WILLIAM JEWELL COLLEGE

DEPENDENT CARE ASSISTANCE PLAN

SUMMARY PLAN DESCRIPTION

EFFECTIVE

JANUARY 1 2018

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INTRODUCTION

This Summary Plan Description provides, in general terms, the main features of the William Jewell College Dependent Care Assistance Plan (the "Plan"), how it can work for you, and how it can benefit you. Under the Plan, you may choose to redirect a portion of your wages to pay for certain benefits with pre-tax dollars instead of after-tax dollars. This means that you will pay less in taxes each year and have more money to spend, save, and enjoy.

You should read this Summary Plan Description carefully so that you understand the provisions of the Plan and the benefits you will receive. We want you to be fully informed of the benefits available to you under the Plan both before you enroll and while you are a participant. You should direct any questions you have to the Administrator. There is a Plan document on file, which you may review if you desire. **IF THERE IS A CONFLICT BETWEEN THIS SUMMARY PLAN DESCRIPTION AND THE PLAN DOCUMENTS, THE PLAN DOCUMENTS WILL CONTROL.**

I. ELIGIBILITY

1. Who is Eligible?

Any full-time or part-time employee of the employer regularly performing services of at least 20 hours per week will be eligible to participate (but temporary or seasonal employees are not eligible).

2. When Can I Enroll in the Plan?

You will become a participant in the Plan: the first day of the month following thirty (30) days of employment. To become a participant, however, you will be required to complete certain enrollment forms.

3. What Happens When I Elect to Contribute to the Plan?

By participating in the Plan, the expenses which you pay for the care of a child or other dependent which allow you (and your spouse if married) to work (known as "Dependent Care Expenses") will be reimbursed to you from your Dependent Care Assistance Account on a "before-tax" basis. In other words, your contributions reduce the compensation you report on your federal and state income tax returns.

4. What Are the Requirements for Participating?

To be eligible to contribute to your Dependent Care Assistance Account and to be reimbursed for your Dependent Care Expenses, you must satisfy a wide range of requirements which are summarized below:

Work Requirements:

- Your Dependent Care Expenses must be incurred to allow you (and your spouse if you are married) to provide care for a "qualifying individual" while you and your spouse work or look for work. Therefore, a married employee whose spouse is not employed cannot participate in the Plan (but see "Student Spouses and Disabled Spouses" below).

- “Work” includes actively looking for paid employment, but you must have earned income by the end of the year.

- Unpaid volunteer work or volunteer work for a nominal salary does not qualify.

Dependent Care Expenses:

- Dependent Care Expenses must be for the well-being and protection of a qualifying individual. You must pay these expenses to care for one or more qualifying individuals or for household services for a qualifying individual.

- Expenses you pay for ordinary services done in and around your home that are necessary to run your home will qualify provided that they are at least partly for the well-being and protection of a qualifying individual. Household services do not include expenses for a qualifying individual's food, clothing, education, or entertainment.

- Dependent Care Expenses include the cost of care outside your home if the care is for a child or other qualifying individual who regularly spends at least eight hours each day in your household.

- Reimbursement of Dependent Care Expenses for care outside your home is subject to more restrictive rules if the care is provided at a dependent care center. In this case, your expenses qualify as Dependent Care Expenses only if the care center complies with all applicable state and local regulations. A dependent care center is any person or organization which provides care for more than six persons (other than persons who live there) and receives a fee for providing services to any of those individuals.

- The cost of getting a qualifying individual to and from your home and the care location is not an eligible expense.

- You cannot be reimbursed for Dependent Care Expenses paid to someone you or your spouse can claim as a dependent and, if the person you made payments to was your child, he or she must have been age 19 or older by the end of the year.

- Dependent Care Expenses must be incurred between the period January 1 of the Plan Year through March 15 of the subsequent Plan Year in order to be reimbursed. Dependent care expenses will be deemed to have been incurred during that time if the care services leading to the expenses were performed during that time.

Qualifying Individuals:

- A qualifying individual is:

  - Your dependent under age 13 (but see "Child Of Divorced Or Separated Parents" below), or

  - Your dependent (or a person you could claim as a dependent except that the person has gross income of $2,000 or more) who is physically or mentally unable to care for himself or herself, or

  - Your spouse who is physically or mentally incapable of caring for himself or herself.

Child Of Divorced
Or Separated Parents:

- If you are divorced or separated, your child is a qualifying individual if:

  - You are the custodial parent, and

  - Your child:

    -- was under age 13 or was not able to care for himself or herself,

    -- was in the custody of one or both parents for more than half of the year, and

    -- received more than half of his or her support from one or both parents, and

  - You claim your child as your dependent on your tax return, or you agreed to allow the non-custodial parent to claim the dependency exemption.

