

**WEST OHIO CONFERENCE
OF THE
UNITED METHODIST CHURCH
FLEXIBLE BENEFITS PLAN**

2016

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ARTICLE I

INTRODUCTION

Section 1.1 Plan Adoption. The West Ohio Conference of the United Methodist Church (the “**Conference**”) originally adopted, effective January 1, 2012, the West Ohio Conference of the United Methodist Church Flexible Benefits Plan (the “**Plan**”) in order to permit Eligible Employees of Participating Employer/Churches to pay for the Participant’s share of premiums for available Benefits on a pre-tax basis. The Conference hereby amends and restates the Plan, effective January 1, 2016, to incorporate prior amendments and reflect other design changes to the Plan. Capitalized terms used in this Plan that are not otherwise defined shall have the meanings set forth in Article II.

Section 1.2 Purpose of Plan. The purpose of the Plan is to provide Eligible Employees with a choice between cash and certain “qualified benefits,” as defined in Code Section 125(f).

Section 1.3 Type of Plan. This Plan is a cafeteria plan under Code Section 125 and the Plan is to be interpreted in a manner consistent with the requirements of Code Section 125 and the regulations issued thereunder. The Plan provides eligible Participants with a choice between cash and certain qualified fringe benefits under the Pre-Tax Premium Program and the Health Savings Account Program. Certain other Benefits may be offered or available outside of the cafeteria plan contained in the Plan.

The Plan is a church plan within the meaning of Code Section 414(e) and ERISA Section 3(33). As such, the Plan is exempt from ERISA’s requirements pursuant to ERISA Section 4(b)(2).

ARTICLE II

GENERAL DEFINITIONS

The following terms, when used in this Plan, have the meaning set forth in this Article II unless another meaning is clearly indicated from the context.

Section 2.1 Administrator - the Conference or a Participating Employer/Church or such person(s) or entity as may be appointed by the Conference or Participating Employer/Church from time to time to administer the Plan.

Section 2.2 Annual Conference - the governing body of the Conference that meets annually and sets various rules and policies to which the Conference must adhere.

Section 2.3 Benefit(s) - any of the health or welfare benefit programs available to an Eligible Employee that the Plan Sponsor has elected to offer to Participants and their dependents under the Plan, to the extent the Employee is required to pay all or a portion of the premiums for coverage under such Benefits. The specific types and amounts of benefits available, the requirements for participation, and other terms and conditions of coverage and receipt of each Benefit are set forth in the plan document(s), or insurance contracts that constitute (or are incorporated in) such Benefit plan(s).

Section 2.4 Change in Status - the events specified for purposes of modifying or revoking elections under Section 4.5 of the Plan.

Section 2.5 Code - the Internal Revenue Code of 1986, as amended from time to time.

Section 2.6 Compensation - the total amount of wages or salary paid during the Plan Year by the Participating Employer/Church to a Participant for personal services rendered during the Plan Year and includable in the gross income of the Participant, including bonuses, overtime pay and other compensation paid to the Participant, plus any amounts otherwise payable for that period that have been contributed to this Plan pursuant to Section 5.2, or deferred under a salary deferral arrangement under Code Sections 401(k) or 403(b).

Section 2.7 Contributions - for each Plan Year, the amount (if any) of Compensation otherwise payable to a Participant that a Participant elects to have allocated toward the purchase of Benefits as provided in Section 5.1, equal to the amount (if any) by which a Participant agrees to reduce his Compensation for the Plan Year pursuant to his Participant Election Form. A Participant's Compensation for a Plan Year (or portion thereof) shall be reduced only by way of payroll withholding, and such reduction shall generally be made on a ratable basis throughout the applicable Plan Year (or portion thereof), or in accordance with the applicable costs allocable to the period in question. The extent to which, if at all, the Compensation deductions described in this Section will be available for a Plan Year shall be determined by the Plan Sponsor, in its sole discretion, prior to the first day of each Plan Year.

Section 2.8 Effective Date - the effective date of this restated Plan is January 1, 2016.

Section 2.9 Election Period - the time period established by the Administrator during which any Participant may make or change his Participant Election Form regarding the Pre-Tax

Premium Benefits Program. For new Employees, the Election Period shall generally occur at the commencement of employment. For existing Employees and Participants, it shall generally occur prior to the beginning of each Plan Year or at any other such time that an Employee becomes eligible to participate in the Plan.

Section 2.10 Eligible Employee - an Employee who is classified by the Participating Employer/Church as eligible to participate in the Plan.

Section 2.11 Employee - any individual who is employed by the Participating Employer/Church as a common law employee; provided such person is not included in a unit of employees covered by a collective bargaining agreement between the Participating Employer/Church and such unit or any representative thereof unless such agreement, by specific reference to the Plan, provides for coverage of such employees under the Plan. "Employee" excludes any person who is performing services for the Participating Employer/Church pursuant to an agreement, contract or arrangement under which the individual is designated, characterized or classified by the Participating Employer/Church as an independent contractor, consultant, "leased employee" (within the meaning of Code Section 414(n), except to the extent required by Code Sections 125 and 414(n)), or any category or classification other than an Employee without regard to any determination by an agency, governmental or otherwise, or court which concludes that such classification or characterization was in error. "Employee" also excludes non-resident aliens (within the meaning of Code Section 7701(b)(1)(B)) who receive no earned income (within the meaning of Code Section 911(d)(2)) from the Participating Employer/Church that constitutes income from sources within the United States (within the meaning of Code Section 861(a)(3)).

Section 2.12 Entry Date - the date or dates on which an Eligible Employee who satisfies the eligibility conditions of Article III, and who has elected to participate in the Plan, will begin participation in the Plan.

