WARREN CONSOLIDATED SCHOOLS

CAFETERIA PLAN FOR

HEALTH CARE

AND

CASH BENEFIT OPTION

WARREN CONSOLIDATED SCHOOLS

CAFETERIA PLAN FOR HEALTH CARE AND CASH BENEFIT OPTIONS

ARTICLE I

INTRODUCTION

1.01 Purpose of Plan. The purpose of this Plan for Health Care and Cash Benefit Options ("Plan") is to provide eligible employees of the Warren Consolidated School District the right to elect to receive monthly cash payments in lieu of their contractual right to receive health care coverage.

1.02 Cafeteria Plan Status. The Plan is intended to qualify as a "cafeteria plan" under Section 125 of the Internal Revenue Code of 1986, as amended ("Code"), and is intended to be interpreted in a manner consistent with the requirements of Section 125 of the Code.

ARTICLE II

DEFINITIONS

The following words and phrases shall have the following meanings, unless a different meaning is clearly required by the context:

2.01 "Administrator" means the Employer or such other person or committee as may be appointed from time to time by the Employer to supervise the administration of the Plan.

2.02 "Benefits" shall mean a cash benefit as set forth in Article IV in lieu of the Participant's contractual right to medical benefits provided by the Employer.

2.03 "Code" means the Internal Revenue Code of 1986, as amended.

2.04 "Dependent" means any individual who is a dependent of the Participant within the meaning of Section 125(a) of the Code.

2.05 "Effective Date" means January 1st of each year of the Plan.

2.06 "Eligible Employee" means any individual who is employed by the Employer on a full or part-time basis, excluding substitute teachers, seasonal staff members and others who provide fewer than fifteen (15) hours of services to the Employer on a weekly basis.

2.07 "Employer" means the Warren Consolidated School District, or any affiliate or successor thereof that subsequently adopts this Plan.

2.08 "FMLA" means the Family and Medical Leave Act of 1993. "FMLA Leave" means a leave of absence that the Plan Sponsor is required to extend to an Employee under the provisions of the FMLA.

2.09 "Leave of Absence" means any leave of absence approved by Employer, including, but not limited to, FMLA leave and/or a period of duty in the Uniformed Services.

2.10 "Medical Plan" shall mean the Warren Consolidated Schools group plans offered by the Employer, pursuant to a separately bargained contract, as amended from time to time.

2.11 "Participant" means any Eligible Employee who has met the requirements set forth in Article III below.

2.12 "Plan Year" means the twelve-month period ending each **December 31st.**

2.13 "Qualified Benefit Plan" refers to any employer-sponsored welfare benefit plan designated from time to time by the Plan Sponsor, and communicated in writing to Participants, for purposes of providing various benefits under this Plan.

2.14 "Uniformed Services" means the Armed Forces, the Army National Guard, and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty; the commissioned corps of the Public Health Service, and any other category of persons designated by the President of the United States in time of war or emergency.

ARTICLE III

PARTICIPATION

3.01 Eligibility to Participate. Each employee of the Employer defined in Article II as an Eligible Employee, and all employees of the Employer who are considered exempt administration, exempt secretaries or one of those employees of the Employer defined in the Management Handbook of the Employer as "collective bargaining employees" are eligible to participate in this Plan.

3.02 Commencement of Participation. Except as may otherwise be provided by the terms of the labor agreement between the Employer and each Eligible Employee ("Collective Bargaining Agreement"), each Eligible Employee who has completed the length of service required by the terms of the applicable Collective Bargaining Agreement shall become a Participant on the first day he or she meets the eligibility requirements of any Qualified Benefit Plan and upon making an election in accordance with the provisions of Section 4.05 and 4.06.

3.03 Cessation of Participation. A Participant shall cease to be a Participant as of the earlier of (a) the date on which the Plan terminates; (b) subject to the applicable Collective Bargaining Agreements or terms of the Management Handbook of the Employer as amended, the date he or she ceases to be eligible to participate as set forth in Section 3.01; (c) the date as of which participation is terminated pursuant to this Plan for failing to make a required contribution; (d) the date on which the Participant elects to cease coverage; or (e) the date of death of the Participant.

