

**EMPLOYERS RESOURCE MANAGEMENT COMPANY
PREMIUM PAYMENT PLAN**

PLAN NUMBER: 501

As Amended and Restated
Effective January 1, 2009

TABLE OF CONTENTS

INTRODUCTION.....	3
SECTION 1—DEFINITIONS	3
SECTION 2—ELIGIBILITY	5
SECTION 3—OPTIONAL BENEFITS	5
SECTION 4—PLAN ADMINISTRATION	7
SECTION 5—CLAIMS AND APPEALS PROCEDURE	8
SECTION 6—MISCELLANEOUS	8
SECTION 7—PLAN INFORMATION.....	9

INTRODUCTION

Employers Resource Management Company (“Employer”) established the Employers Resource Management Company Premium Payment Plan (the “Plan”) as of January 1, 1991 for the benefit of its eligible Employees. The Plan has been amended from time to time and is now restated, effective January 1, 2009.

This document sets forth the provisions that constitute the Plan. It is intended to help you understand your benefits. Please read it carefully. Technical terms are capitalized and described in Section 1 (Definitions). The purpose of the Plan is to provide eligible employees the option of electing certain benefits and to pay for them on a tax-favored basis. Employee contributions for coverage under the Employer’s medical plan (the “Health Plan”), as well as contributions for other benefits made available by the Employer from time to time, are made through voluntary pre-tax salary reductions as permitted by this Plan. The Plan is intended to qualify as a “cafeteria plan” under Section 125 of the Internal Revenue Code of 1986, as amended (the “Code”) and is intended to be interpreted in a manner consistent with the requirements of the Code.

SECTION 1—DEFINITIONS

- 1.01 “Adoption Agreement” (also referred to as the Benefits Addendum, and part of the full Client Service Agreement) means the document by which a Co-Employer adopts this Plan as permitted from time to time by the Employer, the provisions of which Adoption Agreement apply separately to each Co-Employer. When an Adoption Agreement is in place, it is hereby incorporated by reference into this document and is part of the Plan, and it will control certain Plan terms including but not limited to benefits and eligibility.
- 1.02 “Annual Open Enrollment Period” means a period prior to each Plan Year designated by the Plan Administrator during which you are provided appropriate enrollment forms and the opportunity to make or alter your benefit elections under the Plan.
- 1.03 “Change in Status” means any of the following events (as well as any other events included under subsequent changes to Internal Revenue Code Section 125 or accompanying regulations that the Employer, in its sole discretion, decides to recognize on a uniform and consistent basis):
- a) Legal Marital Status: A change in the Participant’s legal marital status, including marriage, death of a spouse, divorce, legal separation, or annulment;
 - b) Number of Eligible Dependents: Events that change the Participant’s number of eligible children dependents, including birth, death, adoption, a child being Placed for Adoption, and receiving legal guardianship;

- c) **Change in Employment Status:** Any change in the Participant’s employment status, or the employment status of the Participant’s eligible dependents, that affects benefit eligibility under this Plan or a benefit plan of the eligible dependent, such as: termination or commencement of employment, a change in worksite, switching from salaried to hourly-paid or vice-versa, incurring a reduction or increase in hours of employment (e.g., going from part-time to full-time), or any other similar change which makes the person become or cease to be eligible for benefits under such plans.
 - d) **Dependent Eligibility Requirements:** An event that causes a previously eligible dependent child to satisfy or cease to satisfy the dependent eligibility requirements of the Plan or a benefit plan of the dependent child, such as due to attaining a specified age, getting married, or ceasing to be a student;
 - e) **Change in Residence:** A change in the Covered Person’s place of residence; and
 - f) **Other Events:** Such other events that the Plan Administrator determines will permit a change or revocation of an election, or commencement of participation under applicable law.
- 1.04 “Code” means the Internal Revenue Code of 1986, as amended.
- 1.05 “Co-Employer” means an Employer which adopts this Plan pursuant to an executed and accepted Adoption Agreement.
- 1.06 “Compensation” means wages, salary and other remuneration paid to a Participant but does not include any amounts contributed to an Employer retirement plan or any other fringe benefits or medical benefits provided to you by your Employer.
- 1.07 “Covered Person” is an Employee who is enrolled under this Plan.
- 1.08 “Employee” means a person who is a regular employee of the Employer on the Employer’s W-2 payroll. It does not include any person classified by the Employer as a leased employee, contract worker, independent contractor, or temporary employee, whether or not any such persons are on the Employer’s W-2 payroll or are determined by the IRS or others to be common-law employees of the Employer.
- 1.09 “Employer” means Employers Resource Management Company, its Affiliates, or a co-employer.
- 1.10 “Health Plan” means the medical plan currently offered by Employers Resource Management Company.
- 1.11 “Participant” means an Employee who has met the requirements for eligibility and is participating in the Plan.

