

2. The following employees are excluded from participation:

- No exclusions.
- Part-time employees normally expected to work less than _____ hours a week.
- Employees under the age of _____.
- Union employees (unless the bargaining agreement provides for coverage).
- Non-resident aliens.
- Other: _____

Section 125 does not specifically provide for election exclusions. Consult your tax advisor or attorney before excluding any classification(s) of employees.

3. The service period employees must complete before being eligible to participate is as follows:

- For the initial plan year, any one employed on the Plan Effective Date and for subsequent Plan Years
 - As of date of hire.
 - Number of days after date of hire: _____
 - Number of months after date of hire: _____
- For all plan years
 - As of date of hire.
 - Number of days after date of hire: _____
 - Number of months after date of hire: _____

Employees must be in service or on the job as one of the eligibility requirements.

4. Once the employees are eligible, they can begin participating in the plan:

- Date employee becomes eligible.
- First day of pay period following the date employee becomes eligible.
- First day of month following the date employee becomes eligible.
- First day of quarter following the date employee becomes eligible.
- First day of Plan Year following the date employee becomes eligible.

BENEFITS

Check the benefits to be offered under this Plan:

- | | |
|----------------------------------------------------------------|----------------------------------------------------------------------|
| <input type="checkbox"/> Core Health Benefits | <input type="checkbox"/> Cash Benefits (opt out of health insurance) |
| <input type="checkbox"/> Non-Core Supplemental Health Benefits | <input type="checkbox"/> Medical and Dental Expense FSA |
| <input type="checkbox"/> Group Term Life Benefits | <input type="checkbox"/> Dependent Care FSA |
| <input type="checkbox"/> Short Term Disability Benefits | <input type="checkbox"/> Vacation Purchase Program |
| <input type="checkbox"/> Long Term Disability Benefits | <input type="checkbox"/> Individually Owned Health Insurance |
| <input type="checkbox"/> HSA Contributions | |

CONTRIBUTIONS

Overall Maximum for all Benefits: \$ _____

Cannot be beyond reach of all employees. Rule of thumb: Do not exceed estimated annual salary of lowest paid eligible employee on the payroll which will be prorated for any Plan Year less than 12 months.

Medical/Dental: FSA: Minimum: \$ _____ Maximum: \$ _____

Dependent Assistance: Minimum: \$ _____ Maximum: \$ _____

Employer Credits for opt out: \$ _____

Dependent Care contributions cannot exceed \$5,000 or, if Participant is married and filing separately, \$2,500.

REIMBURSEMENTS / GRACE PERIOD PROVISION

1. Grace Period Provision:

- Do NOT include this provision.
- Include this provision in our Section 125 Plan Document
- The grace period should be applied to the following benefits:
 - Health Care Reimbursement Account
 - Dependent Care Account
- Will there be a cap on the amount of the unused balance available during the grace period: (HRA recommends the unused balance be available for use.)
 - unused balance should be made available.
 - unused balance should be capped at \$_____.
- The length of the grace period should be:

(This is the duration of time the participant will be able to incur eligible expenses. HRA, Inc.'s recommendation is 2 months and 15 days after the end of the plan year. See example.)

 - 2 months and 15 days
 - _____ days (cannot be more than 2 months and 15 days)
- The length of for the run out period for active employees is:

(This is the duration of time the participant will be able to remit expenses incurred throughout the plan year plus grace period. HRA, Inc.'s recommendation is an additional 45 days or 1.5 months. See example.)

 - _____ Duplicate current run out period (90 days).
 - _____ additional 45 days after grace period.
- The length of for the run out period for terminated employees is:

(This is the duration of time the terminated participant will be able to remit expenses incurred throughout prior to his/her date of termination.)

 - _____ 90 days after termination (if Employer has an HRA after termination of coverage.)
 - _____ days

EXAMPLE:

A Plan Year ending December 31, 2005, would have a grace period until March 15, 2006 and a run out period until April 30, 2006.

2. Minimum Check Amount: \$1.00 or \$ _____

BENEFIT COORDINATOR

The Benefit Coordinator is the individual at the Employer to whom Employees should direct communications and inquiries.

Name: _____

Title: _____

Company Name: _____

Address: _____

City _____ State: _____ Zip: _____

Telephone _____ Alternate Phone: _____

e-mail _____ Website: _____

LEGAL ACCEPTANCE

The Legal Acceptance is the individual at the Employer who is responsible for signing the plan document. This typically would be the owner or president and the secretary.

Name: _____

Title: _____ (usually President)

Name: _____

Title: _____ (usually Secretary)

BANK ACCOUNT TO EFT CONTRIBUTION

Name of Bank: _____

Bank Address: _____

Bank City: _____ Bank State: _____ Bank Zip Code: _____

Name on Account: _____

Account Number: _____

Bank Routing No. (MICR) (Ex: 123456789): _____

Bank Routing No. (Bank Info) (Ex: 111-42/348): _____

DEDUCTION AND PAYMENT LIMITATIONS

Are all the employees paid on the same schedule? Yes No

The employees are paid as following: (Enter as many frequencies as are needed.)

- Weekly First pay date after effective date: _____
- Biweekly First pay date after effective date: _____
- Semi-Monthly First pay date after effective date: _____
Second pay date after effective date: _____
- Monthly First pay date after effective date: _____
- Other _____

The deductions are taken:

- Each time the employee is paid, or
- _____

ADMINISTRATIVE FEES

- \$_____ installation fee
- \$_____ per participant per month
- \$_____ annual renewal fee
- \$_____ debit card installation fee
- \$_____ monthly per participant per card fee
- \$_____ second card or re-issued mySource Card fee

How will admin. fees be paid? EFT on the 10th of the month from acct. listed above Check

These documents are being printed at the direction of the person named below. It is understood that Human Resource Administrators, Inc. is not engaged in the practice of law. Any unanswered questions may result in errors in the Plan produced by using the information from this worksheet. I understand that in the preparing the document requested, Human Resource Administrators, Inc. is utilizing information shown on this Data Gathering Form to produce documents using a format which has been designed by Human Resource Administrators, Inc. and Human Resource Administrators, Inc. has made NO REPRESENTATION OR WARRANTY OF ANY KIND, expressed or implied, including no warranties of MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, nor is any opinion, expressed or implied, rendered by its attorney's as to the legal effect, sufficiency or tax qualification of any document utilizing Human Resource Administrators, Inc. format.

Signature (Required)

Date