not be able to change your elections (or deemed elections) until the next Open Enrollment Period (unless a "Change in Election Event" occurs, as explained in Q-7).

Employees who actually participate in the Salary Reduction Plan are called “Participants.” An Employee who elects to participate in the Salary Reduction Plan continues to participate until the earliest of the following: (a) termination of the Salary Reduction Plan; (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); or (c) the end of the period of coverage for which participation was elected (unless participation is revoked earlier pursuant to a Change in Election Event, as explained in Q-7). However, for purposes of pretaxing COBRA coverage for Medical Insurance Benefits, certain Employees may be able to continue eligibility in the Salary Reduction Plan for certain periods. See Q-11. See Q-8 and Q-11 for information about how termination of participation affects your Benefits.

Q-6. What are the “Open Enrollment Period” and the “Plan Year”?

You will be notified of the timing and duration of the Open Enrollment Period, which for a Plan Year generally will be from November 1 through November 30 of the previous Plan Year. The Plan Year is the 12 months beginning on each December 1 and ending on November 30.

Q-7. Can I change my elections under the Salary Reduction Plan during the Plan Year?

You generally cannot change your election to participate in the Salary Reduction Plan or vary the salary reduction amounts that you have selected during the Plan Year (known as the irrevocability rule). Of course, you can change your elections for benefits and Salary Reductions during the Open Enrollment Period, but those election changes will apply only for the following Plan Year. During the Plan Year, however, there are several important exceptions to the irrevocability rule. See the various “Change in Election Events” that are described in the attachment entitled “When Can I Change Elections Under the Salary Reduction Plan?” (found at the end of this Summary). In general, if you change your election due to one of these events, your election change will be prospectively effective (i.e., it will become effective, subject to administrative practicability, no earlier than the pay period within which it was submitted. There is one exception: If you make an election change to enroll a new dependent acquired by birth, adoption, or placement for adoption, your election change will be effective as of the date of birth, adoption, or placement for adoption.

The Plan Administrator may also reduce your Salary Reductions (and increase your taxable regular pay) during the Plan Year if you are a key employee or highly compensated individual as defined by the Internal Revenue Code (“the Code”), if necessary to prevent the Salary Reduction Plan from becoming discriminatory within the meaning of the federal income tax law. Additionally, 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 Plan Administrator 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 or such other person is properly entitled under the Salary Reduction Plan. Such action by the Plan Administrator may include withholding of any amounts due from your compensation.

Q-8. What happens if my employment ends during the Plan Year or I lose eligibility for other reasons?

If your employment with the Employer is terminated during the Plan Year, then your active participation in the Salary Reduction Plan will cease and you will not be able to make any more contributions to the Salary Reduction Plan for Medical Insurance Benefits. The Medical Insurance Benefits will terminate as of the date specified in the Medical Insurance Plan. See Q-11 and the booklets for the Medical Insurance Plan for information on your right to continued or converted group health coverage after termination of your employment.

For purposes of pre-taxing COBRA coverage for Medical Insurance Benefits, certain Employees may be able to continue eligibility in the Salary Reduction Plan for certain periods. See Q-11.

If you are rehired and are eligible for the Salary Reduction Plan, then you may make new elections as described above; provided, however, that if you are rehired within 30 days or less and during the same Plan Year, then your prior elections will be automatically reinstated.

Q-9. Will I pay any administrative costs under the Salary Reduction Plan?

No. The cost is paid entirely by the Employer.

Q-10. How long will the Salary Reduction Plan remain in effect?

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

Q-11. What is “Continuation Coverage” and how does it work?

COBRA.