Section 2.13 Health Savings Account or HSA - a Participant's health savings account that satisfies the requirements of Code Section 223 and the Regulations thereunder. A Health Savings Account is an individual trust or custodial account arrangement that is established and maintained by an eligible Employee with a qualified trustee or custodian, respectively, outside of the Plan.

Section 2.14 Health Savings Account Program or HSA Program - the optional Benefit program whereby an HSA-Eligible Employee may elect to make pre-tax Contributions to his HSA. The HSA Program is not intended to constitute an "employee welfare benefit plan" as defined in ERISA and the Plan shall be operated in a manner consistent with this intent. Notwithstanding the preceding, the Conference may limit the qualified trustee(s) and/or custodian(s) to whom it will forward Contributions under the HSA Program.

Section 2.15 Highly Compensated Individual - solely for purposes of applying the requirements of Code Section 125(b)(1)(A), a Highly Compensated Individual is an eligible Employee who is a highly compensated individual, as defined in Code Section 125(e)(2).

Section 2.16 Highly Compensated Participant - a Highly Compensated Individual, as defined in Section 2.15, who elects to participate in the Plan.

Section 2.17 HIPAA - the Health Insurance Portability and Accountability Act of 1996, as amended from time to time.

Section 2.18 HSA-Eligible Employee – An Employee who is eligible to contribute to an HSA under Code Section 223 and the Regulations thereunder, has established an HSA with a qualified trustee or custodian, and elects coverage under a high deductible health plan.

Section 2.19 Key Employee - any person who is a key employee as defined in Code Section 416(i).

Section 2.20 Participant - any Eligible Employee who has satisfied any participation conditions and participates in one or more of the Benefits. To the extent required under the terms of any Benefit offered through the Plan, a person who is eligible to and elects to continue to participate in such Benefit subsequent to the termination of participation in the Plan shall be considered a Participant in the Benefit in which the individual continues to participate, and may continue to receive such benefits, but shall not otherwise be considered a Participant in the Plan or any other Benefit.

Section 2.21 Participant Election Form - the form(s) issued by the Administrator by which an Eligible Employee enrolls in the Plan and makes an election to reduce the Participant's Compensation and direct the Participating Employer/Church to apply the same for the purchase of Benefit(s).

Section 2.22 Participating Employer/Church – any member employer of the West Ohio Conference of the United Methodist Church that has, with the permission of the Plan Sponsor, adopted this Plan. Record of such Participating Employer/Church members shall be maintained by the Conference.

Section 2.23 Plan - the West Ohio Conference of the United Methodist Church Flexible Benefits Plan, as set forth in this document and all subsequent amendments.

Section 2.24 Plan Sponsor - the West Ohio Conference of the United Methodist Church.

Section 2.25 Plan Year - the twelve-month period beginning on January 1 and ending on December 31 of each year.

Section 2.26 Pre-Tax Premium Program - the program established under Section 5.2 of the Plan that permits a Participant to elect to participate in the Benefits, as specified by the Participating Employer/Church from time to time.

Section 2.27 QMCSO - a Qualified Medical Child Support Order, as defined in the Child Support Performance and Incentive Act of 1998, P.L. 105-200, Sections 401(e) and (f).

Section 2.28 Regulations - the Treasury Regulations promulgated under the Code.

Section 2.29 Uniformed Service - qualified military service, as defined in Code Section 414(u)(5).

Section 2.30 USERRA - the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended by the Veterans Benefits Improvements Act of 2004.

ARTICLE III

ELIGIBILITY AND PARTICIPATION

Section 3.1 Eligibility. Each Eligible Employee shall be eligible to become a Participant in this Plan upon the completion of any applicable eligibility requirements of one or more of the applicable Benefit programs offered under the Plan.

Section 3.2 Conditions for Participation. Employees who are eligible to participate in the Plan under the provisions of Section 3.1 above may elect to participate by enrolling in the Plan in accordance with procedures established by the Administrator from time to time and after satisfaction of any waiting periods or other eligibility requirements, if any, as specified in the applicable Benefit program. Immediately upon becoming eligible to become a Participant, each Eligible Employee shall be eligible to elect to have the Participant's Compensation reduced and applied to the purchase of Benefits, as described in Section 3.3 below.

Section 3.3 Participant Elections. In order to become a Participant in the Plan, each Eligible Employee shall deliver to the Administrator a Participant Election Form in which the Eligible Employee shall authorize and designate the amount of the reduction of such Participant's Compensation to be contributed to the Plan from each periodic payment of such Participant's Compensation, and in accordance with Section 5.2 of the Plan, and shall elect the Benefits, as applicable, to be purchased with such Contribution for the benefit of the Eligible Employee.

Section 3.4 Effective Date of Participation. An Eligible Employee who satisfies the requirements of Sections 3.1 and 3.2 above and who elects to participate in one or more Benefits offered under the Plan in accordance with Section 3.3 above and Article IV shall become a Participant effective as of the Entry Date coincident with or next following the Eligible Employee's election in those Benefits requiring such election. The Plan Sponsor may establish uniform rules or policies that require elections to be made within certain time periods.

Section 3.5 Participation During Leave of Absence. A Participant who is not at work due to an unpaid period of Uniformed Service lasting more than 31 days, an unpaid leave pursuant to the Participating Employer/Church's policies, or any other reason that creates a legal obligation for the Participating Employer/Church to extend certain benefit coverages, may, at the Participant's option, and subject to any specific limitation for any specific Benefit, continue during the period of absence any or all Benefits under the Plan that the Participant was receiving on the date the absence commenced, provided the Participant continues to make any required Contributions.

