

SAU#33 RAYMOND SCHOOL DISTRICT FLEXIBLE BENEFITS PLAN

SUMMARY OF MATERIAL MODIFICATIONS

The purpose of this Summary of Material Modifications is to inform you of a change that has been made to the SAU#33 Raymond School District Flexible Benefits Plan. This change has affected the information previously provided to you in the Plan's Summary Plan Description. The Summary Plan Description is modified as described below.

INTRODUCTION

Raymond School District SAU#33 (the "Company") established the SAU#33 Raymond School District Flexible Benefits Plan (the "Plan") effective July 1, 2007. This Summary Plan Description describes the Plan as amended and restated effective July 1, 2017.

This revised Summary Plan Description supersedes all previous Summary Plan Descriptions. Although the purpose of this document is to summarize the more significant provisions of the Plan, the Plan document will prevail in the event of any inconsistency.

BENEFITS

Employer Group Medical

Employer Dental

If a contract is offered in conjunction with a Company-sponsored benefit plan, you will be eligible to make contributions to the Premium Conversion Account only if you are also eligible to participate in the applicable Company-sponsored plan, it is described above and you are eligible to participate in this Plan.

In the event of a conflict between the terms of this Plan and the terms of a contract, the terms of the contract (or the benefit plan under which it is established) will control.

Health Care Reimbursement Account

When you become eligible to participate in the Plan, the Plan will establish a Health Care Reimbursement Account in your name. This Account will be credited with your contributions and will be reduced by any payments made on your behalf. You will be entitled to receive reimbursement from this account for eligible expenses incurred by you, your spouse and dependents, if any. A dependent is generally someone who you may claim as a dependent on your federal tax return and also includes a child who is under the age of 27 through the end of the calendar year. You may receive reimbursement for eligible expenses incurred at a time when you are actively participating in the Plan.

The entire annual amount you elect to contribute for the Plan Year for the Health Care Reimbursement Account less any reimbursements already disbursed will be available for reimbursement. The maximum amount you may contribute each year is the maximum amount permitted (\$2,600 for 2017). The minimum amount you must contribute to participate in the Health Care Reimbursement Account is \$100.

Eligible expenses generally include all medical expenses that you may deduct on your federal income tax return, although health insurance premiums are not an eligible expense for the Health Care Reimbursement Account. Medicines or drugs are eligible expenses only if such medicine or drug is a prescribed drug (determined without regard to whether such drug is available without a prescription) or is insulin (unless otherwise excluded). You will not be reimbursed for any expenses that are (i) not incurred in the Plan Year, (ii) incurred before or after you are eligible to participate in the Plan, (iii) attributable to a tax deduction you take in a prior taxable year, or (iv) covered, paid or reimbursed from any other source.

Effective July 1, 2016, if you are a military reservist called to active duty for a period in excess of 179 days or for an indefinite period, you may receive a distribution from your Health Care Reimbursement Account. You must make the distribution during the period beginning on the date of your call-up and ending on the last date that reimbursements could otherwise be made for that Plan Year. The amount you contributed to the Health Care Reimbursement Account minus Health Care Reimbursement Account reimbursements received as of the date of the Qualified Reservist Distribution request can be withdrawn.

FORFEITURES

Plan Year/Termination

Except as provided below, any amounts remaining in your account at the end of the Plan Year will be forfeited after all claims are paid. In addition, any balance remaining in your account on the date you terminate employment with the Company will be forfeited after all claims are paid.

Any balance remaining in your Health Care Reimbursement Account at the end of any Plan Year up to \$500 will be carried forward and used to fund such benefits in any subsequent Plan Year. This carryover amount will not affect your ability to contribute the maximum amount (2,600) in the subsequent Plan Year. Please note that the following limitations apply to the carryover: You must have a \$10.00 minimum account balance to carryover. Any amount less than \$10.00 will be forfeited 90 days after the end of the plan year.