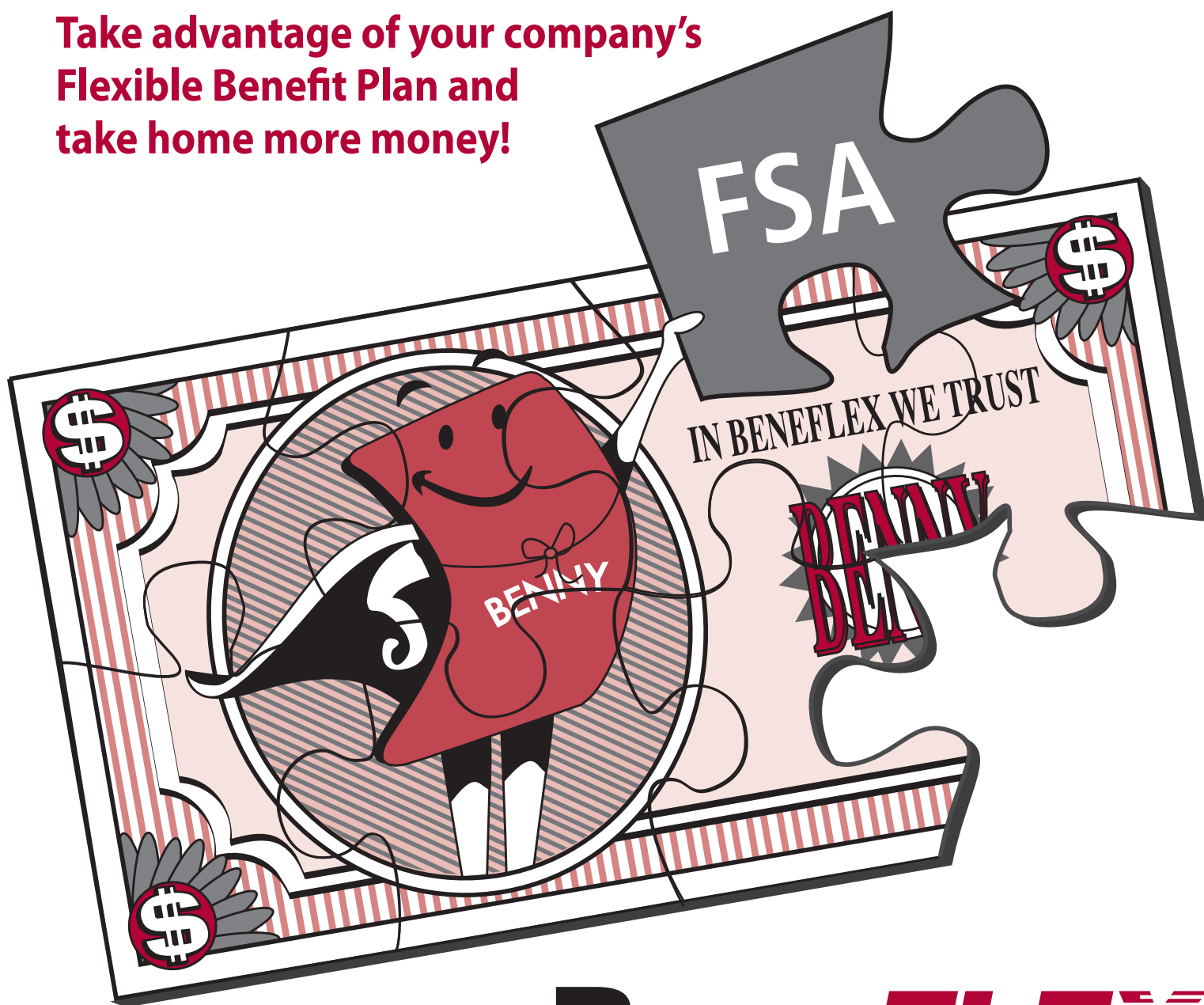


Give Yourself A Pay Raise!

Important Note!

See the red-highlighted,
important information
on the FAQ & Benny
Card page.

Take advantage of your company's
Flexible Benefit Plan and
take home more money!



BeneFLEX
HR RESOURCES INC.

"We make benefits work for you."

A Flexible Benefits Plan helps your paycheck buy more!