- 1.12 “Placed for Adoption” refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, and who has not attained the age of eighteen (18) as of the date of such placement for adoption. The Participant must have assumed a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.
- 1.13 “Plan” means the Employers Resource Management Company Premium Payment Plan.
- 1.14 “Plan Administrator” means the Employers Resource Management Company.
- 1.15 “Plan Year” means the twelve-month period beginning January 1 and ending December 31.

SECTION 2—ELIGIBILITY

- 2.01 Employee Eligibility. As an Employee, you are eligible to participate in the Plan when you are eligible to participate in other full-time active employee benefits offered by the Employer (generally when you are regularly scheduled to work at least thirty (30) hours per week).
- 2.02 Termination of Participation. You and any eligible dependents will cease to participate in the Plan or a particular benefit option of the Plan as of the earliest of the following:
- a) the last day of the month in which your employment terminates;
 - b) the last day of the month in which your election to participate expires;
 - c) the day this Plan terminates; or
 - d) the day a particular benefit option terminates or is no longer offered under the Plan.

SECTION 3—OPTIONAL BENEFITS

- 3.01 Benefit Choices.
- a) If eligible, you may choose under this Plan to receive your full Compensation for any Plan Year in cash or to have a portion of it applied by the Employer toward the cost of coverage made available to you from time to time under various benefit options as reflected on an official election form, which may or may not include:

- 1) Coverage under the Health Plan (as described in the health plan document).
 - 2) Coverage under life insurance up to \$50,000.
 - 3) Vision coverage.
 - 4) Dental coverage.
 - 5) Other benefits that may be offered for purchase pre-tax as allowed by the Code and specifically by Section 125 of the Code.
- b) The terms governing each of these benefit options are described in the applicable plan summaries or other plan materials available from the Employer.
- 3.02 Election of Benefits. If eligible, you may elect any, all or none of the benefits described in Section 3.01(a). As part of electing any of the benefits described in Section 3.01(a), you must execute an agreement on-line and/or complete and sign an employee election form provided by the Employer to reduce your taxable income.
- 3.03 Election Procedure. The Employer will establish an Annual Open Enrollment Period, during which you must complete and return the provided election form(s).
- 3.04 New Participants. If you become eligible during the Plan Year, you must execute the applicable election form(s)/on-line enrollment and submit them to the Employer within 31 days after becoming eligible. Your election is effective with the first pay period applicable to your effective date of coverage.
- 3.05 Absence of Election. With respect to the benefit options described in Section 3.01(a), your failure to return a completed election form by the required date generally is an election not to voluntarily reduce your taxable income and not to participate in the applicable benefit option for that Plan Year. However, once you have made an election for the benefit option described in Section 3.01(a)(1) (pre-tax payment for Health Plan coverage), your failure to complete a new election form for a subsequent Plan Year will be treated as an election to continue to participate on the same basis as the prior Plan Year, provided plans continued to be offered on the same basis.
- 3.06 Changing Your Elections. Please choose your benefit elections carefully, because in most cases your choices will remain in effect until the end of the Plan Year. You usually will not be able to change them. This rule is a requirement of federal tax law. There are several exceptions to this rule. Subject to the limitations described in each applicable subsection below, you may change your benefit elections during the year under the following limited circumstances.

- (a) *Change in Status.* If you experience a Change in Status, any resulting benefit election changes must be made within 31 days of the Change in Status and must be “consistent” with the Change in Status. This “consistency” requirement means: a) the Change in Status must result in you or your dependent losing eligibility under the Plan or another group plan; and b) the election change must correspond with that gain or loss of eligibility.
- (b) *Certain Judgments, Decrees, or Orders.* If a judgment, decree, or order resulting from a divorce, legal separation or annulment results in a change in legal custody of, or the required provision of health coverage for, your Dependent child(ren), you may make a corresponding change in your health benefit elections (payment of Health Plan coverage) within 31 days of receiving the judgment, decree or order.
- (c) *Entitlement to Medicare, Medicaid.* If you or your Dependent become(s) entitled to Medicare, Medicaid or other government-sponsored health program or if you or your Dependent who has been entitled to Medicare or Medicaid or other government-sponsored health program lose(s) eligibility for such, you may make a corresponding change in your election for health benefits (payment of Health Plan coverage). You must request applicable election changes within 31 days of your notification of the change.