Reimbursement Limit:

- You may request reimbursement for Dependent Care Expenses up to $5,000 per year ($2,500 if you are married and file a separate return).

- However, your maximum reimbursement during a calendar year may not be more than:

  - Your earned income (generally your salary) for the year, if you are single at the end of the calendar year, or

  - The smaller of your earned income or your spouse's earned income for the year, if you are married at the end of the calendar year. (See "Student Spouse or Disabled Spouse" below.)

- Dependent Care Expenses incurred after the end of the Plan Year and on or before March 15 of the subsequent Plan Year are first reimbursed from contributions made during the Plan Year (if any remain) and then from contributions made in the subsequent Plan Year.

Student Spouse
Or Disabled Spouse:

- If you are married and, for any month, your spouse is either a full-time student or unable to care for himself or herself, your spouse will be considered to have earned income of $250 a month if there is one qualifying individual in your home, or $500 a month if there are two or more qualifying individuals in your home.

- A full-time student is one who is enrolled at a school during each of 5 calendar months of the calendar year, not necessarily consecutive, for the number of hours considered to be a full-time course of study.

5. What Must I Do to Enroll in the Plan?

Before you can participate in the Plan, you must complete an enrollment form and authorize the employer to set aside some portion of your salary that you elect for dependent care reimbursements under the Plan.

II. OPERATION

1. How Does the Plan Operate?

Before the start of each "Plan Year" as defined below, you will be able to elect to have some of your upcoming salary contributed to the Plan. These contributions will be applied to the reimbursement of eligible dependent care expenses. The portion of your salary that you elect to contribute is not subject to income tax or income tax withholding. In other words, the Plan allows you to use tax-free dollars to pay for benefits, which you would normally pay for with after-tax dollars.

III. CONTRIBUTIONS

1. How Much of My Salary May I Contribute to the Plan?

Each year, you may elect to have the employer contribute to the Plan on your behalf an amount that may be used for reimbursements of eligible dependent care expenses. Your employer will establish a minimum amount and a maximum amount, in accordance with Code limitations. These amounts will be deducted from your salary each pay period on a pro rata basis over the course of the year.

2. How Is My Salary Measured Under the Plan?

Salary under the Plan means the total cash amount that is paid to you each year.

3. What Happens to Contributions That Are Made to the Plan?

Before each Plan Year begins, you will elect the amount that you would like to contribute to the Plan. Then, during each pay period, the contributions will be used to reimburse you for eligible dependent care expenses that you submit for reimbursement.

4. When Must I Decide Whether I Want to Contribute?

Except as described in question 6 below, you may elect to make contributions under the Plan only during the "election period."

5. When Is the Election Period for the Plan?

When you first satisfy the Plan's eligibility requirements and elect to become a participant, and for each Plan Year in which you continue to be a participant, the election period will be established by the Administrator and applied uniformly to all participants. It will normally be the thirty (30) day period following your eligibility to participate, if you are a new participant.

6. May I Change My Elections During the Plan Year?

The decision to participate will be binding for the full Plan Year. You may change this election only under the following circumstances:

(a) You may change your participation election prior to the beginning of each new Plan Year. The election you make will be binding for the new Plan Year. The Administrator also will announce any special enrollment periods that may be applicable under certain circumstances.

(b) You may make a new election under the Plan only if you had a "change in status" and the requested election change is consistent with that change in status. The events that constitute a change in status include the following:

(i) Events that change your legal marital status, including marriage, death of spouse, divorce, legal separation, and annulment.

(ii) Events that change your number of dependents, including birth, death, adoption, and placement for adoption. (Note: Gaining or losing a dependent such as a parent, domestic partner, or child of a domestic partner will not be considered an allowable event for an election change, unless such person is a dependent under Section 152 of the Code).

(iii) Events that change your employment status or the employment status of your spouse or dependents that effect your eligibility for benefits including a termination or commencement of employment, a strike or lockout, a commencement of or return from an unpaid leave of absence or a change in worksite.

(iv) Events that cause your dependent to satisfy or cease to satisfy eligibility requirements for coverage on account of attainment of age, student status, or any similar circumstances.

(v) A change in your place of residence, the place of residence of your spouse or dependent that effect eligibility for benefits under the plan.

For this Plan, the election change is consistent with the status change only if it is on account of and corresponds with a change in status event that affects expenses described in Section 129 of the Code. Please contact the Administrator for more information on changes in status.

7. Are There Any Other Events That Allow Me to Change My Decision to Participate in the Plan That Do Not Fit the Events Listed Above?