Sometimes referred to as a cafeteria plan, flex plan, or a Section 125 plan — a Flexible Benefits Plan lets you set aside a certain amount of your paycheck into an account — before paying income taxes. During the year you have access to this account for reimbursement of expenses you regularly pay for, such as healthcare and dependent daycare.

When you use tax-free dollars to pay for these expenses, you realize an increase in your spending power and substantial tax savings.

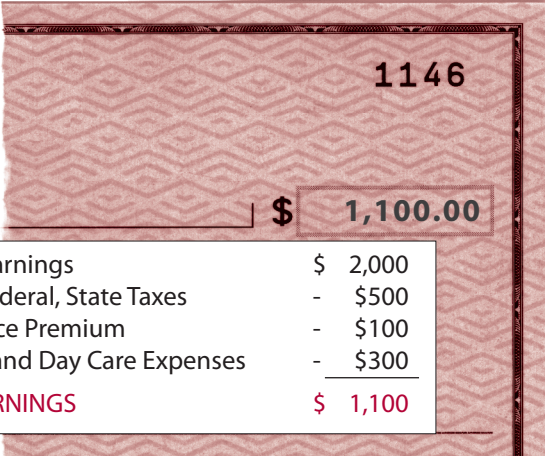
Reimbursable expenses can include:

- Deductibles, Co-pays, and Prescription Drugs
- Expenses not covered by insurance
- Dental Services & Orthodontics
- Eyeglasses, Contacts, Solutions & Eye Surgery
- Weight-loss Programs (dual use, requires a doctor's prescription)
- Chiropractic Services
- Psychiatric Care & Psychologist's fees
- Mileage for Health Care
- Over-The-Counter Drugs that are medically necessary with a doctor's prescription
- All non drug over-the-counter (OTC) items
- Adult & Child Daycare services
- For a complete list visit www.beneflexhr.com

Here's how it works...

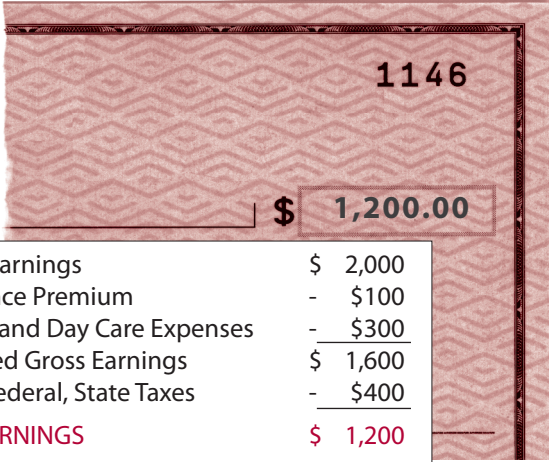
Example: An employee makes \$2,000 each month and decides to participate in their employer's Flexible Benefits Plan. As a result, their insurance premiums and health and daycare expenses are paid with tax-free dollars, giving them an additional \$100 each month!

Without the Plan



	1146
	\$ 1,100.00
Gross Earnings	\$ 2,000
FICA, Federal, State Taxes	- \$500
Insurance Premium	- \$100
Health and Day Care Expenses	- \$300
NET EARNINGS	\$ 1,100

With the Plan



	1146
	\$ 1,200.00
Gross Earnings	\$ 2,000
Insurance Premium	- \$100
Health and Day Care Expenses	- \$300
Adjusted Gross Earnings	\$ 1,600
FICA, Federal, State Taxes	- \$400
NET EARNINGS	\$ 1,200

It's as easy as...

1 Carefully read this material and choose which options make sense for you to participate in.

2 Determine how much you expect to spend during the year for each option.

3 Complete the attached Participation Form and return it to your Human Resources Department.

FSA Common FAQs

What is a Flexible Spending Account (FSA)?

A benefit provided by your employer that lets you set aside a certain amount of your paycheck into an account before paying income taxes. Then, during the year you can be directly reimbursed from your account for qualified healthcare and daycare expenses.

Why should I participate in the FSA when I already have health insurance?

This account is used to pay for expenses not covered by insurance.

If I set aside part of my pay, won't I make less money?