3.04 Reinstatement of Former Participant. A former Participant will become a Participant if and upon the satisfaction of the eligibility requirements of Sections 3.01 and 3.02.

3.05 Participation During Leave of Absence. Any Participant who is absent from work due to

a Leave of Absence will have the right to continue participation in the Benefits offered through the Plan during the period the Participant is on such Leave of Absence, unless the terms on which the Leave of Absence was approved limit the Participant's ability to continue such participation; provided, however, that no such limitation shall be implemented that would be in conflict with any applicable law or regulations, including, but not limited to, the rules and regulations that govern FMLA leave. If the Participant does not return to active employment before expiration of any such limitation on his or her ability to continue to participate in the Benefits, his or her participation in the Plan shall cease. The Participant's right to continue participation while on a Leave of Absence (other than such permitted continued coverage) is conditioned on the Participant's (i) continuing to have an employment relationship with Employer, and (2) making the required contributions.

ARTICLE IV

BENEFITS

4.01 Benefit Option. Participants satisfying the eligibility requirements of Sections 3.01 and 3.02 may elect to receive a cash benefit, as described Section 4.02, in lieu of receiving the medical coverage offered by the Employer pursuant to the applicable Collective Bargaining Agreement.

4.02 Description of Cash Benefit Option. Each Eligible Employee who elects to waive his or her right to medical coverage shall receive the cash amount set forth in the effective Collective Bargaining Agreement between WCS and the respective employee group on a monthly basis, to be treated as additional compensation and payable in the same manner and subject to the same federal and state withholding regulations as wages paid to the Eligible Employee (the "Cash Benefit").

4.03 Receipt of Benefits other than Cash. Although the election to receive benefits under one or more Qualified Benefit Plans in lieu of cash is made under this Plan, benefits will be provided pursuant to the terms of the applicable Qualified Benefit Plan. The options available under each such plan, the requirements for participating in such options, the amount of premiums, deductibles, and co-payments (if any), the amount, timing, and conditions for the receipt of benefits, and all other terms and conditions of eligibility, coverage, and benefits under such options are set forth in the Qualified Benefit Plans, which are incorporated by reference into this Plan. Any claim which arises under a Qualified Benefit Plan will be subject to review under the Qualified Benefit Plan and not under this Plan.

4.04 Waiver of Rights For Plan Year. By electing the Cash Benefit, the Eligible Employee waives the right to the medical coverage otherwise provided by the Employer for the entire Plan Year, except as provided in Section 4.08 of this Plan.

4.05 Election Procedure. Approximately forty-five (45) days prior to the commencement of each Plan Year, the Administrator shall provide online written notice of the right to receive the Cash Benefit set forth in Section 4.02, accompanied by one or more applicable election forms, available to each participant and each Eligible Employee or individual who is expected to become a Participant as of the commencement of the succeeding Plan Year. The election forms shall be effective as of the first day of the Plan Year thereafter commencing, or in the case of a new Participant, as of the beginning of the second pay period coincident with the commencement of participation. Each Participant who desires the Cash Benefit shall submit a medical opt-out form, or ("election form"), with a copy of his or her proof of alternative insurance coverage. Each election form must be completed on an annual basis and returned to the Administrator within the established selection period prior to the commencement of

the Plan Year for which the election shall be effective.

4.06 New Participants. Immediately prior to, or at such time as an individual is eligible to be a new Participant, the Administrator shall provide the appropriate election forms. The election forms must be completed and return to the Administrator on or before such date as the Administrator shall specify, but no later than 31 days after his or her date of hire or determination of eligibility.

4.07 Failure to Elect. If an Eligible Employee fails to return the election form prior to the specified due date for the initial Plan Year or the Plan Year for which he or she participates, such failure shall be deemed the selection of the Eligible Employee to receive the medical plan coverage previously selected by the Eligible Employee for the then current Plan Year. For purposes hereof, the rights of the Participant to continue to receive medical plan coverage and benefits, including the type and amount of coverage, are not governed by the terms of this Plan, but by the terms and conditions of the specific contract between the Employer and the applicable medical plan provider (hereafter referred to as the "Medical Plan"). The classifications and amounts of benefits available under the Medical Plan, the requirements for participation, and all other terms and conditions concerning eligibility for benefits under the Medical Plan are as set forth in such contract.