Under a federal law known as “COBRA,” you may have a right to continue Medical Insurance Plan coverage for yourself and/or your Spouse and dependents if there is a loss of coverage under the Medical Insurance Plan as a result of a “qualifying event.” Your rights and the rules and requirements for COBRA continuation coverage, if applicable, are explained in the Summary Plan Description for the Medical Insurance Plan. Generally, payments for COBRA continuation coverage must be made on an after-tax basis outside of the Salary Reduction Plan. However, contributions for COBRA continuation coverage under the Medical Insurance Plan for current Employees receiving taxable compensation may be made on a pre-tax basis where such COBRA continuation coverage arises either (a) because you cease to be eligible because of a reduction in hours; or (b) your Dependent ceases to satisfy the eligibility requirements for coverage under the Medical Insurance Plan (but remains your “Dependent” as defined in the Salary Reduction Plan). Pre-tax COBRA contributions may not be pre-paid for coverage that extends into a subsequent Plan Year, and your election to make pre-tax COBRA contributions must be made on a prospective basis.

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 Plan Administrator.

Q-12. How will participating in the Salary Reduction Plan affect my Social Security and other benefits?

Participating in the Salary Reduction 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 Salary Reduction Plan participation will often more than offset any reduction in other benefits.

Q-13. How do leaves of absence (such as under FMLA) affect my benefits?

FMLA Leaves of Absence.

If you go on a qualifying leave under the Family and Medical Leave Act of 1993 (FMLA), then to the extent required by the FMLA your Employer will continue to maintain your Medical

Insurance Benefits 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 Medical Insurance Benefits 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 Medical Insurance Benefits, then you may pay your share of the contributions in one of three ways: (a) with after-tax dollars while on leave; (b) with pretax dollars to the extent that you receive compensation during the leave, or by pre-paying all or a portion of your share of the contributions for the expected duration of the leave on a pre-tax salary reduction basis out of your pre-leave compensation, including unused sick days and vacation days (to pre-pay in advance, you must make a special election before such compensation normally would be available to you (but note that prepayments with pre-tax dollars may not be used to pay for coverage during the next Plan Year); or (c) by other arrangements agreed upon by you and the Plan Administrator (for example, the Plan Administrator may pay for coverage during the leave and withhold amounts from your compensation upon your return from leave).

If your Employer requires all Participants to continue Medical Insurance Benefits 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 Plan Administrator agree to.

If your Medical Insurance Benefits 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 contribution due from you (if not otherwise paid by your regular Salary Reductions) will be paid by pre-payment before going on leave, with after-tax contributions while on leave, or with catch-up contributions after the leave ends, as determined by the Plan administrator. If you go on an unpaid leave that does affect eligibility, then the Change in Status rules will apply (see the attachment entitled “When Can I Change Elections Under the Salary Reduction Plan During the Plan Year?” found at the end of this Summary).

Notwithstanding any provision of the Plan to the contrary, the Plan shall be administered in accordance with the requirements of USERRA and with applicable regulations, as amended from time to time.

Q-14. What are “Premium Payment Benefits”?

As described in Q-1, if you elect Premium Payment Benefits you will pay for your share of contributions for Medical Insurance Benefits with pre-tax dollars. 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 and Medicare) taxes. See Q-4.

Note that under federal tax rules, Medical Insurance Benefits may be paid with pre-tax dollars only for yourself, your Spouse (as defined in the Salary Reduction Plan), and any Dependents (as defined in the Salary Reduction Plan). The term “Dependents” generally includes individuals who you may claim as a dependent on your federal income tax return. It also includes your children (by birth or adoption), step-children, and eligible foster children who are younger than age 27 the entire year. If the Medical Insurance Plan allows coverage of individuals who are not your “Spouse” or “Dependents,” your share of premiums for their coverage must be paid on an after-tax basis.

Q-15. How are my Premium Payment Benefits paid?

As described in Q-1, Q-2 and Q-14, Premium Payments Benefits are paid by pre-tax Salary Reductions from your paycheck.

Q-16 What are my ERISA Rights?

The Salary Reduction Plan is not a ERISA welfare benefit plan under the Employee Retirement Income Security Act of 1974 (ERISA). However, the Medical Insurance Plan is governed by ERISA. Note: This Summary does not describe the Medical Insurance Plan. Consult the Medical Insurance Plan document and the separate Summary Plan Description for the Medical Insurance Plan.