No. Your net take-home pay will increase by the amount of taxes you did not pay. An example of how it may work for you is detailed on the inside of this brochure.

Can I change my contributions during the year?

Only if you have a change in status such as: marriage, birth, adoption, or a change in your, your spouse's, or your dependent's employment status.

What Over-The-Counter (OTC) items require a doctor's prescription?

Any over-the-counter item that is a drug requires a doctor's prescription. For the most current list please visit www.beneflexhr.com.

What if I currently take the dependent care credit on my annual tax return?

Whether or not to participate in the daycare portion of this plan depends on your income, filing status, number of dependents and annual daycare expenses.

The amount you deposit in your Dependent Care Reimbursement Account reduces the amount, dollar for dollar, that you can claim as a credit on your tax return. Contact your plan administrator for further information.

How do I get reimbursed for my expenses?

Once you have completed the attached Participation Form, you will receive a claim form and instructions on how to file your claim. Simply complete the form, attach a copy of the healthcare or dependent care bill, and mail or fax the form to your plan administrator. Within a short time, you will receive your reimbursement. Please note: claim forms can be downloaded on the web site at www.beneflexhr.com.

Do I have to wait for the money to be deposited in my account in order to make a claim for reimbursement?

The annual amount you have allocated for the Medical Reimbursement Account is available to you at any time throughout the plan year. The amount available to you from your Dependent Care Reimbursement Account is the amount you have contributed to date.

How do I know how much is available in my accounts?

Each time you receive a manual reimbursement you will receive a statement attached to your reimbursement check that shows the dollar amount you have set aside as well as the amount you have been paid to date. Additional options include online and (IVR) phone line account information listed inside the packet on the bottom of the page.

What happens to my accounts if I terminate my employment?

You will be able to request reimbursement for healthcare and daycare expenses for services provided prior to your termination. Check your SPD for any additional rights or benefits provided by your company's plan.

What if I don't use all of the money I set aside in my accounts?

Carefully review your estimated expenses before making the decision to participate. Any contributions that are not used during the plan year may not be paid to you in cash or used in a later plan year.

What if I am not covered under my company's health insurance plan?

Good news! You and your family can still participate in the Medical or Dependent Care Reimbursement Accounts.

How do I benefit by participating?

Your biggest advantage is the tax savings. Every dollar you set aside in your account reduces your income taxes, and you can be reimbursed for qualified expenses that you are already paying for!

Are there any negatives that I should know about?

Yes, because you are not paying any social security tax on that portion of your income that has been redirected, your social security benefits may be slightly reduced.

www.beneflexhr.com

- Verify your election
- View your account balance
- Print blank claim forms
- How and where to file claims
- Look up qualified expenses
- Change in status rules
- Eligibility requirements
- Calculate your tax savings
- Find participating IIAS merchants
- How to contact us

To register online: www.beneflexhr.com

Contact us with questions:

(314) 909-6979 or (800) 631-3539

Online Enrollment May Be Available*

1. Go to www.beneflexhr.com
2. Click Section 125
3. Click Employee Account Information
4. Click New User
5. Type in all required information
6. Click Continue
7. Click Enrollment
8. Click New Year Enrollment
9. Enter Annual Elections
10. Click Next
11. Review your elections & click Submit
12. Print page for your records

*Contact your HR Department

Step I: Your Options

There are several accounts you can participate in with the Flexible Benefits Plan.

I: Medical Reimbursement Account

This account reimburses you for healthcare expenses not covered by insurance. You set aside money, tax-free, through regular payroll deductions. During the year, you can be reimbursed directly from your account for those qualified healthcare services provided that are not covered by insurance.

Common expenses that qualify for reimbursement are — doctor visits, deductibles, co-payments, prescriptions, mental health care, dental services and orthodontics, chiropractor services, eye exams, glasses and contacts.

II: Dependent Care Reimbursement Account

This account reimburses you for daycare expenses for eligible children and adults. Through regular payroll deductions, you set aside part of your income to pay for these expenses on a tax-free basis. To qualify, your dependents must be:

- a child under the age of 13, or
- a child, spouse or other dependent who is physically or mentally incapable of self-care and spends at least 8 hours a day in your household.

Qualified expenses for reimbursement include — adult and child daycare centers, preschool and before/after school care.