IRS regulations allow participants to make a mid-year election change to the Plan for certain "Special Events" that are not specifically addressed in the Changes in Status categories. These events are:

Cost Changes. You may make a new election for the remainder of the year if a cost change is imposed during the year by a dependent care provider who is not your relative (as relative is defined in Section 152(a)(1)-(8) of the Code), provided the increase or decrease of your election is consistent with the change in cost.

Change in Providers. You may make a new election for the availability of dependent care services from the new child care provider (regardless of whether the new provider is a household employee or your family member).

Coverage Change of Another Employer Plan. You may change your election under the Plan if the change is on account of and consistent with a change in another employer's plan and (i) the change is permitted under the cafeteria plan of the other employer or (ii) the periods of coverage under your Plan are different from the periods of coverage under the plan of the other employer.

8. Can I Make a New Election if I Terminate Employment and I am Rehired in the Same Plan Year?

If you terminate employment and are **rehired in less than 30 days**, you will re-enter the Plan with the same election you had before you left. The employer must allow the full target amount. In this case, you do <u>not</u> have to pay the missed premiums, but expenses incurred during the time off are not eligible.

9. May I Make New Elections in Future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. Re-enrollment during the annual open enrollment period in the Plan is required for each calendar year.

10. What is the Impact of the Family and Medical Leave Act?

Notwithstanding any other provision in this Plan, the Administrator may (a) permit a Participant to revoke (and subsequently reinstate) his or her election of one or more benefit coverages under the Plan, (b) adjust a Participant's compensation reduction as a result of a revocation or reinstatement and (c) permit payment of the participant's share of the cost of benefit coverage during an unpaid leave with after-tax dollars (or on a pre-tax basis prior to commencing the leave, or "catch-up" with pre-tax dollars upon returning from leave), to the extent the Administrator deems necessary or appropriate to assure the Plan's compliance with the provisions of the Family and Medical Leave Act of 1993 and any regulation pertaining thereto. You should consult the Administrator if you have any questions.

11. What Happens to My Account if I Still Have a Balance at the End of the Year?

The law requires that under no circumstances will you be entitled to a return or refund of the salary reductions which are not used to pay Dependent Care Expenses. Any amount remaining in your Dependent Care Assistance Account after the last day on which you can submit a claim will be forfeited. IN OTHER WORDS, YOU MUST USE THE ENTIRE AMOUNT IN YOUR DEPENDENT CARE ASSISTANCE ACCOUNT ON OR BEFORE 75 DAYS AFTER THE PLAN YEAR OR YOU LOSE IT. You should carefully calculate the amount of Dependent Care Expenses you will incur. You should probably be conservative regarding the amount by which your salary should be reduced.

You may submit claims for expenses incurred during the Plan Year and up to 75 days after the end of the Plan Year. Expenses incurred after the end of the Plan Year but before 75 days past the end of the Plan Year will be credited first against any contribution in your Account from the Plan Year. There is a 30 day run out after the grace period to submit paper claims for services in the prior plan period.

IV. BENEFITS

1. What Benefits Coverage May I Purchase?

Under the Plan, you may choose to receive your entire salary in cash or use a portion for reimbursement of eligible dependent care expenses, the details of which are included on the election forms furnished by your employer.

2. How Do I File a Claim for Reimbursement of Dependent Care Expenses?

Claims for reimbursement will be processed regularly. You must submit a statement to the Plan Administrator, or a form supplied by the Plan Administrator. Expenses are incurred when the services are performed, not when the expenses are formally billed, charged, or paid.

The Plan Administrator has the right to deny your claim for reimbursement if you do not submit proper claims or fail to establish that the expenses can properly be reimbursed under the terms of the Plan.

V. HIGHLY COMPENSATED AND KEY EMPLOYEES

1. Do Limitations Apply to Those Who Are Highly Compensated?

If you are a highly compensated employee or a key employee as defined by IRS, the amount of your contributions and benefits may be limited so that the Plan as a whole does not unfairly favor those who are highly paid. Federal tax laws provide that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under the Plan.

Plan experience will dictate whether contribution limitations on "highly compensated" employees or "key employees" will apply. You will be notified of these limitations if you are affected.

VI. CLAIMS AND APPEALS PROCESS

1. When will my claim be processed?

Unless special circumstances require an extension of time for processing the claim, the Plan Administrator will make a decision on your claim within 90 days after the claim is received. If an extension is necessary, you shall be given a written notice of the required extension prior to the expiration of the initial 90-day period. The notice shall indicate the circumstances requiring the extension and the date by which the plan Administrator expects to render a decision. In no event may the extension exceed 90 days from the end of the initial period.

If your claim is denied in whole or in part, you shall be notified of the denial in writing. The notice of denial shall contain the following information: (i) the specific reason(s) for the denial; (ii) a reference to the specific provision(s) in the Plan on which the denial is based; (iii) a description of additional material or information necessary to perfect the claim and an explanation of why the material or information is needed; and (iv) an explanation of the procedure to appeal the denial.

If your claim for benefits under the Plan has been denied, in whole or in part, you shall have the right to appeal the denial pursuant to the procedure contained herein. You shall also have the right to examine all pertinent documents in preparation of your appeal.

Your appeal must be in writing and shall state your name and address, the fact that you are disputing the denial of a claim; the date of the notice of denial; and the reason(s), in clear and concise terms, for disputing the denial. The petition shall include any pertinent documentation not already furnished to the Plan Administrator. Your appeal must be delivered to the Plan Administrator within 60 days after receipt of the notice of denial or the date of the presumed denial.

Failure to file a petition for appeal within the 60-day period shall constitute a waiver of your right to appeal the denial. During the 60-day period, you shall have the opportunity to review pertinent documents upon written request to the Plan Administrator and may submit issues or comments in writing.

Unless special circumstances require an extension of time for processing, a decision on appeal shall be made by the Plan Administrator within 60 days after receipt of the appeal. If an extension is necessary, you shall be given a written notice of the required extension prior to the expiration of the initial 60-day period. The notice shall indicate the circumstances requiring the extension and the date by which the Plan Administrator expects to render a decision. In no event may the extension exceed 60 days from the end of the initial period.

You will be advised of the determination on appeal in writing, stating the specific reason(s) for the decision and specific reference(s) to the provision(s) of the Plan on which the decision is based. The decision of the Plan Administrator on appeal shall be final and binding on all parties including you and any person claiming under you.

VII. GENERAL INFORMATION ABOUT THE PLAN

This section contains certain general information which you may need to know about the Plan.

1. General Plan Information

The name of the Plan is William Jewell College Dependent Care Assistance Plan.

Your employer has assigned Plan Identifier DCAP to your Plan.

The provisions of the Plan, as initially adopted or subsequently amended and restated, as the case may be, are effective on 01/01/2018, which is the Effective Date.

Your Plan's records are maintained on a fiscal period known as the Plan Year. The Plan Year means each period beginning on January 1 of each year and ending on the following December 31. The initial plan year shall begin on the Effective Date and end on the following December 31.

2. Employer Information

Your employer's name, address, and identification number are:

William Jewell College
500 College Hill
Campus Box 1017
Liberty, MO 64068-1896

Employer Identification Number (E.I.N.): 44-0545914

3. Plan Administrator Information

The name, title, address, and business telephone number of your Plan's Administrator is:

William Jewell College
500 College Hill
Campus Box 1017
Liberty, MO 64068
816.415.5083

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about the Plan. The Administrator has retained the services of Phillips Resource Network, Inc. ("PRN") to assist the Administrator in administering the Plan. PRN will also answer any questions you may have about the Plan. PRN's toll free phone number is 877-776-7125.

4. Service of Legal Process

The name and address of the Plan's agent for service of legal process (the Plan Administrator) is:

William Jewell College
500 College Hill
Campus Box 1017
Liberty, MO 64068

5. Type of Administration

The type of Administration is Employee administration.

VIII. SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. The Plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

WILLIAM JEWELL COLLEGE

DEPENDENT CARE ASSISTANCE PLAN

SUMMARY PLAN DESCRIPTION

January 1 2018 – December 31 2018

ADDENDUM "A"

A. Contributions

The Maximum Annual Election for Dependent Care Assistance Plan is **$5,000.00.**

B. Claims Submission and Payment

Payouts are to occur on **Friday** of each week during the plan and run out period. Reimbursements are paid weekly and must be submitted by 5:00 pm CT Monday for payout on the following Friday. Claim reimbursements will be made directly to the employee through ACH direct deposit or a check mailed to the Participant's address of record.

Claims can be mailed, faxed or submitted online to PRN at

Phillips Resource Network
PO Box 653
Overland Park, KS 66201-0653

913.261.0083 Fax number

www.phillipsresource.com Participant must login to access online claims entry.
Prns125@phillipsresource.com Scanned claim submissions and questions.

Your plan allows for a Grace Period: You must use your funds on or before 75 days after the plan year. This is an **additional 75 days** to use remaining balances or your balance may be forfeited.

Upon termination of employment, your participation in the Plan will automatically terminate. You can receive reimbursement for eligible dependent care expenses incurred prior to termination. **You will have 60 days following termination to submit a claim**. Any claims submitted after 60 days following termination will not be reimbursed.