Q-17. What other general information should I know?

This Q-17 contains certain general information that you may need to know about the Plan.

General Plan Information

Name: Trico Companies, LLC Salary Reduction Plan

Effective Date: December 1, 2017

Plan Year: December 1 to November 30. Your Plan’s records are maintained on this 12-month period of time.

Employer/Plan Sponsor Information

Trico Companies, LLC

15066 Josh Wilson Road

PO Box 409

Burlington, WA 98233

Federal employee tax identification number (EIN): 46-1346726.

Plan Administrator Information

Administrative Manager

15066 Josh Wilson Road

PO Box 409

Burlington, WA 9823

Attention: Administrative Manager
Telephone Number: (360) 707-4173

The Plan Administrator has appointed the Administrative Manager to maintain the records for the Plan, be responsible for the day-to-day administration of the Plan, and answer any questions that you may have about our Plan. You may contact the Administrative Manager at the above address for any further information about the Plan.

Attachment 1
When Can I Change Elections Under the Salary Reduction Plan
During the Plan Year?

Participants can change their Medical Insurance Benefit elections under the Salary Reduction Plan during a Plan Year if (a) an event occurs that is a Change in Election Event, (b) the Plan permits the requested election change, and (c) certain other conditions are met, as described below. For details, see the various Change in Election Events headings below for the specific type of Change in Election Event. In addition, the Plan Administrator can change certain elections on its own initiative—see Q-7. Note also that no changes can be made with respect to Medical Insurance Benefits if they are not permitted under the Medical Insurance Plan.

If any Change in Election Event occurs, you must inform the Plan Administrator and complete a new Election Form/Salary Reduction Agreement within 30 days after the occurrence (within 60 days in the case certain Special Enrollment Rights—see the Employer’s Special Enrollment Notice described in Section 4., below). If the change involves a loss of your Spouse’s or Dependent’s eligibility for Medical Insurance Benefits, then the change 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.

1. Leaves of Absence

You may change an election under the Salary Reduction Plan upon FMLA and non-FMLA leave only as described in Q-13.

2. Change in Status

If one or more of the following Changes in Status occur, you may revoke your old election and make a new election, provided that (a) both the revocation and new election are on account of and correspond with the Change in Status (as described in item 3 below), and (b) the specific election change you are requesting is one permitted by the Plan (see item 3, under “Additional Plan Restrictions”):

- a change in your legal marital status (such as marriage, death of a Spouse, divorce, legal separation, or annulment);
- a change in the number of your Dependents (such as the birth of a child, adoption or placement for adoption of a Dependent, 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 Salary Reduction 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 or a similar circumstance); or

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

3. Change in Status—Other Requirements

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 Plan Administrator, 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 (a) the event affects coverage eligibility under the Medical Insurance Plan or a plan or your Spouse's or Dependent's employer, and (b) the requested election change is consistent with that change in eligibility.

Loss of Spouse or Dependent Eligibility; Special COBRA Rules.

For accident and health benefits (here, the Medical Insurance Plan), a special rule governs which type of election changes are consistent with the Change in Status. For a Change in Status involving your divorce, annulment, or legal separation from your Spouse, the death of your Spouse or your Dependent, or your Dependent's ceasing to satisfy the eligibility requirements for coverage, you may elect only to cancel the accident or health benefits for the affected Spouse or Dependent. (In fact, such an election change is automatic, although you must notify the Plan Administrator of the loss of eligibility.) A change in election for any individual other than your Spouse involved in the divorce, annulment, or legal separation, your deceased Spouse or Dependent, or your Dependent that ceased to satisfy the eligibility requirements would fail to correspond with that Change in Status. For example, a Change in Status of divorce would not allow you to cancel coverage for yourself or your Dependents.

However, if you, your Spouse, or your Dependent elects COBRA continuation coverage under the Employer's plan because you ceased to be eligible because of a reduction of hours or because your Dependent ceases to satisfy eligibility requirements for coverage, and if you remain a Participant under the terms of this Salary Reduction Plan, then you may in certain circumstances be able to increase your contributions to pay for such coverage. See Q-11.