4.08 Irrevocability of Election by the Participant during the Plan Year.

(a) Any election made under the Plan shall be irrevocable by the Participant during the Plan Year except as otherwise provided in (b) through (j) below.

(b) With respect to any Qualified Benefit Plan, a Participant may revoke an election in writing for the balance of the Plan Year and, if desired, file a new election in writing if, under the facts and circumstances, (i) a change in status occurs, and (ii) the requested revocation and new election satisfy the consistency requirements in Section 4.10 below. For this purpose, a change in status includes the following events:

(i) Legal Marital Status. An event that changes a Participant's legal marital status, including marriage, death of spouse, divorce, legal separation, or annulment.

(ii) Number of Dependents. An event that changes a Participant's number of Dependents who may be eligible for coverage under a Qualified Benefit Plan, including birth, death, adoption, or placement for adoption.

(iii) Employment Status. An event that changes the employment status of the Participant or the Participant's spouse or Dependent, including termination or commencement of employment, a strike or lockout, a commencement or return from an unpaid leave of absence, and a change in worksite, as well as any other change in the individual's employment status that results in the individual becoming (or ceasing to be) eligible under a benefit plan of his or her employer.

(iv) Requirements for Dependents. An event that causes a Dependent to satisfy or cease to satisfy the requirements for coverage on account of attainment of age, student status, or any similar circumstance.

(vi) Other. Such other events that the Administrator determines will permit the revocation of an election (and, if applicable, the filing of a new election) during a Plan Year under regulations and rulings of the Internal Revenue Service.

(c) In the case of coverage under a group health plan that is a Qualified Benefit Plan, a Participant may revoke an election in writing for the balance of the Plan Year and file a new election in writing that corresponds with the special enrollment rights provided in Code Section 9801(f), whether or not the change in election is permitted under Section 4.08(b), provided the new election is consistent with the event that triggers the special enrollment rights.

(d) In the case of a judgment, decree, or order resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order) that requires accident or health coverage for a Participant's child or for a foster child who is a Dependent of the Participant, the Participant may change his or her election (i) in order to provide coverage for the child under a group health plan that is a Qualified Benefit Plan if the order so requires, or (ii) in order to cancel health coverage under a group health plan that is a Qualified Benefit Plan for the child if the judgment, decree, or order requires the Participant's spouse or former spouse or another individual to provide coverage for the child and that coverage is, in fact, provided.

(e) In the case of coverage under a group health plan that is a Qualified Benefit Plan, a Participant may revoke an election for the balance of the Plan Year and file a new election in order to cancel or reduce such medical coverage for the Participant or any covered Dependent of the Participant to the extent that the Participant or Dependent becomes entitled to coverage under Part A or Part B of Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). In addition, if the Participant or any eligible Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, the Participant may file a new election for the balance of the Plan Year to commence or increase coverage under another group health plan that is a Qualified Benefit Plan.

(f) If the Participants' share of the cost of coverage under a Qualified Benefit Plan significantly increases or significantly decreases during the Plan Year, a Participant may make a corresponding change in election under the Plan for the balance of the Plan Year, which will include (but not be limited to) the following:

(i) for a significant cost increase, Participants electing such coverage for the Plan Year may revoke their election and either elect a similar coverage under another Qualified Benefit Plan for the balance of the Plan Year, or drop such coverage if there is no similar coverage under a Qualified Benefit Plan; or

(ii) for a significant cost decrease, Participants may elect to commence participation under the Qualified Benefit Plan that has significantly decreased in cost, if the Participant was not participating in that plan, for the balance of the Plan Year.

Despite any other contrary provision of the Plan, for any insignificant changes in the costs of any Qualified Benefit Plans, the Administrator shall automatically change Participants' elections to account for such changes in cost.

(g) If the Participant or his or her spouse or Dependents experience a significant curtailment in coverage under a Qualified Benefit Plan during the Plan Year, the Participant may make a corresponding change in election under the Plan for the balance of the Plan Year as follows:

(i) for a significant curtailment that is not a loss of coverage, which shall mean an overall reduction in coverage provided to Participants under the plan so as to constitute reduced coverage to Participants generally, the Participant electing such coverage for the Plan Year may revoke his or her election and elect a similar coverage under another Qualified Benefit Plan for the balance of the Plan Year; or

(ii) for a significant curtailment that is (or is deemed by the Administrator to be) a loss of coverage, the Participant electing such coverage for the Plan Year may revoke his or her election and either elect similar coverage under another Qualified Benefit Plan for the balance of the Plan Year, or revoke his or her election for coverage if there is no similar coverage under another Qualified Benefit Plan. A loss of coverage includes a substantial decrease in medical care providers available under the option of accident or health coverage (such as a major hospital ceasing to be a participant of a preferred provider network), a reduction in benefits for a specific type of medical condition or the treatment with respect to which the Participant, spouse, or dependent is currently undertaking, or any other similar fundamental loss of coverage.

(h) If during the Plan Year a new Qualified Benefit Plan, or option under a Qualified Benefit Plan, becomes available, or an existing Qualified Benefit Plan, or option under a Qualified Benefit Plan, is significantly improved, Participants may elect the new or significantly improved coverage, and may make corresponding election changes regarding similar coverage, for the balance of the Plan Year.

(i) If a Participant's spouse or Dependent makes an election change under a plan maintained by his or her employer, the Administrator may permit the Participant to revoke an election under this Plan and make a new election for the balance of the Plan Year that is on account of and corresponds with the election change made by the Participant's spouse or Dependent, if:

(i) the election change made by the Participant's spouse or Dependent under his or her employer's plan satisfies the regulations and rulings under Code Section 125; or

(ii) the period of coverage under the plan maintained by the employer of the Participant's spouse or Dependent does not correspond with the Plan Year of this Plan.

(j) If a Participant or his or her spouse or Dependent loses group health coverage sponsored by a governmental or educational institution, the Participant may elect health coverage under one or more Qualified Benefit Plan(s) for the balance of the Plan Year for the Participant, his or her spouse, or Dependent.

(k) Any application for a revocation and new election under this Section 4.08 must be made within 31 days following the date of the actual event and shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the revocation and new election, unless otherwise required by law.

4.09 Change of Option from Cash Benefit to Medical Plan. Any election by a Participant to obtain benefits under the Medical Plan, in substitution for a prior election to obtain

a Cash Benefit, shall not terminate the terms and provisions of any salary deferral agreement then in effect between the Employer and the Participant.

4.10 Consistency Rules. A Participant's requested revocation and new election under Section 4.08(b) will be consistent with a change in status if the election change is on account of and corresponds with a change in status that affects the eligibility for coverage under a Qualified Benefit Plan or under a plan maintained by the employer of the Participant's spouse or Dependent. A change in status that affects the eligibility under an employer's plan shall include a change in status that results in an increase or decrease in the number of a Participant's family members or Dependents who may benefit from coverage under the plan.

4.11 Nondiscrimination and Changes by Administrator. If the Administrator determines, before or during any Plan Year, that the Plan or any benefit of a plan available hereunder may fail to satisfy any nondiscrimination requirement imposed by the Code or other applicable authority, the Administrator may take such action as the Administrator deems appropriate, under rules uniformly applicable to similarly situated Participants, to assure compliance with such requirements. Such action may include, without limitation, a modification of elections by highly compensated employees (as defined by the Code for purposes of the nondiscrimination requirement in question) with or without the consent of such employees.

4.12 Premium Payments by Participants on an FMLA or Uniformed Services Leave of Absence. A Participant on an FMLA leave or Uniformed Services leave may elect to revoke his or her election of coverage for the balance of the Plan Year. However, any Participant who does not revoke coverage under Section 3.05 while on an FMLA Leave or while absent from work for more than 31 days for duty in the Uniformed Services must continue to make any required contributions. If the Participant cost is raised or lowered for Participants not on leave, the Participant's cost will be similarly adjusted. During such absence, if the leave is a paid leave, the Participant must continue to make the same contributions as he or she was making prior to the leave for the benefits the Participant chooses to continue while on the leave of absence, which will continue to be deducted from the Participant's paychecks during the absence. If the leave is unpaid, the Participant may choose to make such contributions by:

(a) remitting payment to the Employer on the same schedule as payments would be made if leave had not been taken, or under another schedule permitted under Department of Labor regulations, provided that any delinquent payments must be made within 30 days of their due date. If the Participant fails to make a payment as required, coverage may be discontinued so long as the Participant may be restored to his or her coverage upon return from the leave. In such instance, the Employer shall not be required to continue the coverage of a Participant who fails to make the required premium payments while on leave, but the Employer may choose to continue the coverage for the Participant and will be entitled to recoup the payments from the Participant after the Participant returns from leave. However, if the terms of the applicable plan(s) would preclude the Participant from being restored to the coverage the Participant had prior to the commencement of the leave, the Employer will continue to pay the Participant's cost of the coverage during the period of leave, but the Participant must repay the amounts paid by the Employer to maintain the coverage;

(b) the Employer may agree with the Participant to advance and fund the Participant's required contributions during the leave of absence, conditioned upon the Participant agreeing (on forms furnished by and delivered to the Administrator not less than 30 days prior to commencement of the leave of absence) to commence remitting payment to the Employer upon the Participant's return to active employment with

the Employer following the leave of absence of all amounts paid by the Employer on the Participant's behalf to maintain coverage under Section 3.05; provided, however, if a Participant fails to return to active employment with the Employer following the leave of absence, then the Participant shall reimburse the Employer for such advances made on the Participant's behalf within thirty (30) days following the Employer's written demand for such reimbursement.

ARTICLE V

PLAN ADMINISTRATION

5.01 Allocation of Authority. The administration of the Plan shall be under the supervision of the Administrator. It shall be the principal duty of the Administrator to control and manage the operation and administration of the Plan. The Administrator shall have the exclusive right to interpret the Plan and to decide all matters arising under this Plan, including the right to remedy possible ambiguities, inconsistencies, or omissions. All determinations of the Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Administrator shall have the following powers and duties:

a. To require any person to furnish such reasonable information as the Employer may request for the purpose of the proper administration of the Plan as a condition to receiving any Benefits under the Plan.

b. To make and enforce such rules and regulations and prescribe the use of such forms as the Employer shall deem necessary for the efficient administration of the Plan.

c. To decide on questions concerning the Plan and the eligibility of any employee to participate in the Plan.

d. To determine the amount of Benefits which shall be payable to any person in accordance with the provisions of the Plan, to inform the Participant, as appropriate, of the amount of such Benefits, and to provide a review to any Participant whose claim for Benefits has been wrongly denied, in the discretion of the Administrator, in whole or in part.

e. To designate other persons to carry out any duty or power that would otherwise belong to the Plan Administrator under the terms of the Plan.

f. To appoint such agents, counsel, accountants, consultants, and actuaries as may be required to assist in administering the Plan.

5.02 Payment of Expenses. Administrative expenses associated with administering the Plan will be paid by the Employer unless the Employer determines that some or all of the administrative costs will be borne by the Participants under the Plan. By a Participant's electing a benefit under the Plan, he or she consents to the deduction of the administrative costs from his or her account under the Plan if the Employer requires the Participants to pay all or some of the administrative costs of the Plan. The Administrator may impose reasonable conditions for payments, provided that such conditions do not discriminate in favor of Participants who are highly compensated employees or key employees.

5.03 Examination of Records. Upon reasonable request, the Administrator will make

available to each Participant the records under the Plan that pertain to the requesting Participant, for examination at reasonable times during normal business hours.

5.04 Nondiscriminatory Exercise of Authority. Whenever, in the administration of the Plan, any discretionary action by the Administrator is required, the Administrator shall exercise its authority in a nondiscriminatory manner so that all persons similarly situated will receive substantially the same treatment.

5.05 Provision for Third-Party Plan Service Providers. The Employer may employ the services of such persons as it may deem necessary or desirable in connection to the operation of the Plan.

ARTICLE VI

AMENDMENT AND TERMINATION OF PLAN

6.01 Amendment and Termination of Plan. The Plan may at any time be amended or terminated by resolution of the members of the Board of Education of the Employer. It is the expectation of the Employer that it will continue this Plan indefinitely, but future conditions cannot be foreseen, and therefore the continuance of this Plan is not assumed as a contractual obligation of the Employer, and the right is reserved to the Employer at any time to terminate, amend, or modify this Plan without liability. The Employer may make any modifications or amendments to the Plan that are necessary or appropriate to qualify or maintain the Plan as a plan meeting the requirements of the applicable sections of the Code. The Plan shall not be used for purposes other than for the exclusive benefit of Participants or their Dependents, and no amendment shall divest any person of this interest therein, except as may be required by the Internal Revenue Service or other governmental authority, or give any person any assignable or exchangeable interest or any right or thing of exchangeable value. Upon termination of the Plan, all elections and reductions in compensation relating to the Plan will terminate.

6.02 Determination of Effective Date of Amendment or Termination. Any such amendment, discontinuance, or termination shall be effective at such date as the Employer shall determine.

6.03 No Vesting or Contractual Rights to Benefits. No person shall have any contractual right to Benefits under the Plan which interferes with the amendment or termination of the Plan pursuant to Section 6.01. The Employer makes no promise to continue the Plan or any Benefits under the Plan in the future and rights to future Benefits do not vest.

6.04 Legal Enforceability of Provisions. The Plan and the provisions hereof constitute a legally enforceable agreement between the Employer and a Participant.

ARTICLE VII

GENERAL PROVISIONS

7.01 Requirement of Proper Forms. All communications in connection with the Plan made by a Participant shall become effective only when duly executed on forms provided by and filed with the Employer.

7.02 Source of Payments. No Participant or beneficiary shall have any right to, or interest in, any assets of the Employer upon termination of employment or otherwise, except as provided under the Plan, and then only to the extent of the benefits payable under the Plan to such Participant or beneficiary.

7.03 Rights Against Employer. Neither the establishment of the Plan, nor any modification thereof, nor any distributions hereunder, shall be construed as giving to any Participant or any other person any legal or equitable rights against the Employer or its board, officers, or officials.

7.04 Gender and Number. Masculine pronouns include the feminine as well as the masculine gender, and the singular shall include the plural, unless indicated otherwise by the context.

7.05 Headings. The article and section headings contained herein are for convenience of reference only and shall not be construed as defining or limiting the matter contained thereunder.

7.06 Applicable Laws. This Plan shall, as to matters not otherwise pre-empted by federal law, be construed, administered, and enforced according to the laws of the State of Michigan and the provisions of the Code and any other applicable federal law.

7.07 Severability. Should any part of the Plan subsequently be invalidated by a court of competent jurisdiction, the remainder thereof shall be given effect to the maximum extent possible.

ARTICLE IX

MISCELLANEOUS

9.01 Communication to Employees. Promptly after the Plan is made effective, the Employer will notify all employees of its availability and terms. The Employer will notify each new employee of the availability and terms of the Plan as soon as practicable following the date the employee commences his or her employment with the Employer. Within a reasonable period of time prior to the commencement of each Plan Year, or, in the case of a newly Eligible Employee, as soon as practicable following the date on which he or she commences his or her employment with the Employer, the Employer will provide to employees booklets, brochures, or other explanatory items which describe the material provisions of the Plan (to the extent the same have not been previously furnished).

9.02 Not an Employment Contract. This Plan will not be deemed to constitute an employment contract between the Employer and any Participant or to be in consideration of or an inducement for the employment of any Participant or employee. By creating this Plan and providing benefits under the Plan, the Employer in no way guarantees employment for any employee or Participant or any other person under this Plan, nor any other right or benefit in connection with employment, nor any legal right or equitable right against the Administrator or Employer. Nothing contained in this Plan will be deemed to assure continued employment with the Employer or give any Participant or employee the right to be retained in the service of the Employer, or to interfere with the right of the Employer to discharge any Participant or employee at any time in accordance with any applicable law or contractual agreement, regardless of the effect such discharge will have upon him or her as a Participant or potential Participant in this Plan.

9.03 Protective Clauses.

(a) If a Participant fails to obtain coverage under any insured Qualified Benefit Plan (whether as a result of the negligence or gross neglect of the Employer or otherwise), such Participant's sole and exclusive remedy will be the return of the amount of the employee provided premiums actually paid by such Participant in the Plan Year(s) for which coverage was not obtained.