SECTION 4—PLAN ADMINISTRATION

- 4.01 Plan Administrator. The Plan Administrator is responsible for administration of the Plan and shall have the exclusive right to interpret the Plan and to decide all matters arising under the Plan, including determinations regarding eligibility for benefits, construction of the terms of the Plan, and resolution of possible ambiguities, inconsistencies, or omissions. All determinations of the Plan Administrator or its designee with respect to any matter on which it has the power, duty, and/or authority to act shall be made by it in its sole discretion and shall be conclusive and binding on all persons. In addition, the Plan Administrator may:
- a) prescribe forms, rules, policies and procedures for the purpose of administration of the Plan; and
 - b) appoint such agents, attorneys, accountants, service providers and consultants or other person(s) as it may deem necessary or desirable in connection with the administration of the Plan.

- 4.02 Plan Must Be Nondiscriminatory. The Plan is intended not to discriminate in favor of highly compensated individuals as to eligibility to participate or the receipt of benefits, and is intended to comply in this respect with the requirements of the Code. The Plan Administrator is authorized to take such actions that, in its sole discretion, are necessary to assure such compliance. Such actions may include, without limitation, a modification of the elections for highly compensated employees.

SECTION 5—CLAIMS AND APPEALS PROCEDURE

- 5.01 Health Plan. The applicable claims and appeals procedures for the Health Plan and for the other benefits available for selection under this Plan are set forth in the applicable governing documents.

SECTION 6—MISCELLANEOUS

- 6.01 Information. The Plan Administrator may require you to supply such information and sign such documents as are necessary to implement the Plan.
- 6.02 Idaho Law. The laws of the State of Idaho will determine all questions arising with respect to the provisions of the Plan except to the extent superseded by federal law or to the extent the benefits available under this Plan are insured and subject to state insurance laws as applicable to the various policies.
- 6.03 Rights to Employer's Assets. No Participant or beneficiary has any right to, or interest in, any assets of the Employer upon termination of employment or otherwise, except as provided from time to time under the Plan. The Employer will make all payments of benefits under the Plan solely from the assets of the Employer and the Plan Administrator is not liable for payment of benefits in any manner.
- 6.04 Non-alienation of Benefits. Except as specifically provided under the Health Plan, benefits payable under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary, including any such liability which is for alimony or other payments for the support of a spouse or former spouse, or for any other relative of the Participant, unless pursuant to court order, prior to actual receipt by the person entitled to the benefit under the terms of the Plan; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable under the Plan, is void. The Employer is not in any manner liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any person entitled to benefits under the Plan.

- 6.05 Employment Not Guaranteed. Nothing contained in the Plan, or any modification or amendment to the Plan, or in the creation of any account, or the payment of any benefit, gives you or your beneficiaries any right to continue employment, any legal or equitable right against the Employer, or Employee of the Employer, or its agents, or against the Plan Administrator, except as expressly provided by the Plan.

SECTION 7—PLAN INFORMATION

- 7.01 Employer. The Employer's legal name, address and federal tax identification number are:
- Employers Resource Management Company
1301 South Vista Ave, Ste 150
Boise, ID 83705
EIN: 54-1340867
- 7.02 Plan Name. The name of the Plan is the Employers Resource Management Company Premium Payment Plan.
- 7.03 Plan Number. The Employer has assigned 501 as the number for the Plan.
- 7.04 Plan Year. The plan year is the twelve-month period beginning January 1 and ending December 31.
- 7.05 Type of Plan. The Plan is commonly known as a premium only plan, a type of cafeteria plan.
- 7.06 Type of Administration. The Plan's various benefit options are administered through contract with the Claims Administrator and, in some instances, by the Employer.
- 7.07 Plan Funding. The Plan is unfunded.
- 7.08 Plan Sponsor. The Employer is the Plan Sponsor.
- 7.09 Plan Administrator. The Employer is the Plan Administrator.
- 7.10 Termination and Amendment. The Employer reserves the right to amend the Plan, change the applicable Employee contribution rates, or terminate the Plan at any time. The Employer is under absolutely no obligation to continue the Plan for any given length of time. If the Plan is amended or rates change or the Plan is terminated, an authorized officer of the Employer will sign the documents with respect to such amendment or termination.

7.11 Legal Process. The person designated as agent for service of legal process and the address where a processor may serve legal process upon the Plan are:

Eberle and Berlin
Attention: Steven Alkire
1111 W. Jefferson St., Suite 530
Boise, ID 83701

IN WITNESS WHEREOF, the Employer has caused this Plan to be executed effective as of the first day of January 2009, by its authorized officer.

**Employers Resource Management
Company**

By: _____

Title: _____