

**ADOPTION AGREEMENT
FOR THE
WEX HEALTH INC., A WEX COMPANY, ("WEX"),
MASTER AND PROTOTYPE
HEALTH REIMBURSEMENT ARRANGEMENT
FOR USE ON AND AFTER August 1, 2021**

7. AFFILIATED EMPLOYERS

The following Affiliated Employers (i.e., entities within the Employer's controlled group) will adopt this Health Reimbursement Arrangement as Participating Employers:

- a. N/A
- b. Name of Affiliated Employer(s):

8. PLAN YEAR

The Plan Year shall end on:

- a. December 31
- b. The last day of the month of _____.

TYPE OF HEALTH REIMBURSEMENT ARRANGEMENT

9. HRA CLASSIFICATION

The Health Reimbursement Arrangement shall consist of separate accounts which meet the following classifications:

a. **Integrated HRA.**

HRA integrated with other major medical group health plan coverage with the following specifications:

The HRA will be integrated with (select (1) and/or (2)):

- 1. The Employer's group health plan coverage, and/or
- 2. The group health plan coverage of another employer (such as a spouse's employer's coverage).

The Employer must offer non-HRA group health plan coverage to the Eligible Employees of the Integrated HRA regardless of whether boxes (1) and/or (2) are selected above. Eligible Employees for the Integrated HRA are set forth in Section 10.

The group health plan coverage (select (3) and/or (4)):

- 3. Provides minimum value under IRC Section 36B, and/or
- 4. Does not provide minimum value.

In addition, special rules concerning Dependents also apply to Integrated HRAs. To be a valid Integrated HRA under this subsection 9.a., select one of the following three Dependent integration options:

- 5. **Spouses Only.** Only spouses have coverage under this HRA (only subsection 13.a. is checked). Then, the Participant's spouse (if applicable) must either be enrolled for group health plan coverage under the Participant's employer group health plan or the spouse's employer group health plan; or
- 6. **Dependent Children Only.** Only dependent children have coverage under this HRA (only subsection 13.b. is checked). Then, the Participant's dependent children (to the extent applicable) must be enrolled for group health plan coverage under the Participant's employer group health plan or spouse's or dependent's employer's group health plan; or
- 7. **Spouses and Dependent Children.** Both spouses and dependent children have coverage under this HRA (both subsections 13.a. and 13.b. are checked).

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Then, the Participant's spouse and dependent children (to the extent applicable) must either be enrolled for group health plan coverage under the Participant's employer group health plan or the spouse's or dependent's employer's group health plan.

b. Spend Down HRA.

An HRA that was in existence prior to January 1, 2014 and that consists of the following prior Employer contributions (select (1) and (2) as applicable):

1. Employer contributions credited before January 1, 2013, and
2. Employer contributions credited during 2013 calendar year under the HRA terms in effect on January 1, 2013.

c. Retiree-Only HRA.

An HRA that covers only former employees of the Employer consisting of (select (1), (2) and (3) as applicable):

1. Former employees who are retirees,
2. Former employees who are disabled, and
3. Former employees who have terminated employment.

d. Excepted Benefit Premium Reimbursement HRA.

An HRA that reimburses only individual insurance premiums as follows (select (1) and/or (2) as applicable):

1. The following individual insurance premiums that are considered HIPAA excepted benefits – (i) stand-alone individual dental insurance, (ii) stand-alone individual vision insurance, (iii) non-coordinated, individual insurance coverage for a specified disease or illness, and (iv) non-coordinated, individual insurance coverage that is hospital indemnity or fixed indemnity; and/or
2. If the Employer employs less than 20 employees, Medicare Part B premiums, Medicare Advantage premiums, Medicare Part D premiums and Medicare supplementary coverage (Medigap) premiums.