Please note: A dependent care credit is available on your annual tax return. Whether or not to participate in the daycare portion of this plan

depends on your income, filing status, number of dependents and annual daycare expenses. You will also receive your tax savings throughout the year, rather than once a year when you file your taxes. Contact your plan administrator for further information.

III: Limited FSA Expense Reimbursement Account - only with an HSA

This account reimburses you "tax free" for healthcare expenses not covered by insurance similar to the Medical Reimbursement Account. The difference is this account is compliant with HSA guidelines. It can only be used for dental, vision, and post-deductible expenses.

IV: Additional Benefit

Your employer may have included benefits in addition to the programs described above. Your Human Resources Department will send notification, along with this enrollment brochure, if any such additional benefits are being offered at this time.

V: Premium Savings Benefit

This account allows you to pay for your employer-provided health and other insurance premiums with tax-free dollars. If you are covered under your employer's health and/or your employer's other insurance plans, you are automatically enrolled in this account! Be sure to let your employer know if you don't want your premiums paid tax-free.

Step II: Determining Your Reimbursable Expenses

By completing the following information, you can calculate your annual reimbursable expenses.

Take into consideration the services to be provided during the upcoming plan year for you and your dependents.

Healthcare Expenses

Medical (1)*

Deductibles \$ _____
Co-payments \$ _____
Doctor visits \$ _____
Prescriptions \$ _____
Over-the-counter items \$ _____
OTC medications with doctor's prescription \$ _____
Other \$ _____
Total \$ _____

Vision (2)

Exams \$ _____
Eye Surgery \$ _____
Lenses/Frames \$ _____
Contacts \$ _____
Solutions \$ _____
Other \$ _____
Total \$ _____

Estimated Annual Expenses and Tax Savings

Total Healthcare Expenses (add 1 + 2 + 3) \$ _____
Total Dependent Daycare Expenses \$ _____
Total Other Reimbursable Expenses \$ _____
Total Expenses \$ _____
Tax Bracket Percentage (see below) _____ %
Annual Tax Savings \$ _____
(multiply total expenses by tax bracket percentage)

Savings Amount Per Paycheck

(divide total expenses by number of paychecks you receive each year - 52, 26, 24, 12)

\$ _____

Dental (3)*

Routine Check-ups \$ _____
Fillings/Crowns \$ _____
Orthodontics \$ _____
Other \$ _____
Total \$ _____

Dependent Daycare Expenses

Children \$ _____
Adults \$ _____
Total \$ _____

Other Reimbursable Expenses**

Total \$ _____

Tax Estimate Table

Based on a combination of social security, federal, and state income taxes.

If your annual household earnings are:	Estimated tax rate is:
Less than \$30,000	25%
\$30,000 to \$40,000	29%
\$40,000 to \$70,000	31%
Greater than \$70,000	33%

These tax rates are estimates based on national averages and may not reflect your actual tax rate.

* Cosmetic procedures like teeth bleaching and face lifts are not eligible expenses for reimbursement.

** An "Additional Benefit" may be offered by your employer. Check with your Human Resources Department.

BeneFLEX
HR RESOURCES INC.

10805 Sunset Office Drive, Suite 401 ~ St. Louis MO 63127
314.909.6979 ~ 800.631.FLEX (3539) ~ Fax:314.909.6983
www.beneflexhr.com – info@beneflexhr.com

Participation Form for the Flexible Benefits Plan

Please complete all fields. Effective Date in the plan: _____ Date of hire _____

Employer name _____

Employee name _____ Social Security No. _____ Date of Birth _____

Department/Division _____ E-mail _____

Home address _____

Home phone (_____) _____ street _____ city _____ state _____ zip _____

Work phone (_____) _____

First payroll effective date _____ Paycheck frequency _____

_____ Number of pay periods remaining in the plan year

Option I: Medical Reimbursement Account Agreement

- ☐ I elect to contribute \$ _____ (before taxes) per pay period, which is \$ _____ per plan year, to fund my account for reimbursement of qualified out-of-pocket healthcare expenses not covered under my health and other insurance plans.
- ☐ I decline to participate in this option for this plan year.