During an unpaid absence, the Participant may choose to make contributions by:

- A. remitting payment to the Participating Employer/Church on or before each pay period for which the Contributions would have been deducted from the Participant's paycheck if an unpaid leave had not been taken, provided that any delinquent payment must be made within 30 days of its due date; or

- B. if the Participating Employer/Church permits, prepaying the amounts that will become due during the unpaid leave out of one or more of the Participant's paychecks preceding the leave.

Such Participant election under this Section shall be subordinate to applicable Conference policies adopted by the Annual Conference and reported annually in the Journal.

A Participant who is absent from work for any approved paid leave of absence must continue any and all Benefits elected under this Plan, and Contributions (if any) for those Benefits will continue to be deducted from the Participant's paycheck(s) during the absence.

Section 3.6 Change of Employment Status. If a Participant has not terminated employment with the Participating Employer/Church but is no longer an Eligible Employee because of a change in employment status or classification, the individual shall become an inactive Participant in the Plan. As an inactive Participant, Contributions on behalf of the Employee shall cease and no further Participant Election Forms may be entered into, subject to the inactive Participant's right to continued coverage under a Benefit for the balance of the Plan Year or such other period as may apply, in accordance with that Benefit and the requirements of applicable law. In addition, any balance remaining of an inactive Participant's Contributions may be applied as directed during the remainder of the Plan Year unless the Employee terminates participation upon becoming inactive. If an inactive Participant again becomes an Eligible Employee and satisfies the eligibility requirements contained in Sections 3.1 and 3.2 of the Plan, the inactive Participant may become a full Participant in this Plan.

Section 3.7 Rehired Employees. If an Employee terminates employment and is subsequently reemployed by a Participating Employer/Church, the Employee shall become a Participant as provided below:

- A. If an Eligible Employee terminates employment prior to becoming a Participant and is subsequently reemployed by a Participating Employer/Church, the Employee must satisfy the requirements of Sections 3.1 and 3.2 of the Plan in order to participate in the Plan without regard to any prior period of employment with a Participating Employer/Church.
- B. If an Employee terminates employment after becoming a Participant and is subsequently reemployed by a Participating Employer/Church within 30 or fewer days from the date the Participant terminated employment, the former Participant shall automatically participate immediately in the Plan upon reemployment, in the same Benefit programs and at the same level of coverage as in effect before the Participant's termination of employment, unless a change is otherwise permitted due to a qualified Change in Status (as defined in Section 4.5 of the Plan).
- C. If an Employee terminates employment after becoming a Participant and subsequently becomes reemployed with a Participating Employer/Church more than 30 days from the date the Participant terminated employment, the former Participant may participate in the Plan again upon reemployment when the Employee again meets the requirements of this Article III without regard to any prior period of employment with a Participating Employer/Church.

Section 3.8 Termination of Participation. A Participant shall cease to be a Participant in each Benefit as of the earlier of:

- A. the date the Participant is no longer an Eligible Employee eligible to participate in the Plan (or the applicable Benefit program) under this Article III (including termination of employment);
- B. the date of termination of the Plan;
- C. the date of termination of the program providing the Benefit;
- D. the date the Participant elects to terminate participation in one or more Benefits pursuant to the rules of Article IV; or
- E. the date of the Participant's death.

Termination of participation in this Plan shall not prevent a former Participant from continuing Benefits or coverage under a Benefit program if and to the extent required by such Benefit, or under applicable state or federal law. If a Participant ceases to make his required Contributions under the Plan, then such Participant shall cease to be a Participant in the Plan and may not participate in the Plan for the remainder of such Plan Year.

ARTICLE IV

ELECTION PROCEDURE

Section 4.1 New Participants. As soon as practicable after an Eligible Employee satisfies the eligibility requirements of Article III of the Plan, the Administrator shall provide a Participant Election Form to such Eligible Employee. Each such Eligible Employee who desires to have Contributions allocated toward the purchase of Benefits for the Plan Year (or remaining portion thereof) shall so specify on the Participant Election Form and shall agree to a reduction in Compensation. The Participant Election Form must be received by the Administrator on or before such date as the Administrator shall specify, which date shall be no later than the beginning of the first pay period for which the Participant Election Form will apply. If an Eligible Employee fails to return a completed Participant Election Form to the Administrator on or before the specified due date, such Employee shall be deemed to have elected not to participate in the Plan or in any Benefit offered through the Plan for the remainder of the current Plan Year, unless the Employee experiences a qualified Change in Status event as described in Section 4.5 below.

Section 4.2 Annual Election. The Administrator shall provide a Participant Election Form to each Participant and each other Eligible Employee who has satisfied the requirements of Article III of the Plan during the Election Period. Each such Employee and Participant who desires to have Contributions allocated toward the purchase of coverage under one or more Benefit programs set forth in Article V for the next following Plan Year shall so specify on the Participant Election Form and shall agree to a reduction in Compensation. Such election, which shall be effective for the Plan Year next following the annual enrollment period, may provide for different or additional options or elections than were in effect for the prior Plan Year, or a Participant may elect to terminate participation in some or all Benefit programs under the Plan for the next Plan Year by so indicating to the Administrator in writing during the annual enrollment period.

Section 4.3 Election Form and Timing. Elections must be made in accordance with procedures established by the Administrator and shall specify the Benefit program(s) to which Contributions shall be allocated. Except as provided for new Participants in Section 4.1 above, a Participant's election under the Plan pursuant to the Participant Election Form shall be effective with the first regularly scheduled pay period of the Plan Year for which the Participant's election under the Plan is made. The election form must be received by the Administrator on or before the end of the Election Period or such other date as the Administrator shall specify, which date shall be no later than the day prior to the first day of the Plan Year. Election forms received on and after the first day of the Plan Year shall be void. Notwithstanding the foregoing, participants may elect to commence or change participation in the HSA Program in accordance with procedures the Administrator may set.