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 Salary Reduction 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.

Additional Plan Restrictions.

In addition to the foregoing rules, the Plan imposes the following additional restrictions on election changes due to a Change in Status (indicated by a mark in the applicable box):

- The Plan does not permit any election changes to add coverage under the Medical Insurance Plan due to a Change in Status except in connection with a Special Enrollment Right (see Section 4 below).

- The Plan does not permit any election changes to drop coverage under the Medical Insurance Plan due to a Change in Status (except that if your Spouse or Dependent loses eligibility under the Medical Insurance Plan, your election of coverage for them is automatically cancelled).

4. Special Enrollment Rights

In certain circumstances, enrollment for Medical Insurance Benefits may occur outside the Open Enrollment Period. These are commonly known as “HIPAA Special Enrollment Rights.” In general, they include situations in which you acquire a new Spouse or Dependent mid-year due to marriage, birth, adoption or placement for adoption, as well certain situations in which you, your Spouse, or your Dependent loses other employer-provided health insurance coverage mid-year. Details and important information about these rights is described in the Employer’s Special Enrollment Notice, a copy of which was previously furnished to you. (Contact the Administrative Manager if you need another copy.) When a Special Enrollment Right explained in those separate documents applies to your Medical Insurance Benefits, you may change your election under the Salary Reduction Plan to correspond with the Special Enrollment Right.

Please note that Special Enrollment Rights arising from marriage, birth, adoption or placement for adoption do not include the right to enroll previously eligible Dependents unless permitted by the Plan. The Plan does does not permit enrollment of previously eligible Dependents in this situation.

5. 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 Medical Insurance Benefits, 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, and provided that the Plan permits this election change. The Plan does does not permit an election change to drop coverage for your child in this situation.

6. Medicare or 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 Medical Insurance Plan, provided the Plan permits this election change. The Plan does does not permit an election change to reduce or cancel coverage in this situation.

Similarly, if you, your Spouse, or your Dependent who has been entitled to Medicare loses eligibility for such coverage, then you may elect to commence or increase that person’s accident or health coverage, provided the Plan permits this election change. The Plan does does not permit an election change to commence or increase coverage in this situation.

7. Change in Cost

If the cost charged to you for your Medical Insurance Benefits significantly increases or decreases during the Plan Year, then you may be allowed to make certain election changes. These may include, to the extent permitted by the Plan and IRS rules, switching to a different benefit package option that provides similar coverage under the Medical Insurance Plan or

under a plan of your Spouse's or Dependent's employer, dropping coverage under the Medical Insurance Plan, or enrolling for coverage (if not currently enrolled). The Plan Administrator will determine, in its sole discretion, whether an increase or decrease in cost is "significant." If the Plan Administrator determines that a significant increase or decrease in cost has occurred, you will be notified of this fact and of your election change options, if any. If you fail to make an election change (or if no election changes are permitted) your contributions will be automatically adjusted to reflect the change in cost. For "insignificant" increases or decreases in the cost of benefits, your contributions will automatically be adjusted to reflect the change, with no election changes permitted.

8. Change in Coverage

You may also change your election if one of the following events occurs, to the extent permitted by the Plan:

Significant Curtailment of Coverage.

If your Medical Insurance Benefits coverage is "significantly curtailed *without* a loss of coverage" (for example, when there is an increase in the deductible, copay, or out-of-pocket maximum under the Medical Insurance Benefits), then you may be allowed to make certain election changes. These may include, to the extent permitted by the Plan and IRS rules, switching to a different benefit package option that provides similar coverage under the Medical Insurance Plan or under a plan of your Spouse's or Dependent's employer. The Plan Administrator will determine, in its sole discretion, whether Medical Insurance Benefits coverage has been "significantly curtailed without a loss of coverage." If the Plan Administrator determines this has occurred, you will be notified of this fact and of your election change options, if any.

