



Premium Only Plan Application and Agreement

The Employer indicated below engages Benefit Solutions, Inc. (BSI) to provide services related to adoption of and certain non-discrimination testing for a Premium only Cafeteria Plan. The plan is a "Premium Only Plan (POP)" as defined in Section 125 of the Internal Revenue Code.

Email completed forms to flexspending@bsitpa.com or mail to BSI at PO Box 25, Mukilteo, WA 98275-0025.

Note: BSI cannot process incomplete Applications or Adoption Agreements. Please call BSI at 425-771-7359 with questions regarding this agreement.

Do you have other benefit plans administered through Benefit Solutions, Inc? _____

The Employer and BSI, intending to be legally bound, hereby agree to the following:

Fees

Fees include annual Plan Document, Key Employee Concentration Testing, and employee communication materials.

- Implementation Fee: \$150
- Renewal Fee: \$100

Benefit Solutions, Inc. may increase its fees from year to year by providing 30 days' advance written notice of the Renewal Fee for the upcoming plan year.

Term

This Agreement will commence on the date this Agreement is signed by BSI and will continue for an initial term of 12 months (the "Initial Term"). After the Initial Term, this Agreement will automatically renew for successive 12-month terms unless the Employer or BSI terminate this Agreement by giving to the other not less than 60 days' advance written notice of nonrenewal prior to the first day of any Plan Year.

Billing

Once BSI processes this Application, the appropriate charge will be reflected on the next invoice. Payment is due on the date shown on the Invoice.

Billing Information

Billing Contact (*name and title*): _____

Email address: _____

Items Needed Before Implementation

Employer should complete the Application and Agreement (this document), along with the Adoption Agreement and email to flexspending@bsitpa.com or mail to PO Box 6, Mukilteo, WA 98275. *Incomplete Applications and Adoption Agreements cannot be processed. Please call BSI with questions at 425-771-7359.*

Additional Provisions

Effect of Agreement

The Adoption Agreement, along with the plan document and any Addenda attached to the Adoption Agreement, contain all provisions of an Internal Revenue Code § 125 "Premium Only Plan (POP)" adopted by the employer. ***The employer may wish to consult legal counsel before executing the Adoption Agreement.***

Employer Responsibility

The Employer has the ultimate responsibility for 1) ensuring that the plan complies with all applicable provisions of federal, state and local laws, including Internal Revenue Code § 125 and COBRA and 2) establishing, amending, terminating, and interpreting plan provisions to ensure ongoing compliance with applicable law. Although the employer has engaged BSI to provide certain documents and administrative services, BSI shall whenever possible, consistent with this agreement, act as directed by the Employer.

Discrimination Testing

So that BSI may perform the Key Employee Concentration Test for the plan, the employer shall on a timely basis provide BSI with information that BSI reasonably requests, including employee census data, and otherwise cooperate with BSI.

All data submitted by the employer to BSI shall be in electronic format as specified by BSI. In the event such data is not provided as specified, the employer hereby holds BSI harmless from any claims or liability associated with employer's potential failure to remain in compliance. In the event the employer requests that BSI perform additional discrimination testing services, BSI may at its discretion charge the employer an additional fee for those services.

Note: The Employer is responsible for any other discrimination tests that may be required for the Cafeteria Plan, including the eligibility test and the contributions and benefits test. More information about these tests is included in the Non-Discrimination Test Worksheet. In addition, the Employer is responsible for any testing required with respect to group medical, dental or vision plans under 150(h) of the Internal Revenue Code.

The Employer and BSI executed this Application and Agreement on the dates set forth below.

Employer

Company Name: _____

Name: _____

Signature: _____ Date: _____

BSI

Name: _____

Signature: _____ Date: _____

Agent Information

Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

email: _____ Phone Number: _____



Adoption Agreement

The undersigned Employer hereby adopts a Premium only Cafeteria Plan Document and for those Employees who qualify as Participants under the Plan effective on the date shown below.

This Plan shall be construed, enforced, administered and the validity determined in accordance with the applicable provisions of the Employee Retirement Income Security Act of 1974 (as amended and if applicable), the Internal Revenue Code of 1986 (as amended), and the laws of the states of its principal place of business, which is shown below, which is the state of the Employer's principal place of business. Should any provision be determined to be void, invalid, or unenforceable by any court of competent jurisdiction, the Plan will continue to operate, and for purposes of the jurisdiction of the court only, will be deemed not to include any provision determined to be void.

