

Health Reimbursement Arrangement

Plan Highlights

for

Shasta County Office of Education

Effective Date: The effective date of the Plan is July 1, 2006, amended and restated January 1, 2014.

Plan Year: The Plan Year ends on June 30.

Eligibility: Participation in this Plan is mandatory for all Employees of the class or classes as determined by the Employer:

- Former employees not participating in SCOE health plans. Former employees who qualify under their bargaining unit agreement for a monthly stipend.

Contribution Types: All funds for the Plan shall come exclusively from the Employer and shall be monthly contributions of the negotiated amount in place at the time of the employee's separation.

Contribution Frequency: Monthly

Investments: Funds are invested in a fixed sub-account within a variable annuity with American United Life Insurance Company, a OneAmerica Financial Partner. The fixed sub-account is guaranteed never to fall below the standard NAIC rate. The guarantee is based on the claims paying ability of AUL. There are also twenty-three different variable annuity investment options available to choose from, including the fixed sub-account. All earnings in the account are tax-free!

Reimbursements: Participants may request reimbursements from their accounts as soon as the accounts are funded upon retirement or separation of service. Reimbursements may be for premiums and/ qualified medical expenses under IRS Code 213(d) incurred subsequent to becoming eligible to participate in the Plan. Participants must exhaust any funds available in a flexible spending arrangement ("FSA") prior to receiving reimbursement from this Plan. Funds in a participant's account at the end of each year shall be rolled into the following year.

Vesting Schedule: Participants shall own their account balance in accordance with the following vesting schedule:

- 100% Immediate

Run-off Times: Participants will be allowed 0 (zero) days to continue incurring expenses after the date that their Participation in the Plan ends. The Run-off time for Participants to submit claims for reimbursement from funds that shall be forfeited will be 90 (ninety) days. The Run-off time for funds that shall be forfeited due to death will be one year

Death Benefit: If a Participant dies prior to exhausting his vested account balance, the Participant's surviving spouse and/or dependents are eligible to be reimbursed under this Plan for their eligible medical expenses until the vested account balance is exhausted. In the event of the death of the Participant, the Participant's spouse, and all of the Participant's qualifying dependents, any funds remaining in the account shall be forfeited in accordance with the Plan's provisions. Forfeited funds shall reduce future Employer contributions.

Administrative Fees: Participants will be charged a reimbursement processing fee of \$5.00 for each claim processed, up to a maximum annual reimbursement processing fee of \$30.00.

Reports: Each quarter, Plan Participants will receive statements of account activity.

Agent: Raelene Walker, American Fidelity
For investment advice, please contact your agent at 760-917-1158

Contact: To access account information, request forms, or for plan related questions, please contact MidAmerica toll-free at (800) 430-7999 or visit our website at www.midamerica.biz.

Please mail all forms to: MidAmerica Administrative & Retirement Solutions, Inc., Attn: HRAADMIN,
402 South Kentucky Avenue, Suite 500, Lakeland, FL 33801

Please refer to the Plan Document for more information on the Plan. In the event of a discrepancy, the Plan Document will prevail.