Option II: Dependent Daycare Reimbursement Account Agreement

- ☐ I elect to contribute \$ _____ (before taxes) per pay period, which is \$ _____ per plan year, for funding reimbursement of qualified dependent daycare expenses. (Maximum amount per calendar year is the lesser of: (1) \$5,000 for married filing joint, or \$2,500 for married filing separate; (2) your spouse's total annual compensation; or (3) 1/2 of your total annual compensation. (If you are single, the maximum amount is \$5,000.)
- ☐ I decline to participate in this option for this plan year.

Option III: Additional Benefit *Do not complete this section unless you have received instructions from your HR department.

- ☐ I elect to contribute \$ _____ (before/after taxes) per pay period, which is \$ _____ per plan year, for funding reimbursement of this additional benefit outlined by my Human Resource department.*
- ☐ I decline to participate in this option for this plan year.
- ☐ If not provided by the company, YES, I want a BeneFLEX Card. I elect \$ _____ X _____ months to be added to my election so I can pay for the card pre-tax. The Card fee will be charged at the beginning of the plan year.

Option IV: Limited FSA Reimbursement Account - only with an HSA

- ☐ I elect to contribute \$ _____ (before taxes) per pay period, which is \$ _____ per plan year, for funding reimbursement of qualified Limited FSA expenses. A Limited FSA may cover dental, vision, and post-deductible expenses.
- ☐ I decline to participate in this option for this plan year.

Option V: Premium Savings Benefit Agreement

- ☐ I have enrolled in certain employer-sponsored insurance benefits. I understand that my share of the premium for these insurance benefits will automatically be paid with pre-tax dollars. I also understand that if my required contributions for the elected benefits are increased or decreased while this agreement remains in effect, my taxable income will automatically be adjusted to reflect that increase or decrease.
- ☐ I decline to participate in this option for this plan year.

Option VI: Waiver of Tax Benefits

- ☐ I have been given the opportunity to enroll in these tax-savings plans and have declined to participate. I understand that I will lose all tax savings that I may have received as a participant.

Option VII: Other Insurance Co-pays

- ☐ If enrolling in Option I Medical Reimbursement Account and using an FSA debit card, I can submit spouse's co-pay information. I understand the co-pay information needs to be verified with a signature from my spouse's Human Resource Department.

Co-pay amounts: Office Visits \$ _____ \$ _____ Prescription \$ _____ \$ _____ \$ _____

Emergency Room _____ Urgent Care _____

Name of Insurance Carrier: _____

Human Resources Authorized Signature _____



Clip and Save

My employer and I agree that my taxable income will be reduced each pay period by the amounts set forth in this agreement. I understand that I may change my election in the event of certain changes in my status. Prior to the first day of each plan year, I will be offered the opportunity to change my benefit election for the upcoming plan year. Any qualified expenses that are submitted by me will be reimbursed to me on a tax-free basis. Any contributions that are not used during the plan year may not be paid to me in cash or used in a later plan year. I acknowledge that I have received, read and understand the Summary Plan Description.

Employee Signature _____

Date _____

Check Account Balance

Online

1. Go to www.beneflexhr.com
2. Click on Section 125 button
3. Select Employee Account ...
4. Create/Enter your user name
5. Create/Enter Password
6. Click Login
7. Select any of the options

By Phone

1. Dial 913-789-4600
2. Enter Social Security Number
3. Enter Zip Code (1st time you call in)
4. Enter Access Code (created the first time you call in)

BeneFLEX
HR RESOURCES INC.

The Benny Card

How does the Benny Card work?

It works like a Mastercard®, with the value of your account contribution stored on it. When you have qualified eligible health care expenses at a business that accepts Mastercard®, simply use your Benny Card. The amount of your qualified purchases will be deducted automatically from your FSA (Flexible Spending Account) and the pre-tax dollars will be electronically transferred to the provider/merchant for immediate payment.

How does the Benny Card change how I am reimbursed for expenses?

Before the Benny Card, you were required to pay for your eligible expenses at the time of purchase, then submit claim forms along with all receipts. A check was issued, mailed to you, and then you cashed the check.

With the Benny Card, you simply swipe the Card and the funds are automatically deducted from your employee benefit account for payment. The Benny Card eliminates most out-of-pocket cash outlays, paperwork, and the need to wait for reimbursement checks.