Section 4.4 Participant Failure to Elect. The Administrator may implement rules or otherwise notify Eligible Employees who fail to return a properly completed Participant Election Form to the Administrator on or before the specified due date whether such failure shall be deemed to be an election to continue the same elections as are currently in effect for the new Plan Year or be an election not to participate in one or more Benefits. Notwithstanding the foregoing sentence, an Eligible Employee who fails to return a completed Participation Election Form to the Administrator on or before the due date shall be deemed to have elected to continue

any election then in effect as to any Benefit program or, if no election is then in effect, to receive the remainder of the Employee's Compensation as salary or wages.

Section 4.5 Qualified Change in Status. Elections made under the Plan (other than those related to the HSA Program) shall be irrevocable throughout a Plan Year unless the Participant has a "qualified" Change in Status during the Plan Year. Except as otherwise provided under any Benefit program (other than the HSA Program), a Participant may revoke an election for the balance of a Plan Year and make a new election only if both the revocation and the new election are due to and consistent with a qualified Change in Status. A qualified Change in Status for this purpose must be one of the following events which impacts the Participant's or covered dependent's eligibility under the applicable Benefit program:

- A. Marital Status - An event that changes the Employee's legal marital status, meaning:
 - 1. marriage;
 - 2. divorce;
 - 3. legal separation;
 - 4. annulment; or the
 - 5. death of the Employee's spouse;

- B. Number of Dependents - An event that changes the number of the Employee's dependents, meaning:
 - 1. birth;
 - 2. death;
 - 3. adoption; or
 - 4. placement for adoption;

- C. Employment Status - An event that changes the employment status of the Employee, the Employee's spouse or dependent such that the event causes the Employee, the Employee's spouse or dependent to either gain or lose eligibility for an employer's benefit program, meaning:
 - 1. the commencement or termination of employment;
 - 2. the commencement or termination of an unpaid leave of absence; or
 - 3. any employment status change that affects the eligibility of the individual to participate in a benefit program or plan of an employer, including a change from full-time to part-time, hourly to salaried, union to non-union status, or the reverse of any such change;

- D. Dependent Eligibility - A change that causes a Participant's dependent to satisfy or cease to satisfy the eligibility requirements to participate in an employer's benefit plan, including:
 - 1. the attainment of majority age;
 - 2. gaining or losing student status; or
 - 3. a change in plan eligibility requirements;

Notwithstanding anything herein to the contrary, for purposes of determining dependent status for a benefit that is a medical program or a prescription drug program, a dependent child is eligible for coverage as a dependent until the individual reaches age 26, regardless of the individual's residency, employment, financial dependence, student status, marital status or status as a tax dependent as defined in the Code; provided, however, that a spouse of a dependent child does not qualify as a dependent for eligibility purposes under the Plan.

- E. Cost or Coverage - A significant change in the cost or coverage of a benefit plan offered to the Employee, the Employee's spouse or dependent, such as:
1. a new benefit option being added;
 2. a benefit option being eliminated or significantly curtailed;
 3. a coverage change made under a plan offered by the employer of the Employee's spouse, former spouse or dependent, if the other employer's plan allows participants to make all mid-period election changes allowed under Regulation Sections 1.125-4(b) through (g), except (f)(4); or
 4. a significant increase in the cost of a benefit, (such qualified Change in Status permits the Employee to make a new benefit selection, but does not allow the Employee to revoke coverage entirely, unless no other similar coverage is available);
- F. Medicare/Medicaid - The Employee, Employee's spouse or dependent becoming covered or losing benefit coverage under Part A or Part B of Title XVIII of the Social Security Act ("Medicare") or Title XIX of the Social Security Act ("Medicaid"), other than for pediatric vaccines (for the purpose of elections made under any available accident or health plan, as defined by Code Sections 105 and 106 only);
- G. Open Enrollment - An election of coverage by an Employee's spouse, former spouse or an Employee's dependent, as defined in Code Section 152, during an open enrollment period that differs in time from the annual enrollment period offered by the Plan;
- H. Court Order - A duly executed judgment, decree or order (including a QMCSO), resulting from a divorce, legal separation, annulment or change in legal custody that requires the provision of health coverage for the Employee's child or foster child who is a dependent of the Employee (for the purpose of any elections made under any available accident or health plan as defined by Code Sections 105 and 106, only – coverage previously elected by the Employee may be dropped only if the other individual actually provides coverage for the child);
- I. HIPAA - A special enrollment right that the Employee may be entitled to under the provisions of HIPAA, as defined in Code Section 9801(f) (for the purpose of any elections made under any available accident or health plan as defined by Code Sections 105 and 106 only);
- J. CHIPRA – A special enrollment right that the Employee or dependent may be entitled to under CHIPRA authorizing mid-year enrollment if the Employee or

dependent is not enrolled in coverage under the Plan, and: (i) the Employee or dependent loses benefit coverage under Medicaid or the State Children's Health Insurance Program, or (ii) the Employee or dependent becomes eligible for premium assistance subsidy offered by the State (for the purpose of any elections made under any available health plan as defined by Code Sections 105 and 106); or

K. Any such other events as may be permitted under the Regulations.

A change in election due to a qualified Change in Status must be made within 30 days of the date of the qualified Change in Status and shall be effective as soon as it is administratively feasible, but in no event earlier than the first pay period beginning after a new Participant Election Form and (or such other form as may be required by the Administrator for such purpose) is completed and returned to the Administrator. Changes in elections due to a qualified Change in Status shall only be effective as to Contributions and benefits under any Benefit program on and after the effective date of such change. However, election changes made pursuant to certain special enrollment rights as permitted by HIPAA may result in coverage being made available retroactively to the date of the qualified Change in Status.

