

CAFETERIA PLAN SALARY REDUCTION AGREEMENT

**THE CORPORATION OF THE ROCKY MOUNTAIN BIOLOGICAL
LABORATORIES AT GOTHIC
SALARY REDUCTION AGREEMENT**

Part 1. Employee Information

Name: _____

SS#: _____

Address: _____

Part 2. Agreement to Participate

Please check one box below. If you decline participation in the Cafeteria Plan ("Plan"), do not complete Part 3 below. Sign and date the form in this Part 2 and return to the RMBL Business Manager.

- I elect to participate in the Cafeteria Plan. (Please complete Part 3).
- I decline to participate in the Cafeteria Plan. I understand that I may not enroll for the remainder of the Plan year, unless my circumstance allows for enrollment as defined under the Plan summary.

Signature

Date

Part 3. Salary Reduction Agreement and Benefit Enrollment

The above named Employee elects to be enrolled in the following benefits:

a) Premium Only Plan

Name of Health Carrier: _____

- Before Tax
- After Tax

b) Flexible Spending Salary Reduction

- Health Care Flexible Spending Account:
\$ _____ Annually
\$ _____ Pay Period

- Dependent Care Flexible Spending Account:
\$ _____ Annually
\$ _____ Pay Period

Employee understands and agrees to the following:

- 1) By executing this Agreement, Employee understands that an amount equal to the annual contributions for the coverage elected above divided by the number of pay

period in the Plan year, will be deducted on a pre-tax basis from each of Employee's pay checks to pay for the elected coverage.

- 2) Any previous election and salary reduction agreement pertaining specifically to this Plan is hereby revoked.
- 3) This Agreement is legally binding and irrevocable with respect to the benefit elections as of any date prior to the end of the Plan year, unless the change or revocation is made on account of and corresponds with a change in status as defined by the Cafeteria Plan summary; a special enrollment event under the Health Insurance Portability and Accountability Act of 1996; or any other event that the RMBL Director of Operations determines will permit a change or revocation of an election under the terms of the Cafeteria Plan summary.
- 4) Employee understands that any amount not claimed for reimbursement by the end of the Plan year's grace period will be forfeited.
- 5) Prior to the end of the Plan year, Employee will be offered the opportunity to change the benefit coverage for the following Plan year. If Employee does not complete and return a new election agreement at that time, Employee will be treated as having elected to continue the benefit election(s) then in effect for the new Plan year. In addition, this Agreement will continue by its terms in the amount of the required contribution for these benefit election(s).
- 6) The Director of Operations may reduce or cancel the amount of Employee's pay reduction or otherwise modify this Agreement in accordance with the Cafeteria Plan summary if the Director of Operations believes it advisable in order to satisfy certain provisions of the Internal Revenue Code. In addition, adjustments may be made in Employee's pay reduction (or a new election may be permitted), to the extent provided in the Cafeteria Plan summary, in the event of any increase or decrease in the cost of coverage provided by an independent third party provider.
- 7) The reduction in Employee's cash compensation under this Agreement will be in addition to any reductions under other agreements or benefits plans.
- 8) Employee is responsible for providing the necessary information at the time of initial enrollment, and later if there are any changes in any information necessary or advisable for Employer to administer the plan.
- 9) Employee is responsible for determining that the salary reduction amount does not exceed the limits set forth by applicable law.
- 10) Employee agrees to indemnify and hold Employer harmless against any and all actions, claims, and demands whatsoever that may arise from participation in the Cafeteria Plan.
- 11) Employee acknowledges that Employer has made no representation to Employee regarding the advisability, appropriateness, or tax consequences of participation in the Cafeteria Plan.
- 12) Employee agrees Employer shall have no liability whatsoever for any and all losses suffered by Employee with regard to his/her election(s) in the Plan.
- 13) Nothing herein shall affect the terms of employment between Employer and Employee.
- 14) This Agreement is subject to the terms of Employer's Section 125 Cafeteria Plan, as amended from time to time, and shall be governed by and construed in accordance with applicable laws.
- 15) This Agreement shall automatically terminate when Employee's employment is terminated.

Part 4. Employee Signature

I certify that I have read this complete Agreement and provided the information necessary for Employer to administer the Plan and that my salary reductions will not exceed the elective deferral or contribution limits as determined by applicable law. I understand my responsibilities as an Employee under this Program, and I request that Employer take the action specified in this Agreement.

Employee Signature: _____

Date: _____

Part 5. Employer Signature

Employer hereby agrees to this Salary Reduction Agreement:

Employer Signature: _____ Title: _____ Date:
