

SALARY REDUCTION AGREEMENT
FOR

FRANKLIN PIERCE UNIVERSITY

The Flexible Benefit Plan allows you to make your contribution toward your benefits with pre-tax dollars. These dollars are not subject to FICA, federal or state income taxes.

Once you have made your election, you may not change your election unless you experience a change in status. Please note: for purposes of this Agreement, the term "spouse" denotes an IRS-defined spouse. You may be able to change your benefit election when:

- You experience a change in your IRS defined legal marital status;
- A child is born to you or you adopt a child; or your spouse or qualified dependent dies;
- Your spouse either gets a job or loses a job;
- You or your spouse take or return from an unpaid leave of absence, a strike or lockout;
- Your health insurance cost or coverage changes significantly because of your spouse's employment;
- A change in your or your spouse's work status (such as changing from part-time to full-time);
- You or your spouse's worksite changes which impacts your eligibility (such as moving out of an HMO service area);
- You, your spouse or qualified dependent gain or lose eligibility;
- You or your spouse's plan either adds or eliminates a benefit option;
- You, your spouse or qualified dependent becomes entitled to Medicare or Medicaid.

Note: To be permitted, any change in election must be consistent with the status event that has occurred.

I agree to have my compensation reduced each payroll period during the plan year to cover my contribution toward the benefits listed below. I understand this agreement will remain in effect until the end of the plan year unless one of the events listed above occurs, in which case I may revoke or change this agreement as provided in the Summary Plan Description. I further understand that in the event the cost of a benefit I have selected changes during the year, the Plan Administrator may make a corresponding adjustment to automatically increase or decrease the amount by which my compensation is reduced to provide such benefit.

The plan(s) covered by this agreement is/are: Health and Dental Insurance.

I understand the above agreement.

Employee Name (please print)

Social Security Number

Address

City

State

Zip

Employee Signature

Date

IRS regulations prohibit sole proprietors, partners, LLC members and greater than 2% subchapter S Corp. owners from participating in a flexible benefit plan.