Notwithstanding the foregoing, an election change made pursuant to a special enrollment right permitted by CHIPRA must be made within 60 days of the date of the qualifying event. Coverage will become effective no later than the first day of the first calendar month beginning after the date on which the Plan receives a completed enrollment or election change form.

Notwithstanding any provisions in this Section 4.5 to the contrary, a Participant in the HSA Program may elect to increase, decrease or revoke his election to make Contributions to his HSA on a prospective basis at any time in accordance with the procedures established by the Administrator. Any such election shall be effective as soon as administratively possible following the date the Participant makes such an election in accordance with the procedures established by the Administrator.

Section 4.6 Forfeiture. Ninety days after the last date by which claims may be submitted for each Plan Year, any portion of a Participant's Contributions that are attributable to such immediately prior Plan Year and which cannot be distributed by the Participating Employer/Church for the provision of Benefits under the Benefit program for which the Contributions were made based on the Participant's election to participate during such Plan Year, shall be forfeited by the Participant and returned to the Participating Employer/Church. This forfeiture requirement shall be applied individually for each Benefit program.

Section 4.7 Automatic Termination of Election. Except as otherwise provided in the Plan, elections made or deemed to be made under this Plan shall automatically terminate on the earlier of the last day of the applicable Plan Year or the date on which the Participant ceases to be a Participant in the Plan, although coverage under a Benefit program may continue if and to the extent provided by such Benefit program or applicable state or federal law.

Section 4.8 Cessation of Required Contributions. Nothing in this Plan shall prevent the cessation of coverage or benefits under a Benefit program, in accordance with the terms of such program, on account of a Participant's failure to pay the Participant's share of the costs of such coverage or benefits, through Compensation reduction or otherwise.

ARTICLE V

BENEFIT PROGRAMS

Section 5.1 Participant Elections. Subject to the limitations set forth in each Benefit program for each Plan Year, an Eligible Employee may elect, in accordance with the election procedures described in Article IV of the Plan, to receive his full Compensation in cash or to have a portion of his Compensation applied as Contributions toward the purchase of Benefits under one or more of the Benefit programs that the Plan Sponsor has elected to offer to Participants, as specified below:

- A. Pre-Tax Premium Program; or
- B. HSA Program.

Section 5.2 Pre-Tax Premium Program.

- A. Eligibility. Each Eligible Employee or Participant shall be eligible to participate in the Pre-Tax Premium Program upon satisfaction of the conditions of participation, as specified in Section 3.2 of the Plan. An Eligible Employee or Participant may elect to participate in the Pre-Tax Premium Program by making an election pursuant to Article IV of the Plan. When making an election to participate, such Employee or Participant shall designate the particular Benefits under the Pre-Tax Premium Program in which the Participant wants to participate.
- B. Premium Amount. For each Plan Year, the amount of Contributions allocated toward the cost of Benefits under the Pre-Tax Premium Program shall be equal to the full amount of the Participant's share of the premium cost for the types of Benefits elected by the Participant. In the event a Participant's share of the premium cost changes, a Participant who has elected to participate in the Pre-Tax Premium Program shall have the Participant's Contributions automatically adjusted to reflect such change.
- C. Benefits. While an election to receive Benefits under the Pre-Tax Premium Program may be made under the Plan, the types and amounts of Benefits available under the Pre-Tax Premium Program, the requirements for participating in the Benefits available under the Pre-Tax Premium Program, and the other terms and conditions of coverage and benefits under the Pre-Tax Premium Program, are as set forth, from time to time, in the plan documents or contracts which govern the Benefits available under the Pre-Tax Premium Program. The Plan Sponsor retains the right to enter into a contract with one or more insurance companies, providers or administrators for the purpose of providing Benefits to Employees, and to change or eliminate coverages or insurance companies, providers or administrators at any time.
- D. Election Changes. Except as provided in Section 4.5 of the Plan, elections under the Pre-Tax Premium Program are irrevocable during the Plan Year.

- E. Benefits Claims Procedure. If any person believes he is being denied any rights or benefits under the benefits, programs or coverages offered under the Pre-Tax Premium Program, such person may file a claim in writing in accordance with the claims procedures of the appropriate Benefit, program or coverage which shall in all cases control.

- F. After-Tax Contributions. Participant Contributions shall generally be made on a pre-tax basis. Notwithstanding the foregoing, the Participating Employer/Church may, from time to time, allow Participants to designate that certain contributions required by the Participating Employer/Church to participate in certain Benefits under the Pre-Tax Premium Program shall be made on an after-tax basis, even though such contributions may qualify for an exclusion from the Participant's gross income under Code Section 125.