Note: By selecting reimbursement of Medicare premiums in (2) above and by signing this Agreement, the Employer certifies that it employs less than 20 employees and is exempt from the prohibition on financial and other incentives as set forth in 42 USC Section 1395y(b)(3)(C) and 42 CFR Section 411.103. The Employer is required to inform WEX if this changes at any point in the future. The Employer is solely responsible for complying with any Medicare Secondary Payer rules and regulations.

e. Limited HRA.

An HRA that reimburses certain medical expenses that satisfy the following requirements:

(1) Other major medical group health plan coverage is available from the Employer to the employees covered by the HRA.

(2) Contributions for a year must be used for expenses incurred in the same year or otherwise forfeited. However, for this purpose, the carryover rule of IRS Notice 2013-71

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allowing a carryover of unused amounts of up to \$500 to the following plan year (select only one) –

- Shall apply, or
- Shall not apply.

(3) Contributions for a year are equal to the following (but cannot exceed \$500) –

f. Dental and Vision HRA.

An HRA that reimburses expenses and/or premiums related to dental-only coverage and vision-only coverage, with the following terms (select (1) and/or (2)):

1. Dental-only and Vision-only expenses (as defined in Treas. Reg. Section 54.9831-1(c)(3)(iii)) that otherwise satisfy Code Section 213(d), and/or
2. Premiums for stand-alone individual dental insurance and stand-alone individual vision insurance that otherwise satisfy Code Section 213(d).

g. Excepted Benefit HRA ("EBHRA").

An HRA that reimburses certain medical expenses that satisfy the following requirements:

(1) Other major medical group health plan coverage is available from the Employer to the employees covered by the EBHRA;

(2) Annual contributions to the EBHRA account are limited to (*select only one*) –

- i. The maximum dollar amount for the applicable calendar year, as adjusted by the IRS (for calendar 2020, the maximum dollar amount is \$1,800); or
- ii. A static amount equal to \$ _____ (which is lower than the maximum dollar amount).

Note: If the Employer provides more than one HRA to the same participant(s), the amount made available under all HRAs to such participant(s) shall be aggregated in

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determining whether (2) is satisfied; provided that HRAs under Sections 9(c), 9(d), 9(e) and 9(f) shall not be included.

(3) The HRA reimburses medical expenses and premiums in accordance with the rules set forth in Section 16; and

(4) The HRA is made available to all similarly-situated individuals regardless of a health factor as set forth in Section 10 and Section 13.

Note: The following groups can be treated as similarly situated – full-time, part-time, date of hire, geographic location, union status, length of service, and beneficiaries as a group separate from participants.

h. After-Tax Reimbursement Account.

A reimbursement account that reimburses expenses (but not major medical individual insurance premiums), but only if the reimbursements are treated as taxable compensation to the Eligible Employee pursuant to the rules and procedures of the Employer.

Note: The Employer is solely responsible for determining the amount of taxable compensation and the rules and procedures of how and when to treat reimbursements as taxable compensation.

i. TRICARE Health Reimbursement Account.

An HRA that is integrated with TRICARE coverage under the terms of IRS Notice 2015-17 with the following specifications:

- (1) The employer offers group major medical coverage to its TRICARE-eligible employees (other than the HRA) and such coverage provides minimum value under IRC Section 36B;
- (2) Employees participating in the HRA are also enrolled in TRICARE;
- (3) The HRA is only available to employees who are also enrolled in TRICARE; and
- (4) The Employer employs less than 20 employees.

Note: By signing this Agreement, the Employer certifies that it employs less than 20 employees and is exempt from the prohibition on financial and other incentives as set forth in 32 CFR Section 199.8. The Employer is required to inform WEX if this changes at any point in the future. The Employer is solely responsible for complying with any TRICARE rules and regulations.

j. Qualified Small Employer Health Reimbursement Arrangement ("QSEHRA").

A QSEHRA is a health reimbursement arrangement that satisfies the following specifications:

- (1) The Employer is not an "applicable large employer" determined pursuant to the rules set forth in Code Section 4980H(c)(2) and guidance related thereto (generally this

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means that the Employer must employ less than 50 full-time and full-time equivalent employees in the prior calendar year);

- (2) The Employer does not offer a group health plan (as defined in IRC Section 5000(b), including medical, dental, vision and supplemental health indemnity) to any of its employees (not including former employees and/or retirees);
- (3) Only the Employer makes contributions to the QSEHRA as limited by Section 14.f.;
- (4) Reimbursements are limited to the types of expenses set forth in Section 16.k.;
- (5) Reimbursements are only made to Eligible Employees who provide proof of minimum essential coverage (e.g., major medical coverage), including dependents for whom reimbursement is requested; and
- (6) The QSEHRA is offered to all Eligible Employees as set forth in Section 10.f.

Note: The Employer is solely responsible for complying with the income exclusion rules under Code Section 106(g) and the notice requirements of Code Section 9831(d)(4). However, the Summary Plan Description includes a discussion of the notice provisions and related subsidy rules for a QSEHRA.

k. Individual Coverage HRA ("ICHRA").

An HRA that reimburses certain medical expenses and satisfies the following requirements:

- (1) ICHRA participants and covered dependents are enrolled in individual health insurance coverage that complies with the requirements of Public Health Services Act Sections 2711 and 2713.
- (2) If an ICHRA is offered to a class of employees, the employer may not offer traditional group health plan coverage to the same class of employees. Traditional group health plan coverage is any group health plan, other than an account-based group health plan or a group health plan that provides only excepted benefits (but not an EBHRA under Section 9.g.). *Note:* An ICHRA and an EBHRA cannot be offered to the same class of employees.
- (3) The ICHRA is offered to all Eligible Employees within certain defined classes as set forth in Section 10.
- (4) The Employer makes annual contributions to the ICHRA pursuant to the rules set forth in Section 14.
- (5) ICHRA reimbursements are limited to the types of expenses set forth in Section 16.
- (6) Reimbursements are only made to Eligible Employees who provide proof of enrollment in individual health insurance coverage for the month in which the medical expenses were incurred.
- (7) The ICHRA offers participants an opportunity to opt out of all future reimbursements on behalf of the participant and all eligible dependents during the following time periods –

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(i) for continuing employees, before the beginning of each plan year; (ii) for new hires during the year, prior to when ICHRA coverage would begin; and (iii) for all employees, upon termination of employment.

(8) Each ICHRA participant receives a notice based on the frequency and content requirements set forth in Treas. Reg. § 54.9802-4(c)(6) and DOL Reg. § 2510.3-1(l)(5).

(9) The ICHRA will be compatible with health savings accounts ("HSA") as follows (select only one) –

- i. The ICHRA will not be compatible with HSAs.
- ii. The ICHRA will be compatible with HSAs by not reimbursing eligible expenses until the applicable HSA deductible has been satisfied for the applicable plan year.
- iii. The ICHRA will offer eligible employees a choice between an HSA-compatible ICHRA and an ICHRA that is not HSA-compatible.

ELIGIBILITY REQUIREMENTS

10. ELIGIBLE EMPLOYEES

- a. **Integrated HRA.** If this is an Integrated HRA under Section 9.a., only those employees (if any) enrolled in the other non-HRA group health plan coverage can be eligible for the HRA. In this regard, the following employees are eligible for such an HRA:
- 1. Employees enrolled in the Employer's group health plan coverage;
 - 2. Employees enrolled in the Employer's group health plan coverage or the group health plan coverage of another employer (such as a spouse's or dependent's employer);
 - 3. Employees enrolled in the group health plan coverage of another employer (such as a spouse's or dependent's employer); or
 - 4. Employees are not eligible to participate. Only eligible spouses and dependents may participate as set forth in Item 13.
- b. **Retiree Only HRA.** This is a retiree-only HRA under Section 9.c. of this Adoption Agreement and the following classifications are eligible:
- _____
- _____
- c. **EBHRA.** This is an EBHRA under Section 9.g., and the following employees are eligible (select all that apply):
- 1. Full-time employees working more than ___ hours per week.
 - 2. Part-time employees working between ___ and ___ hours per week.
 - 3. Employees in the following geographic locations: _____
 - 4. Employees hired after the following date: _____
 - 5. Employees with more than the following length of service: _____
 - 6. Union employees: _____
 - 7. Dependents (selected under Section 13) as a group separate from employees
 - 8. Other: _____

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- d. **TRICARE HRA.** This is a TRICARE HRA under Section 9.i. of this Adoption Agreement and HRA is only available to those employees who are enrolled in TRICARE and satisfy the requirements of Section 9.i.
- e. **QSEHRA.** This is a QSEHRA under Section 9.j. of this Adoption Agreement and all employees (other than former employees and/or retirees) of the Employer are considered Eligible Employees except for the following exclusions (*check all that apply*):
1. Employees who have not completed 90 days of service with the Employer.
 2. Employees who have not attained age 25.
 3. Part-time and seasonal employees (as defined in Code Section 105(h) and guidance related thereto).
 4. Employees covered by a collective bargaining agreement.
 5. Employees who are non-resident aliens who receive no US-source income.
- f. **ICHRA.** This is an ICHRA under Section 9.k. and the following employees are eligible (*select all that apply*):
1. Full-time employees (*select only one*) –
 - i. As defined in IRC 4980H, or
 - ii. As defined in IRC 105.
 2. Part-time employees (*select only one*) –
 - i. Who are not full-time employees, as defined in IRC 4980H, or
 - ii. Who are not full-time employees, as defined in IRC 105.
 3. Employees paid on a salaried basis.
 4. Employees who are not paid on a salaried basis (hourly employees).
 5. Seasonal employees (*select only one*) –
 - i. As defined in IRC 4980H, or
 - ii. As defined in IRC 105.
 6. Union employees: _____
 7. Employees who are within the same geographical area: _____
 8. _____
Employees who are within two or more classes noted herein as follows:
 9. Other: _____
 10. All employees are eligible – no exclusions.

Note: If the Employer offers a traditional group health plan to one or more classes of employees and offers an ICHRA to one or more other classes of employees, then a minimum class size requirement may apply to the classes of employees that are offered an ICHRA. The Employer is solely responsible for determining its compliance with an applicable minimum class size requirement for the classes of employees selected above.

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11. WAITING PERIOD

Any Eligible Employee will be eligible to participate in the Health Reimbursement Arrangement upon satisfaction of the following waiting period:

- a. Same waiting period as Employer's (or if applicable, spouse's) major medical coverage (NOTE: If this is an Integrated HRA under Section 9.a. of this Adoption Agreement, this subsection a is the only choice that can apply.)
- b. Date of hire or attainment of Eligible Employee status (no waiting period) (NOTE: If this is a QSEHRA under Section 9.j. of this Adoption Agreement, this subsection b is the only choice that can apply. To exclude new hires for the first 90 days, select Section 10.f.1. above.)
- c. _____ months after date of hire
- d. 90 days after date of hire.
- e. _____ days after date of hire
- f. Other: _____

Note: Section 11(b) or 11(d) is recommended for an ICHRA.

12. EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee who has satisfied the eligibility and waiting period requirements of Items 10 and 11 will become a Participant on:

- a. the same day as the Employer's major medical coverage. (NOTE: If this is an Integrated HRA under Section 9.a. of this Adoption Agreement, this subsection a is the only choice that can apply.)
- b. the day on which such requirements are satisfied (NOTE: If this is a QSEHRA under Section 9.j. of this Adoption Agreement, this subsection b is the only choice that can apply).
- c. the first day of the month coinciding with or next following the date on which such requirements are satisfied.
- d. the first day of the calendar quarter coinciding with or next following the date on which such requirements are satisfied.
- e. the first day of the pay period coinciding with or next following the date on which such requirements are satisfied.
- f. Other: _____

Note: If this an ICHRA, please consider the ACA 90-day enrollment rule when making your selection.

13. DEPENDENTS

NOTE: If this is an Integrated HRA under Section 9.a., see the special rules in Section 9.a.5. thru 9.a.8.

The HRA will cover the following dependents (*select all that apply*):

- a. Legal spouses
- b. Biological children, adopted children, stepchildren and eligible foster children who have not attained the age of 26. (NOTE: If this is an Integrated HRA under Section 9.a. or a Spend Down HRA under Section 9.b., this subsection b. must apply.)
- c. Any other individuals who are Federal tax dependents of the Employee.
- d. Any of the following individuals (but who are also Federal tax dependents of the Employee): _____

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Note: For compliance with Code Section 4980H, subsection 13(b) is recommended for an ICHRA.

BENEFITS

14. HRA CONTRIBUTIONS

The Employer will contribute to each Participant's HRA Account the following amount based on the frequency selected:

- a. \$ _____ per month on the first day of the month
- b. \$ _____ per quarter on the first day of each calendar quarter
- c. \$ _____ per plan year on the first day of each plan year
- d. This is a Spend Down HRA under Section 9.b. of this Adoption Agreement, and no additional contributions can be made.
- e. This is a Limited HRA under Section 9.e. of this Adoption Agreement, and contributions are limited as set forth in Section 9.e.
- f. This is a QSEHRA under Section 9.j. of this Adoption Agreement and contributions are as follows (NOTE: Annual contributions cannot be greater than the applicable limit set forth in Code Section 9831(d)(2)(B)(iii), as adjusted. Contributions begin for the calendar month beginning after the effective date of participation.):
 - 1. \$ _____ per month for each Eligible Employee, or
 - 2. \$ _____ per month for each Eligible Employee and his/her Covered Dependents.

The amount above will be different based on the variation in the price of a major medical policy based on age or number of family members as follows, provided, that annual contributions cannot be greater than the applicable limit set forth in Code Section 9831(d)(2)(B)(iii):

g. X Other: Annual contribution on 1/1, based on the coverage level as follows: Employee: \$240, EE+One: \$480, Family: \$720

- h. This is an EBHRA under Section 9(g) and annual contributions are limited as set forth in Section 9(g), but are made based on the following frequency (select only one):
 - 1. Annually on the first day of the year;
 - 2. Quarterly on the first day of each calendar quarter; or
 - 3. Monthly on the first day of each month.

Note: If this is an ICHRA and the Employer is using the ICHRA to satisfy the shared responsibility rules under Code Section 4980H, the Employer is solely responsible for determining the correct amount of contributions to satisfy such rules, including satisfying the affordability and minimum value safe harbors for ICHRAs.

15. ANNUAL DEDUCTIBLE THRESHOLD

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For each Plan Year, HRA Account contributions cannot be accessed and are not available to HRA Participants prior to the date during the Plan Year that the HRA Participant satisfies the applicable Annual Deductible Threshold based on the following criteria:

- a. No Annual Deductible Threshold applies. *Note: If this box is checked, skip to Section 16.*
NOTE: If this is an Excepted Benefit Premium Reimbursement HRA under Section 9.d., a Limited HRA under Section 9.e., a Dental or Vision HRA under 9.f., an EBHRA under Section 9.g., an After-Tax Reimbursement Account under Section 9.h., a TRICARE HRA under Section 9.i., a QSEHRA under Section 9.j., or an ICHRA under Section 9.k., this subsection (a) must be selected.
- b. Annual Deductible Threshold does apply. The Annual Deductible Threshold is calculated based on the following expenses:
1. Eligible claims filed under the coverage or policy associated with the HRA; or
 2. All Qualifying Medical Expenses.
- c. The Annual Deductible Threshold is as follows:
1. A \$_____ Annual Deductible Threshold applies for all Participants, regardless of the level of coverage selected.
 2. An Annual Deductible Threshold applies based on the major medical level of coverage selected by the Participant as follows:
 - \$_____ Single
 - \$_____ Single Plus Dependent
 - \$_____ Family
 - \$_____ (other – please define)_____
 - \$_____ (other – please define)_____
 3. A multi-tiered Annual Deductible Threshold applies as follows:
 - (i) On the first \$_____ of the Annual Deductible Threshold, the HRA reimburses _____ % of eligible HRA claims;
 - (ii) From \$_____ to _____ of the Annual Deductible Threshold, the HRA reimburses _____ % of eligible HRA claims; and
 - (iii) Amounts greater than \$_____ of the Annual Deductible Threshold, the HRA reimburses _____ % of eligible HRA claims.
 4. A multi-tiered Annual Deductible Threshold applies as follows:
 - (i) For amounts less than \$_____ of the Annual Deductible Threshold, the HRA reimburses 0% of eligible HRA claims;
 - (ii) For amounts greater than \$_____ but less than \$_____ of the Annual Deductible Threshold, the HRA reimburses _____ % of eligible HRA claims; and
 - (iii) For amounts greater than \$_____ of the Annual Deductible Threshold, the HRA reimburses _____ % of eligible HRA claims.

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16. QUALIFYING MEDICAL EXPENSES

The following expenses will be considered as Qualifying Medical Expenses under the HRA:

- a. **Integrated HRA.** This is an Integrated HRA under Section 9.a.:
1. The non-HRA group health plan coverage is providing minimum value (box 9.a.3 is checked). In that case, Qualifying Medical Expenses will be limited to any medical expenses under IRC 213(d) (excluding any individual insurance premiums and employer group health plan premiums paid on a pre-tax basis).

AND/OR

2. The non-HRA group health plan coverage is not providing minimum value (box 9.a.4 is checked). In that case, Qualifying Medical Expenses will be limited to co-payments, co-insurance, and deductibles under the non-HRA group health plan coverage, plus other IRC 213(d) expenses (excluding any individual insurance premiums and employer group health plan premiums paid on a pre-tax basis) that are not considered essential health benefits.

AND/OR

3. This type of HRA will also reimburse a spouse's employer group health plan premiums, as long as those premiums are paid by the spouse on an after-tax basis and are properly substantiated as determined by the Claims Administrator.

- b. **Integrated HRA.** This is an Integrated HRA under Section 9.a. that is either providing minimum value or not providing minimum value. Qualifying Medical Expenses will be limited to the following (*indicate all that apply*):

- Medical deductible paid under the applicable employer group health plan;
- Medical co-insurance paid under the applicable employer group health plan;
- Medical co-pays paid under the applicable employer group health plan; and/or
- Pharmacy deductibles, co-insurance and/or co-pays paid under the applicable employer group health plan.

- c. **Spend Down HRA.** This is a Spend Down HRA under Section 9.b. Qualifying Medical Expenses will be limited to any medical expenses under IRC 213(d) based on Internal Revenue Service guidance and rules in effect on December 31, 2013, as determined by the Claims Administrator.

- d. **Retiree-Only HRA.** This is a Retiree-Only HRA under Section 9.c. Qualifying Medical Expenses will be limited to any medical expenses under IRC 213(d) (including any major medical individual insurance premiums, stand-alone dental and/or vision premiums, Medicare Part B premiums, Medicare Advantage premiums, Medicare Part D premiums, and Medicare supplemental insurance premiums; but excluding employer group health plan premiums).

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- e. **Excepted Benefit Premium Reimbursement HRA.** This is an Excepted Benefit Premium Reimbursement HRA under Section 9.d. Qualifying Medical Expenses are limited to individual insurance premiums described in Section 9.d.
- f. **Limited HRA.** This is a Limited HRA under Section 9.e. Qualifying Medical Expenses will be limited to any medical expenses under IRC 213(d) (excluding any individual insurance premiums, Medicare premiums and employer group health plan premiums).
- g. **Dental and Vision HRA.** This is a Dental and Vision HRA under Section 9.f. Qualifying Medical Expenses are limited to reimbursement of IRC 213(d) expenses that are dental and/or vision expenses or premiums for dental and/or vision insurance as limited by Section 9.f.
- h. **EBHRA.** This is an EBHRA under Section 9.g. Qualifying Medical Expenses are limited to reimbursement of IRC 213(d) expenses, including COBRA continuation coverage premiums, premiums for coverage consisting solely of HIPAA excepted benefits (including (i) stand-alone individual dental insurance, (ii) stand-alone individual vision insurance, (iii) non-coordinated, individual insurance coverage for a specified disease or illness, and (iv) non-coordinated, individual insurance coverage that is hospital indemnity or fixed indemnity); and premiums for short-term limited-duration insurance coverage as defined in Treas. Reg. § 54.9801-2 (unless otherwise restricted for small employers by applicable HHS guidance). Premiums for individual health coverage, Medicare, and group health plan coverage may not be reimbursed.
- i. **After-Tax Reimbursement Account.** This is an After-Tax Reimbursement Account under Section 9.h. Qualifying Medical Expenses are limited to the following (*select all that apply*):
 - 1. Individual insurance premiums for ACA excepted benefits only.
 - 2. Any Code Section 213(d) expense (excluding individual insurance premiums and employer group health plan premiums).
- j. **TRICARE HRA.** This is a TRICARE HRA under Section 9.i. Qualifying Medical Expenses are limited to the following, as long as they satisfy Code Section 213(d) (*select all that apply*):
 - 1. Cost sharing under the TRICARE plan (deductible, copays and coinsurance).
 - 2. Individual insurance premiums for TRICARE supplemental coverage.
 - 3. Individual insurance premiums for ACA excepted benefit coverage.
 - 4. Actual expenses incurred for services or supplies that are excepted benefits.
- k. **QSEHRA.** This is a QSEHRA under Section 9.j. Qualifying Medical Expenses include major medical insurance premiums of the Eligible Employee regardless of whether the insurance was purchased on the Exchange or elsewhere, plus the following (*select all that apply*):

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1. Major medical insurance premiums for Covered Dependents.
2. Other health insurance premiums (such as dental and vision premiums) of the Eligible Employee and/or Covered Dependents.
3. Any other Code Section 213(d) expense of the Eligible Employee and/or Covered Dependents.

Notwithstanding the above, a QSEHRA cannot reimburse any health insurance coverage premiums or premium equivalents to the extent the premiums or premium equivalents were paid on a pre-tax basis. The QSEHRA will not reimburse individual insurance premiums for a specified disease or illness, individual insurance indemnity premiums, and/or accident premiums.

- I. **ICHRA.** This is an ICHRA under Section 9.k. Qualifying Medical Expenses are limited to reimbursement of the following expenses (*select all that apply*) –
 1. Individual major medical insurance premiums
 2. Medicare and Medicare Supplemental insurance premiums
 3. Any other Code Section 213(d) expense not set forth in (1) and (2).

Notwithstanding the above, an ICHRA cannot reimburse any health insurance coverage premiums or premium equivalents to the extent the premiums or premium equivalents were paid on a pre-tax basis (such as through the employer's cafeteria plan). An ICHRA will not reimburse premiums or premium equivalents for group health plan coverage.

For employers subject to the Medicare Secondary Payor (MSP) rules, the ICHRA may not limit reimbursement of medical expenses to expenses not covered by Medicare.

An Employer may limit or expand the provisions set forth above in this Section 16 for a particular type of HRA, as long as such limitations or expansions comply with applicable law as determined by the Claims Administrator. Explain the limitations or expansions as follows:

17. HEALTH FLEXIBLE SPENDING ARRANGEMENT

If the Employer maintains a health flexible spending arrangement, claims will be processed in the following order:

- a. Health FSA expenses will be processed first.
- b. HRA expenses will be processed first.
- c. Not applicable – no health FSA. (If this is a QSEHRA under Section 9.j., only Item 17.c. applies.)