(b) If and to the extent payments or reimbursements due under an insured Qualified Benefit Plan are required to be paid to the Employer, as agent for a Participant or the spouse, Dependent, or other beneficiary of such Participant or otherwise, the Employer's liability for any claim brought by a Participant or by the spouse, Dependent, or other beneficiary of a Participant with respect to such payment or reimbursements will be limited to the amount of the payments or reimbursements, if any, actually received by the Employer thereunder in connection with such claim. If payments or reimbursements under an insured Qualified Benefit Plan are not timely received by the Employer following the submission of a claim, the Employer will so notify the Participant. Thereafter, the Employer will have no obligation to pursue such claim, and the Participant may pursue, settle, or compromise such claim as the Participant, in the sole exercise of his or her discretion, sees fit.

(c) The Employer will not be responsible for the validity of any insurance contract which funds an insured Qualified Benefit Plan or for the failure of an insurer to make payments provided for thereunder, or for the action of any person which may cause any such insurance contract to be rendered null and void or unenforceable, in whole or in part.

(d) Once coverage under an insured Qualified Benefit Plan is applied for and obtained, the Employer will not be liable for any loss which may result from the failure to pay premiums to the extent premium notices are not received by the Employer. Where premium notices are timely received by the Employer, the Employer's liability for the payment of premiums corresponding to such notices will be limited to the dollar amount of such premiums and will not include liability for any other loss which may result from the failure to pay such premiums.

(e) The Employer will not be liable for the payment of any premium due under a Qualified Benefit Plan or any loss which may result from the failure to pay such premium if the amounts deferred under Section 3.3 are insufficient to provide for the payment of the employee provided premium of a Qualified Benefit Plan at the time such premium is due. The Employer will notify a Participant if such amounts are insufficient to pay such premiums but will not be liable for any failure to make such notification. Such premiums may be paid (i) if permitted under Code Section 125, pursuant to an amendment to a Participant's election under Section 4.05 or (ii) otherwise, by a cash contribution of the Participant.

9.04 No Guarantee of Tax Consequences. Neither the Administrator nor the Employer makes any commitment, guarantee, representation, or warranty that any amounts paid as premiums or distributed as benefits under any Qualified Benefit Plan to or for the benefit of a Participant will be excludable from the gross income of the Participant for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It will be the obligation of each Participant to determine whether payments are excludable from the Participant's gross income for federal and state income tax purposes.

9.05 Indemnification of the Employer by Participants. If any Participant receives payments or reimbursements which do not qualify for exclusion from gross income, such Participant will indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state tax from such payments or reimbursements, provided however that such indemnification and reimbursement will not exceed the amount of additional federal and state tax (together with any interest and penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, less any such additional tax actually paid by the Participant.

9.06 Funding. Unless otherwise required by law, (i) contributions to the Plan will be deemed general assets of the Employer until the amount thereof has been paid over to or under a Qualified Benefit Plan and (ii) nothing herein contained will be construed to require the Employer or the Administrator to maintain any fund or segregate any amount, in trust or otherwise, for the benefit of any Participant, and no Participant or other person will have any claim against, right to, or security or other interest in, any asset of the Employer from which any payment under the Plan may be made.

9.07 Nonassignability of Rights. Any benefits to any Participants under this Plan will not be alienable by the Participant by assignment or any other method, are for the exclusive benefit of Participants, spouses, Dependents, and beneficiaries, and will not be subject to the rights of creditors. Any attempt to cause such benefits to be so subjected will not be recognized, except to such extent as may be required by law, and no benefit may be voluntarily or involuntarily assigned, sold, or transferred.

9.08 Limitation of Rights. Neither the establishment of the Plan nor any amendment thereof, nor the payment of any benefits under this Plan, will be construed as giving to any Participant or other person any legal or equitable right against the Employer or Administrator, except as provided herein.

9.09 Inability to Locate Payee. If the Employer is unable to make Benefit payments to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited one (1) year after the date such payment first became due.

Executed this 20th day of June, 2019

IN WITNESS WHEREOF, this Plan has been executed the date and year first written above.

WITNESSES:

Ann Marie Tocco

Joe Apley

WARREN CONSOLIDATED SCHOOLS

By: Aaron Irwin

By: Chief Operating Officer