ARTICLE VI

ADMINISTRATION

Section 6.1 Powers and Authority of the Conference and Plan Sponsor. The Conference shall have the full power and authority to control the proper administration of the Plan. It shall be a principal duty of the Conference to see that the Plan is carried out in accordance with its terms and for the exclusive benefit of Employees eligible to participate. The Conference shall have the discretionary authority to interpret the Plan and to decide all matters arising thereunder, including matters relating to eligibility for benefits and the construction of the terms of the Plan. The Conference's power and authority shall include, but not be limited to, doing or causing to be done the following:

- A. to appoint and remove, by written notice to such person, the Administrator and successor Administrator, from time to time as it deems necessary;
- B. to provide the Administrator with complete and timely information on matters of the Eligible Employees' Compensation, elections and other facts necessary to the Administrator's proper performance of its duties;
- C. to make Plan corrections permitted under Internal Revenue Service guidelines, if any, or using methods that comply with the Code and that are reasonable, practicable and appropriate in the circumstances;
- D. to interpret the Plan (including questions of fact), decide questions of eligibility of any person to participate in the Plan (or in any Benefit offered by the Plan) and determine the amount, manner and time of payments of any benefits payable under the Plan (or under any Benefit offered by the Plan), its interpretation thereof in good faith to be final and conclusive on all persons claiming benefits under the Plan;
- E. to establish the method of accounting for the Plan and to maintain the accounts;
- F. to appoint individuals or entities (including any office, department or other personnel of the Plan Sponsor) to assist in the administration of the Plan and any other agents as it deems advisable, including legal, administrative, accounting and actuarial counsel; and
- G. to engage the service of agents whom it may deem advisable to assist it with the performance of its duties.

Section 6.2 Administrator. Except for the functions reserved under the Plan to the Conference, the administration of the Plan shall be under the supervision of the Administrator. The Administrator shall have full power to administer the Plan and all of its details, subject to applicable requirements of law. The Administrator's powers shall include, but not be limited to, the following:

- A. to prescribe any forms as it deems necessary or desirable for the efficient administration of the Plan;

- B. to make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan, including the establishment of any claims procedures that may be required by applicable provisions of the Plan or law;
- C. to furnish the Plan Sponsor, upon request, such reports with respect to the administration of the Plan as are reasonable and appropriate;
- D. to receive, review and keep on file (as it deems convenient and proper) reports of benefit payments by the Participating Employer/Church and reports of disbursements for expenses;
- E. to receive from the Participating Employer/Church and from Participants such information as it deems necessary or proper for the efficient administration of the Plan;
- F. to require Participants to complete and file applications for benefits under the Plan, or any other form that the Administrator considers necessary or proper, and to require a Participant to furnish all pertinent information and documents. The Administrator shall be entitled to rely upon all such information which is furnished, including the Participant's current mailing address; and
- G. to take such actions (with the consent and at the direction of the Plan Sponsor) as it considers necessary or appropriate to satisfy any nondiscrimination requirements of the Code which are applicable to the Plan.

Section 6.3 Examination of Records. The Administrator shall make available to each Participant such records under the Plan as pertain to him, for examination at reasonable times during normal business hours.

Section 6.4 Information Required for Plan Administration. Participants and other persons entitled to benefits under the Plan shall furnish the Administrator with such evidence, data or information as may reasonably be requested from time to time for the purpose of the Plan's administration and the Administrator shall be entitled, to the extent permitted by law, to rely on all such information provided.

Section 6.5 Reliance. In administering the Plan, the Administrator shall be entitled to rely exclusively (to the extent permitted by law) upon information, tables, valuations, certificates and reports furnished by or in accordance with the instructions of a Participant, the Participating Employer/Church, the legal, accounting and actuarial counsel of the Plan Sponsor and the administrators of any insurance companies or other such entities.

Section 6.6 Facility of Payment. When a person entitled to a benefit under the Plan is under a legal disability, or, in the opinion of the Administrator, is in any way incapacitated so as to be unable to manage his financial affairs, the Administrator may direct the payment of benefits to such person's legal representative, or to an immediate relative of such person for such person's benefit, or the Administrator may direct the application of such benefits for the benefit of such person in such manner as the Administrator considers advisable. Any payment made in accordance with this Section shall be a full and complete discharge of any liability for such payment under the Plan.

Section 6.7 Expenses of Administration. All usual and reasonable expenses of the administration of the Plan, shall be paid from the assets of the Plan, if any, unless paid by the Plan Sponsor, provided that the Plan Sponsor may reimburse the Plan for any expense paid from Plan assets and such reimbursement shall not be deemed to be a contribution by the Plan Sponsor to the Plan. All earnings of the assets of the Plan, if any, shall be used exclusively to pay expenses of the Plan. The fee of any fiduciary for its services shall be in such reasonable amount as, from time to time, agreed upon by the Plan Sponsor and such fiduciary; provided, that no Employee receiving full-time pay from the Plan Sponsor or any Participating Employer/Church shall be compensated for services as a fiduciary except as permitted by the tax laws or as such person may be entitled to Benefits under the Plan.

Section 6.8 Nondiscriminatory Exercise of Authority. Whenever, in the administration of the Plan, any discretionary action by the Administrator is required, the Administrator shall exercise its authority in a nondiscriminatory manner.

Section 6.9 Plan Sponsor's Protective Clauses. Upon the failure of either the Participant or the Plan Sponsor to obtain any insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium, if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Plan Sponsor or the Participant as a result of the Participant's claim.

The Plan Sponsor's liability to the Participant shall only extend to and shall be limited to any payment actually received by the Plan Sponsor from the insurer. In the event that the full insurance benefit contemplated is not promptly received by the Plan Sponsor within a reasonable time after submission of a claim, then the Plan Sponsor shall notify the Participant of such facts and the Plan Sponsor shall no longer have any legal obligation whatsoever (except to execute any document called for by a settlement reached by the Participant). The Participant shall be free to settle, compromise or refuse to pursue the claim as the Participant, in his sole discretion, shall see fit.

