

Flex Election Form

Instructions: To enroll in your employer's flex plan or to change your existing elections in the plan due to a midyear change in status, please complete all required fields and return completed Flex Election Forms to your employer.

SECTION 1: EMPLOYEE INFORMATION (Please Print)

Name (Last, First, MI)		Social Security Number	Date of Birth	
Employer	Home Phone	Secondary Phone	Email Address	
Home Address		City	State	Zip

SECTION 2: EMPLOYEE STATUS (Please Print)

<input type="checkbox"/> New Enrollee or New Plan Year Election for 2011 <input type="checkbox"/> Midyear Change in Status Date of Event: _____ Reason: _____ <input type="checkbox"/> Change in Marital Status (marriage, divorce, legal separation, death) <input type="checkbox"/> Change in Number of Dependents (birth, adoption, death) <input type="checkbox"/> Change in Employment Status (for you, your spouse, or dependents) <input type="checkbox"/> Change in Cost or Coverage (for you, your spouse, or dependents)	EMPLOYER USE ONLY Effective Date of Change: _____ Employer Signature: _____ Employer Notes: _____
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SECTION 3: ACCOUNT ELECTIONS (Please Print)

Please select your accounts and specify the new per pay period and annual total amounts you would like to elect
(Annual Total = Per Pay Period Amount x 26)

	Per Pay Period	Annual Total
<input type="checkbox"/> Health Care Reimbursement Account (HCRA) - \$4,000 Max	_____	_____
<input type="checkbox"/> Dependent Care Reimbursement Account (DCRA) - \$5,000 Max	_____	_____
<input type="checkbox"/> Adoption Reimbursement Account – \$13,360 Max	_____	_____

Your insurance premiums (medical, dental, etc.) will be automatically deducted from your paycheck on a pre-tax basis unless you opt-out by checking here (not common)

SECTION 4: FLEX DEBIT CARD OPTION

Yes, please send me a flex debit card. Please deduct the annual card fee specified on my Plan Specifications Sheet from my flex account. The card terms and conditions will be provided when I receive the card.

SECTION 5: EMPLOYEE SIGNATURE

I, the undersigned, hereby revoke any and all previous account elections under the Plan and authorize my employer to reduce my cash compensation by deducting, on a pre-tax basis, the amounts elected above. I understand and agree that:

>the deductions will continue through the end of the applicable Plan Year or the termination of my employment and cannot be changed unless I incur a qualifying change in status event. The amounts I have elected will be available to me for the reimbursement of qualifying expenses according to, and for the period specified in, my employer's Plan Document.

>I have read and agree to comply with the Internal Revenue Code Regulations and other Plan rules and provisions on the reverse side of this form. I understand that my employer's Plan Document contains the controlling terms and provisions by which the operations of this Plan are governed.

>in the event that any reimbursement I may claim and receive under the Plan is later deemed unsubstantiated by the IRS, I hereby acknowledge and accept responsibility, and hold my employer and SuperiorUSA harmless, for any adverse tax consequences that may result. Furthermore, I will notify my employer if I have reason to believe that any reimbursement I receive was for a non-qualified expense.

Employee Signature: _____ **Date:** _____

Please return completed Flex Election Forms to **Payroll Division – Auditor's Office, Duluth Court House, Room 201** for approval and submission to SuperiorUSA. SuperiorUSA will not accept Flex Election Forms directly from employees.

General Provisions

- You cannot change your annual elections during the Plan Year unless you have a qualifying change in status event. Election changes must be requested within 30 days of the qualifying event. Qualifying change in status events include, but are not limited to:
 - a change in marital status (marriage, divorce, annulment, legal separation, or death of spouse),
 - a change in your number of dependents (birth, adoption, or death of a dependent),
 - a change in employment status (you, your spouse, or a dependent's termination of employment, commencement of employment, change from full-time to part-time, change from part-time to full-time, or significant change in work schedule), or
 - a change in cost or coverage (you, your spouse, or a dependent's significant cost increase in coverage, significant curtailment in coverage, addition or elimination of benefit package option under employer's plan, change in coverage or open enrollment under another employer's plan, or replacement of dependent care provider).
- If your status has not changed and a reduction in pay occurs such that the election amount is larger than your net pay for that pay period, reductions in your pay for subsequent pay periods will be increased to make up for the deficiency during the remainder of the plan year.
- Your elections will reduce your taxable wage base for state and federal income tax as well as social security and worker's compensation purposes. Because of this, participation in the plan may reduce your benefit levels from those programs. You agree that your employer and SuperiorUSA will not be held liable for any social security or worker's compensation benefit reductions, which may result from your participation in the Plan.
- If you choose to pay disability insurance premiums through the Plan (on a pre-tax basis), any benefits you receive from the policy will be taxable income.

Pre-tax Insurance Premium Provisions (if applicable)

- The company will automatically deduct, on a pre-tax basis, the employee portion of your specific per pay period insurance premium contribution. Your premiums will continue to be deducted on a pre-tax basis unless you waive participation in this benefit by checking the opt-out box on the front of this form. As with the flexible spending accounts, you cannot change or revoke your insurance premium election at any time during the plan year unless you experience a qualifying change in status event.
- If your required contributions for the elected benefits increase or decrease (i.e. your premiums change) while this agreement remains in effect, your deductions will automatically be adjusted to reflect the increase or decrease.
- A tax credit on insurance premiums may be available to qualifying lower-income employees. You will not be eligible for this tax credit if premiums are paid through the Plan.
- Only premiums for dependents as defined by IRS and Code Regulations will be pre-taxed, though your eligibility for insurance coverage may be based on some other definition of dependent (such as a state law's definition).

Flexible Spending Account Provisions (if applicable)

- Any unused balances in your Health Care Reimbursement Account (HCRA) or Dependent Care Reimbursement Account (DCRA) at the end of the Plan Year or any applicable grace period will be forfeited (the "use it or lose it" rule). Reimbursement for qualifying expenses can be requested through the end of any applicable run-out period.
- Expenses paid through your flexible spending accounts will no longer be eligible in computing deductions or tax credits on your income tax return.
- Eligible health care expenses are those that are deductible for federal income tax purposes as defined under IRC Section 213(d) and have not been reimbursed or paid by insurance or any other plan.
- Expenses reimbursed under the Dependent Care Reimbursement Account (DCRA) will reduce, dollar for dollar, the Dependent Care Tax Credit you may otherwise qualify for.
- The IRS generally considers the date of an expense to be the date service is rendered or received, not the date the expense is actually paid.
- Reimbursements will only be made for dependents as defined by the IRS and Code Regulations (not state law).
- You agree to indemnify and reimburse your employer and/or SuperiorUSA on demand for any liabilities that may occur from any reimbursement made for a non-qualified expense.

Visit www.superiorusa.com, then click on "Flexible Benefits Account Access" on the left-hand navigation bar, for more information and participant flex account access.

SUPERIORUSA
CORPORATION

Payroll & Employee Benefits Consultants

SuperiorUSA
Flexible Benefits Department
310 East Superior Street, Suite 225
Duluth, MN 55802
Phone: (218) 529-2477 Toll Free: (877) 529-2477
Fax: (218) 725-9161