



Participant Summary Plan Description

Plan Administrator/Agent for Legal Service

PATRICIA TAYLOR
MARION SCHOOL DISTRICT
200 MANOR STREET
MARION AR 72364

Client TASC Id: 4302-3427-5852
Federal Tax Id: 71-6020624
Plan Name: Marion School Dist 12 pay
Plan Year: 9/1 - 8/31
Number of Payrolls: 12
Runout: 16 days
Grace Period: 75 days
Phone Number: 870-739-5100
Plan Number:

Note to Employer: This Summary Plan Description lists the benefits available to your employee(s). The Department of Labor requires that this summary or a copy of it be given to each employee.

BENEFITS OFFERED TO EMPLOYEES:

Medical (Out-of-Pocket) Expenses	Offered
Maximum Medical (Out-of-Pocket) Expenses	\$ 3,600.00
Dependent Care Expenses	Offered
Transportation Expenses	Not Offered
Non-Employer Sponsored Premiums	Offered
Medical Premiums	Offered
Voluntary/Group Term Life Insurance Premiums	Offered
Disability Insurance Premiums	Not Offered
Supplemental Premiums	Offered
Health Savings Account (HSA)	Not Offered

THE BENEFITS OFFERED ABOVE ARE AVAILABLE TO THE FOLLOWING EMPLOYEES AS STIPULATED BELOW:

Part-time Employees	Not applicable
Seasonal Employees	Not Applicable
Age of Employees	No minimum requirement
Probationary Employees	1 of the Month following 30 days employment
Members of Bargaining Unit	Unspecified
Participant Entry Period	Monthly

PURPOSE

Your Employer has adopted this Flexible Compensation Plan to provide compensation alternatives for qualifying, participating employees and their dependents. You will now be able to choose among certain "tax free" benefits in lieu of taxable compensation. The Plan is intended to qualify as a "Cafeteria Plan" within the meaning of Section 125(d) of the Internal Revenue Code, and the benefits you elect will be excluded from your income under Section 125(a). This is a Summary Plan Description, and any conflict with the Summary Plan Description will be resolved by the language in the Plan Document.

CONTRIBUTIONS

By participating in the Plan, you agree to have your annual compensation reduced by the total cost of the Plan benefits you select with the signed Enrollment Form.

ELIGIBILITY

Existing Employees. If you are in the Employer's employment on the Plan's effective date, you shall be eligible to participate on the later of the Plan's Effective Date or on the date you satisfy the eligibility requirements.

New Employees. If your employment begins after the Plan's Effective Date, you will be eligible to participate on the entry date noted in the Adoption Section of the Plan Document following the date you satisfy the eligibility requirements.

Reemployment of Former Employees. A re-employed former employee may become a participant immediately upon re-hire.

Age Requirement. There will be no maximum age requirement for participation in the Plan.

Termination of Participation. You will automatically cease to be a Participant on the earliest of the following dates:

- a. Your death;
- b. The date the Plan terminates;

Continuation of Coverage. The Medical Flexible Spending Account is subject to Continuation of Coverage. "Continuation of Coverage" means your right, or your spouse's or dependent's right(s), to continue to be covered under this Medical Expense Reimbursement Plan if participation by you (including your spouse and dependents) otherwise would end due to the occurrence of a "Qualifying Event." A Qualifying Event includes the following:

- a. Termination of your employment (other than for gross misconduct) or reduction of your work hours below the eligibility requirements;
- b. Your death;
- c. Your becoming entitled to receive Medicare benefits;
- d. Divorce or legal separation from your spouse;
- e. A dependent of yours ceases to be a dependent.

It is your obligation to inform the Plan Administrator of the occurrence of any Qualifying Event within 30 days of the occurrence, other than a change in your employment status. The Plan Administrator, in turn, has a legal obligation to furnish you or your spouse, as the case may be, with separate, written options to continue the coverage provided through this plan at stated premium cost for the applicable period prescribed by law. Employers with fewer than 20 employees are exempt from COBRA. The notification you will receive will explain other terms, conditions, and exceptions of the continued coverage as they apply.

TERMINATION

Employee Right to Terminate. Once the Plan Year commences, your election is irrevocable except under the following circumstances:

- a. Legislation required termination of or substantial amendment to the Plan;
- b. The company terminates the Plan and/or coverage.

Plan Termination. The Plan or any portion of the Plan shall be subject to termination at any time by the Employer. Upon the termination of the Plan, the Administrator may continue the Plan in order to pay balances or distribute balances.

CLAIMS PROCEDURE

The plan's claim procedures are provided in a separate administrative document in the original upon the original enrollment in the plan. An additional copy can be provided without charge upon request.

NOTICES REQUIRED BY LAW

Group health plans under Federal law may not 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 less than 96 hours following a caesarean 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 insurers may not, under Federal law, require that a provider obtain authorization from the plan for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Procedures for the acceptance of a Qualified Medical Child Support Order can be obtained from the Plan Administrator.

YOUR RIGHTS

As a participant in the Company's Medical and Dental Expense Reimbursement Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act (ERISA). ERISA provides that all Plan participants shall be entitled to the following:

To examine, without charge, at the Plan Administrator's office and at other specified locations such as work-sites and union halls, all plan documents including insurance contracts, collective bargaining agreements, and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions. Plan documents and other Plan information will be provided upon written request of the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies. A summary of the Plan's annual financial report will be automatically sent when such a report is required by law.

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

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a

claim for benefits which is denied or ignored in whole or in part, you may file suit in a state or federal court as above. If it should happen that Plan fiduciaries or if you are discriminated against for asserting your rights you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose or if your claim is found to be frivolous, the court may order you to pay these costs and fees. If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.