The Plan Sponsor shall not be responsible for the validity of any insurance contract issued hereunder or for the failure on the part of the insurer to make payments provided for under any insurance contract or arrangement, or for the action of any person which may delay or render null and void or unenforceable, in whole or in part, an insurance contract or arrangement. With regard to this paragraph, the following shall apply:

- A. Once insurance is applied for or obtained, the Plan Sponsor shall not be liable for any loss which may result from the failure to pay premiums to the extent premium notices are not received by the Plan Sponsor.
- B. To the extent premium notices are received by the Plan Sponsor, the Plan Sponsor's liability for the payment of such premiums shall be limited to the amount of such premiums and shall not include liability for any other loss which may result from the failure to pay such premiums.
- C. The Plan Sponsor shall not be liable for the payment of any insurance premium or any loss which may result from the failure to pay an insurance premium if the Contributions available under this Plan are insufficient to provide for the amount

of such premium cost at the time it is due. In such circumstances, the Participant shall be responsible for and see to the payment of such premiums. The Plan Sponsor shall undertake to notify a Participant if available Contributions under this Plan are insufficient to provide for an insurance premium but shall not be liable for any failure to make such notification.

Section 6.10 Indemnification of Plan Sponsor by Participants. If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Plan Sponsor or Participating Employer/Church for such amounts, including any liability the Plan Sponsor or Participating Employer/Church may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements.

Section 6.11 Claims and Review Procedure. The determination of a claim for benefits and the rights of Participants to appeal from adverse claims decisions shall be determined in accordance the claims and appeals provisions of the applicable Benefit program, or if such Benefit program does not contain such provisions, in accordance with the rules listed below. If any Participant or any beneficiary of a Participant believes he is being denied any rights or Benefits under the Plan after filing a claim for such Benefits under the applicable Benefit program or with the applicable Benefit provider or administrator, such person may generally file an appeal of such claim denial in writing in accordance with the claims procedures applicable to the Benefit in question as set forth in the appropriate document, if any. For purposes of the claim and appeal procedures described below, an “authorized representative” of the Participant or beneficiary may also submit or appeal a claim on behalf of the Participant or beneficiary.

- A. Claims. Any Participant or beneficiary (claimant) may file a claim for a Plan benefit to which the claimant believes he is entitled. Such claim must be in writing and delivered to the Administrator in person or by mail, postage paid within 60 days after the date the claim is incurred. Within 90 days after receipt of the claim, the Administrator shall send to the claimant, by mail, postage paid, notice of the granting or denying, on whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 90day period. In no event may the extension exceed 90 days from the end of the initial period. The Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section 6.11, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review pursuant to the appeals procedure below.
- B. Claim Denial Notification. The Administrator will provide to every claimant who is denied a claim for benefits, a written notice setting forth in a manner calculated to be understood by the claimant, the following information:
1. the specific reason(s) for the decision;
 2. specific references to pertinent Plan provisions;
 3. a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material is necessary; and

4. an explanation of the Plan's claim review procedure.
- C. Appeal. If a claim filed under Section 6.11A. above is denied, either in whole or in part, the claimant or his duly authorized representative may make a written application to the Plan Sponsor, in person or by mail, to request a review of such denial, review pertinent documents and submit issues and comments in writing. Such appeal must be made within 60 days of the receipt of the denial notice issued to the Participant pursuant to Section 6.11B. above (or, if no such notice has been given, within 60 days after the claim has been deemed denied under Section 6.11A. above).
- D. Disposition of Disputed Claims. Upon receipt of a request for review of a claim denial, the Plan Sponsor will make a prompt decision on the claim. The decision on review shall be communicated to the claimant in writing, in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent Plan provisions on which the decision was based. The decision on review shall be made no later than 60 days after the Plan Sponsor's receipt for a request for review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered no later than 120 days after receipt of an appeal request. If an extension is necessary, the claimant will be given written notice of the extension period prior to the expiration of the initial 60 day review period. If notice of the decision on appeal is not furnished in accordance with this Section 6.11D., the claim shall be deemed denied and the claimant shall be permitted to exercise his right to any available legal or equitable remedy.
- E. Statute of Limitations for Civil Actions. For purposes of filing any civil action against the Plan upon the exhaustion of all other available administrative remedies, legal action may be brought no later than one year from the date of completion of the Plan's claims appeal process.

Section 6.12 Questions Relating to Coverage. All questions relating to whether an individual is a Participant or is eligible to become a Participant under this Plan shall be submitted to the Plan Sponsor. The Plan Sponsor shall determine such questions in its discretion based on its review and interpretation of the terms of this Plan.

ARTICLE VII

AMENDMENT AND TERMINATION

Section 7.1 Amendment. The Plan Sponsor reserves the right at any time or times, to amend in whole or in part any or all of the provisions of the Plan (to the extent such amendment is not contrary to law) with an instrument in writing executed by an officer of the Plan Sponsor. Provided, however, that no such amendment shall change the terms and conditions of payment of any Benefits to which Participants have become entitled under the Plan, unless such amendment is made to comply with federal, state or local laws or Regulations. The Plan Sponsor shall also have the right to make retroactive any amendment that is necessary to bring the Plan into compliance with the Code or Regulations. In addition, the Plan Sponsor may add additional Benefits or delete existing Benefits under the Plan. No amendment which affects the rights or obligations of the Administrator may be made without the Administrator's consent. Notwithstanding the foregoing, no verbal representation shall act to amend the Plan in any manner or at any time.

Section 7.2 Termination. The Plan Sponsor has established the Plan with the bona fide intention and expectation that it will be continued indefinitely, but the Plan Sponsor has no obligation whatsoever to maintain the Plan (or any Benefit offered through the Plan) for any given length of time and may discontinue or terminate the Plan (or any Benefit offered through the Plan) at any time without liability, provided that such termination shall not eliminate any obligations of the Plan Sponsor which have arisen under the Plan prior to such termination date. Upon termination or discontinuance of the Plan or any portion thereof, any elections, reductions or increases in Compensation made pursuant to the Plan shall terminate. In the event of termination, the assets of the Plan shall be used to provide benefits to persons who are Participants at such time and to pay administrative expenses of the Plan and Benefits offered through the Plan. Any assets remaining after satisfaction of Benefits of the Plan shall be used to provide additional nondiscriminatory benefits to Participants of the Plan as the Plan Sponsor shall deem appropriate.