Is this just like other Mastercard® Cards?

The Benny Card is a special Mastercard® Card, but only for qualified expenses. There are no monthly bills and no finance charges.

Do I need a new Benny Card each year?

No, each year your Benny Card will be loaded with your new annual election amount at the start of each plan year.

What if I lose my Benny Card or need another one?

You'll receive two Benny Cards. You can request a 3rd Card or a replacement Card through BeneFLEX. The additional/replacement Card is \$10, which may be deducted directly from your pre-tax account.

Activating Your Card

How do I activate the Benny Card?

Call, toll-free, 1-866-898-9795 or visit the website on the back of the card.

What dollar amount is on my Benny Card when I activate it?

Once you activate, the dollar value on your Card will be the amount you elected to contribute to your employee benefit account during your annual benefits enrollment. It's from that total dollar amount that eligible expenses will be deducted as you use your Card or submit manual claims.

Using The Card

Where can I use my Benny Card?

Doctor, Dentist, Chiropractor, Hospital, Pharmacy, and more. You can find out additional information on where your card can be used by accessing our Education Center's product FAQ's by visiting our Benny Card website at www.beneflexhr.com.

Are there places the Benny Card won't be accepted?

Yes. Examples include department stores, hardware stores, restaurants, bookstores, gas stations, and home improvement stores. The card will not work at discount stores, grocery stores and pharmacies that have not implemented the IIAS system.

If asked, should I select "Debit" or "Credit"?

The Benny Card is actually a stored-value Card. But, since there is no "stored value" selection available, you'll select Credit. You do not need a PIN# and you cannot get cash with the Benny Card. You'll need to sign the receipt. Be sure to save your itemized receipt!

Can I use the Benny Card if I receive a statement with a Patient Due Balance for a medical service?

Yes. If the expense occurred during the current plan year. Be sure you have money in your account for the balance due, simply write the Benny Card number on your statement and send it back to the provider.

How do I know how much is in my account?

You can visit your Account Summary page at www.beneflexhr.com and view your account activity, and current balance. Or, you can call our Interactive Voice Response System (IVR) at (913) 789-4600 to obtain your current balance.



Whom do I call if I have questions about my Benny Card?

Call BeneFLEX at the phone number on the back of the Benny Card.

What if I have an expense that is more than the amount left in my account?

By checking your account balance often – either online or by calling our Interactive Response System (IVR) at (913) 789-4600 – you will have a good idea of how much is available. When incurring an expense that is greater than what is remaining in your account, you can split the cost at the register.

How does the IIAS system work?

OTC products eligible for reimbursement by FSA programs are coded in the system and identified on the cash register receipt with a special FSA icon. The system automatically recognizes and separates eligible and ineligible OTC products. Cardholders can then pay for eligible OTC products using the Benny Card automatically debiting their FSA account. As a result, the claim is fully adjudicated and transaction substantiated with no paper receipts or further verification required. For items not qualifying for the FSA reimbursement, the participant must provide an alternative payment method. You still have to save all your receipts, as this is an IRS governed plan.

Will I have to submit copies of my receipts for purchases of Over-The-Counter (OTC) Items?

Not for non drug OTC items. On July 1, 2009, the IRS required all grocery stores, discount stores and pharmacies to have an Inventory Information Approval System "IIAS" in place. The IIAS system automatically recognizes and separates eligible and ineligible purchases. These purchases will not require you to submit a receipt. The card will only work at merchants that have the IIAS system. Visit our website www.beneflexhr.com and click on the IIAS icon to access a list of merchants that have implemented the system. SPECIAL NOTE: For OTC drugs that are medically necessary, you will need to include your doctor's prescription with your claim submission. Please refer to our Guidelines for Claims Submission. You still have to save all your receipts, as this is an IRS governed plan.

What about other purchases made with my Benny Card? Will I have to submit copies of my receipts for those purchases?

You always keep your receipts. Our system will recognize your pharmacy prescription purchases, doctor co-pays and drug discount levels. Another great feature is our card can learn when you buy the same thing. For example, you go to the dentist, make monthly payments for braces, after the first payment is adjudicated, the card recognizes ongoing payments for the same amount at the same dentist.

New Participants

Watch for your new Benny Cards in the Mail