**ADOPTION AGREEMENT
FOR THE
WEX HEALTH INC., A WEX COMPANY, ("WEX"),
MASTER AND PROTOTYPE
HEALTH REIMBURSEMENT ARRANGEMENT
FOR USE ON AND AFTER August 1, 2021**

18. CLAIMS FOR REIMBURSEMENT MUST BE FILED WITHIN

a. ___90___ days following each plan year

AND,

For Participants who terminate employment, will a different filing deadline apply?

b. Yes, ___90___ days following termination of employment

c. No

19. CARRY FORWARD

Amounts not used by the end of a Plan Year shall:

a. Carry forward to the next Plan Year.

b. Carry forward to the next Plan Year, subject to the following limitations or restrictions:
_____ only \$5,000 can be used to carry forward

c. Shall forfeit as of the end of the Plan Year

NOTE 1: If this is a Limited HRA under Section 9.e., amounts must forfeit as of the end of each Plan Year, subject to the carryover rule listed in Section 9.e.

NOTE 2: If this is an Integrated HRA under Section 9.a. or an ICHRA under Section 9.k. and this Section 19.c. forfeiture is selected, the annual waiver requirement does not apply (except in mid-year qualifying event or new hire situations).

Note: If this is a QSEHRA under Section 9.j. and either Item 19.a. or 19.b. is selected, any carry forward amount when added to the current year's benefit under Item 14.f. must not exceed the applicable year's maximum benefit in Code Section 9831(d)(2)(B)(iii). The carry forward amount will be automatically reduced so that the carry forward amount together with the current year's benefit under Item 14.f. does not exceed the applicable year's maximum benefit.

20. SPEND DOWN

After HRA eligibility terminates (e.g., termination of employment, retirement):

a. Any unused amounts in an HRA Account will forfeit.

NOTE: If this is an Integrated HRA under Section 9.a. or an ICHRA under Section 9.k., selecting a forfeiture means that the termination waiver rule does not apply.

b. Any unused amounts in an HRA Account will continue to be eligible for reimbursement.

c. Any unused amounts in an HRA Account will continue to be eligible for reimbursement for retirees.

d. Any unused amounts in an HRA Account will continue to be eligible for reimbursement for those Employees or individuals who satisfy the following conditions: _____ retirees are eligible, active participants have 90 days to submit claims after the plan year end date _____

_____, and for all other Employees or individuals unused amounts shall forfeit once HRA eligibility terminates.

**ADOPTION AGREEMENT
FOR THE
WEX HEALTH INC., A WEX COMPANY, ("WEX"),
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HEALTH REIMBURSEMENT ARRANGEMENT
FOR USE ON AND AFTER August 1, 2021**

APPLICATION OF OTHER LAWS

21. FAMILY AND MEDICAL LEAVE ACT

FMLA generally applies to Employers who have 50 or more employees in the preceding or current calendar year. (The Employer is required to inform WEX if this provision changes for any future calendar year.)

- a. FMLA applies.
- b. FMLA does not apply.

22. COBRA

COBRA generally applies to Employers who have 20 or more employees in the preceding calendar year. (The Employer is required to inform WEX if this provision changes for any future calendar year.)

- a. COBRA applies.
- b. COBRA does not apply.
- c. COBRA does not apply because this is a QSEHRA.

This Adoption Agreement may be used only in conjunction with the WEX Master and Prototype Health Reimbursement Arrangement. This Adoption Agreement and the WEX Master and Prototype Health Reimbursement Arrangement shall together be known as the Health Reimbursement Arrangement or HRA.

To the extent, the Employer selects an ICHRA, EBHRA or QSEHRA as set forth in this Adoption Agreement, the Employer automatically certifies that the Employer satisfies the Code requirements to sponsor an ICHRA, EBHRA or QSEHRA, as applicable. WEX shall not be responsible for determining whether the Employer satisfies any of the Code requirements of an ICHRA, EBHRA or QSEHRA.

Grande Cheese Company

Name of Employer

By: Kelsey Van Ark

Printed Name: Kelsey Van Ark

Title: Benefits Manager

Signature Date: 5/3/24