Organization Information

Organization: _____
(Enter the name exactly as it appears on your tax returns or as you would like it to appear in your plan documents.)

Federal ID #: _____ Date Incorporated/Organized: _____

Mailing Address: _____

City: _____ State: _____ ZIP: _____

Street Address: _____ State: _____ ZIP: _____
(If different from mailing address)

Organization Type (Please check all that apply.)

- Professional Association
- Non-profit
- Subchapter "S" Corporation*
- Subchapter "C" Corporation
- Partnership/LLP**
- Sole Proprietorship**
- Government Agency
- LLC (Limited Liability Company)**
- Other: _____

**Subchapter "S" corporation shareholders at or above the 2% ownership level may not participate in the Plan, but the company can sponsor a plan for its employees. Family members and close relatives may not participate.*

***LLC owners, LLP and other Partners, and Sole Proprietors may not participate, but may sponsor a plan for the employees of the company. However, if the spouse is a bona fide employee of the company, he/she may elect coverage under the Plan for the entire family.*

The employer/organization entity is organized pursuant to the laws in the state of: _____

Nature of the Business: _____ Phone Number: _____

Adoption Agreement Cont.

Contact Information

Human Resources Contact (*name and title*): _____

Phone Number: _____ Fax Number: _____

Email: _____ Website: _____

Payroll Contact (*name and title*): _____

Phone Number: _____ Fax Number: _____

email: _____ Website: _____

Plan Elections

Plan Year Begin Date: _____ Plan Year End Date: _____

Effective Date _____

Eligibility Requirements

To enroll in the POP, an employee must satisfy eligibility rules for the various available benefits as follows (*check one*).

- All employees are eligible that are be eligible for coverage under the terms of the applicable Benefit Plans.
- Only employees who work sufficient hours are eligible. An employee must be eligible for coverage under the terms of the applicable underlying plans and be regularly scheduled to work at least:

Hours per week: _____

Other: _____

Other Requirements (e.g., class, union). To participate in the Plan, an employee must:

Adoption Agreement Cont.

Plan Participation

- Permitted Enrollment - Employees can elect to participate in a Benefit Plan and pay premium contributions on a post-tax basis or can elect to participate in this Plan to pay premium contributions on a pre-tax basis.
- Automatic Enrollment - Employees who elect to participate in any Benefit Plan that requires premium contributions must participate in this Plan and are automatically enrolled upon enrollment in any Benefit Plan.

Participation in the plan begins (check one):

- Date of Hire
- 30 Days after Date of Hire
- 60 Days after Date of Hire
- Other _____

- Immediately on the date shown above
- First of the month following the date shown above

If participation begins on the first day of the month, and an employee is hired on the first day of the month, coverage becomes effective:

- On the date of hire
- On the first day of the next month

Benefits Available under the Plan

Group Premiums Pre-tax payment of employee premiums for coverage under the following plans offered by the employer. *(Please check all that apply.)*

- Medical (Insurance, HMO, PPO, Self-Insured Plan, etc.)
- Dental
- Health Savings Account (HSA) Pre-tax payment by salary reduction to a Health Savings Account.
 - Employees can contribute
 - Employer contributes as follows: _____
- Short-term Disability
- Long-term Disability
- Group Term Life Insurance that is \$ _____ *(Not to exceed \$50,000 in face amount)*
- Stand-alone Group Policy of Life Insurance
- Life Insurance Attached to Health Insurance that is \$ _____ *(Not to exceed \$50,000 in face amount)*
- Vision Care

- Cancer Insurance (not a cash-back policy)
- Accidental Death or Dismemberment Insurance
- Other: _____

Cash Option

- A cash option is available for Eligible Employees who opt out of the Plan
 - Amount of Cash Option: _____
 - Availability of Cash Option (when distributed)
 - Opt out required (who must opt of which plans for the Cash Option to be available: _____

- A cash option is not available for Eligible Employees who opt out of the Plan

Employer

Company Name: _____

Name: _____

Signature: _____ Date: _____