If your Medical Insurance Benefits coverage is "significantly curtailed *with* a loss of coverage" (for example, if an HMO ceases to be available where you reside or if your elected benefit package option is eliminated), then you may be allowed to make certain election changes. These may include, to the extent permitted by the Plan and IRS rules, switching to a different benefit package option that provides similar coverage under the Medical Insurance Plan or under a plan of your Spouse's or Dependent's employer, or dropping coverage under the Medical Insurance Plan. The Plan Administrator will determine, in its sole discretion, whether Medical Insurance Benefits coverage has been "significantly curtailed with a loss of coverage." If the Plan Administrator determines this has occurred, you will be notified of this fact and of your election change options, if any.

If coverage for your Spouse or Dependent under a benefit package option under another employer's plan is significantly curtailed with or without a loss of coverage (as determined by the Plan Administrator in its sole discretion), you may enroll such individual(s) in a benefit package option that provides similar coverage under the Medical Insurance Plan, provided the Plan permits this election change. The Plan permits an election change to add coverage for an individual in this situation in no cases, only cases where there has been a "loss of coverage," in all cases.

Addition or Significant Improvement of Benefit Package Option.

If a new benefit package option is added to the Medical Insurance Plan, or if an existing option is significantly improved, then you may be allowed to make certain election changes. These may include, to the extent permitted by the Plan and IRS rules, switching to the new or significantly

improved benefit package option, or enrolling for coverage under the new or significantly improved option (if not currently enrolled). The Plan Administrator will determine, in its sole discretion, whether a benefit package option has been added or significantly improved. If the Plan Administrator determines this has occurred, you will be notified of this fact and of your election change options, if any.

Loss of Other Group Health Coverage.

You may change your election to add coverage under the Medical Insurance Plan for yourself, your Spouse, or your Dependent, if any of you loses group health coverage sponsored by a governmental or educational institution, including (but not limited to) the following: (a) a medical care program of an Indian Tribal government, the Indian Health Service, or a tribal organization; (b) a state health benefits risk pool; or (c) a foreign government group health plan, provided the Plan permits this election change. The Plan does does not permit an election change to add coverage in this situation.

Change in Election Under Another Employer Plan.

To the extent permitted by the Plan (as indicated by a mark in the applicable box below), 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 election change under the other cafeteria plan or qualified benefits plan is one that is permitted under the IRS regulations; or (b) the Salary Reduction Plan has a period of coverage that is different from the period of coverage under the other plan. For example, if an election to drop coverage is made by your Spouse during his or her employer's open enrollment and that plan has a different period of coverage than the Salary Reduction Plan, you may be permitted to make an election change add coverage under Medical Insurance Plan to replace the dropped coverage.

- The Plan permits election change to drop coverage under the Medical Insurance Plan in this situation.
- The Plan permits election change to add coverage under the Medical Insurance Plan in this situation.

9. Reduction of Hours Not Affecting Eligibility

If you were reasonably expected to average 30 hours of service or more per week and experience an employment status change such that you are no longer reasonably expected to average 30 hours of service or more per week, you may be permitted to prospectively revoke your election for Medical Insurance Plan coverage, provided that you certify that you and any related individuals whose coverage is being revoked have enrolled or intend to enroll in another plan providing minimum essential coverage that is effective no later than the first day of the second month following the month that includes the date the Medical Insurance Plan coverage is revoked. The Plan does does not permit an election change to drop coverage in this situation.

10. Exchange Enrollment

If you are eligible to enroll for coverage in a government-sponsored Exchange (Marketplace) during a special or annual open enrollment period, you may be permitted to prospectively revoke your election for Medical Insurance Plan coverage, provided that you certify that you and

any related individuals whose coverage is being revoked have enrolled or intend to enroll for new Exchange coverage that is effective beginning no later than the day immediately following the last day of the Medical Insurance Plan coverage. The Plan does does not permit an election change to drop coverage in this situation.