Section 7.3 Effective Date of Amendment or Termination. Any amendment or termination of the Plan (or any Benefit offered through the Plan) shall be effective as of the date that the Plan Sponsor determines.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 No Alienation of Benefits. No Benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void. No Benefit under the Plan shall in any manner be subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to benefits under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any Benefit under the Plan, or if any attempt is made to subject any such Benefit to the debts, contracts, liabilities, engagements or torts of the person entitled to any such Benefit, except as specifically provided in the Plan, then such Benefit shall cease and terminate in the discretion of the Plan Sponsor, and the Plan Sponsor may hold or apply the same or any part thereof to the benefit of any dependent or beneficiary of such person, in such manner and proportions as the Plan Sponsor may deem proper.

Notwithstanding any provision of the Plan to the contrary, Benefits under the Plan may be subject to a Medical Child Support Order, requiring that Benefits be made available under the Plan to an eligible dependent of an Eligible Employee. The Plan Sponsor shall establish procedures to determine if a proposed Order is a QMCSO under the Child Support Performance and Incentive Act of 1998.

Section 8.2 Benefits from General Assets. The Benefits provided hereunder may be paid solely from the Plan Sponsor's general assets, if any. Nothing herein shall be construed to require the Plan Sponsor or the Administrator to maintain (or prevent the Plan Sponsor or the Administrator from maintaining) any trust, or other similar fund, insurance policy or contract for the benefit of any Participant. No Participant or other person shall have any claim against, right to, or security or other interest in any assets of the Plan Sponsor or in any trust or other similar fund from which any payment under the Plan may be made.

Section 8.3 Plan Not a Contract of Employment. The adoption and maintenance of this Plan shall not constitute a contract of employment and does not assure the continued employment of any Employee eligible to participate for any period of time.

Section 8.4 Limitation of Rights. Neither the establishment of the Plan nor any amendment thereof will be construed as giving to any Participant or other person any legal or equitable right against the Administrator or the Plan Sponsor, except as expressly provided herein and by applicable law.

Section 8.5 Discrimination Prohibited. The Plan shall not discriminate in favor of Highly Compensated Individuals as to eligibility to participate or in favor of Highly Compensated Participants as to Contributions and Benefits to the extent prohibited under the Code. In no event shall the Benefits or coverages under a Benefit program provided to Key Employees under the Plan exceed 25% of the aggregate of such Benefits or coverages provided for all Participants in any Plan Year.

If the Plan Sponsor determines, before or during any Plan Year, that the Plan (or any Benefit program offered through the Plan) may fail to satisfy any non-discrimination requirement or other limitation which is imposed by the Code on the Plan (or any such Benefit program) with

respect to Highly Compensated Individuals, Highly Compensated Participants or Key Employees, the Administrator (at the direction of and with the consent of the Plan Sponsor) shall take such action as the Administrator deems appropriate, under rules uniformly applicable to similarly situated Participants, to assure compliance with such requirements or limitations. Such action may include, without limitation, a modification of elections by Highly Compensated Participants or Key Employees with or without the consent of such Participants.

Section 8.6 Addresses, Notice, Waiver of Notice. Each Participant must file with the Administrator, in writing, his post office address and any change of post office address. Any communication, statement or notice addressed to such Participant at his last post office address as filed with the Administrator will be binding upon the Participant for all purposes of the Plan, and neither the Administrator nor the Plan Sponsor shall be obliged to search for or ascertain the whereabouts of any Participant.

Section 8.7 Mistake of Fact. Any mistake of fact or misstatement of fact shall be corrected when it becomes known, and the Administrator or Plan Sponsor shall make such adjustment as it considers equitable and practical.

Section 8.8 Payments to Beneficiary. Any benefits otherwise available or payable pursuant to the Plan to a Participant following the date of death of such Participant shall be paid to his spouse, or if there is no surviving spouse, to his estate. Any benefits or payments made pursuant to an insurance contract or arrangement maintained pursuant to this Plan shall be paid in accordance with the terms of such insurance contract or arrangement.

Section 8.9 No Guarantee of Tax Consequences. Neither the Plan Sponsor nor the Administrator makes any warranty or other representation as to whether any payment received under the Plan will be treated as excludable from the Participant's gross income for federal or state income tax purposes. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes.

Section 8.10 Governing Law. This Plan shall be construed and enforced according to the laws of the State of Ohio, except to the extent preempted by federal law and in accordance with the Code.

Section 8.11 Gender and Number. Masculine pronouns include the feminine as well as the neuter gender, and the singular shall include the plural, unless indicated otherwise by the context.

Section 8.12 Headings. The Article and Section headings contained herein are for convenience of reference only and shall not be construed as defining or limiting the matter contained thereunder.

Section 8.13 Use of Alternative Media. The Administrator may include in any process or procedure for administering the Plan, the use of alternative media, including, but not limited to, telephonic, facsimile, computer or other such electronic means as are available. Use of such alternative media shall be deemed to satisfy any Plan provision requiring a "written" document or an instrument to be signed "in writing" to the extent permissible under the Code and applicable Regulations.

The Conference has executed this Plan on the date set forth below.

**WEST OHIO CONFERENCE OF THE
UNITED METHODIST CHURCH**

By: *North D. Smith*

Title: *Chair, Board of Pension & Health*

Date: *11.17.2015*

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