ADDISON COMMUNITY SCHOOLS
CAFETERIA PLAN
2026
effective January-December 2026
SALARY REDUCTION AGREEMENT

Participant's Name:_____

THIS SALARY REDUCTION AGREEMENT is entered into on the date shown below by and between the Addison Community Schools (the "Employer") and you, the Participant named above.

1. Introduction. The Employer is the sponsor of The Restated Addison Community Schools Cafeteria Plan (the "Plan"), a copy of which is available to you upon request to the Administrator. The Plan is intended to be a cafeteria plan within the meaning of Section 125 of the Internal Revenue Code (the "Code"). You are entering into this Agreement with the Employer for the purpose of participating in the Plan and to reduce your salary in order that you may receive benefits under the Plan.

2. Participation. You agree to participate under the Plan and to reduce your salary by the aggregate of the amounts shown below for the various benefits that you have elected to receive:

Description of Benefit	**Your Cost**
Health Insurance; Employee Share of Premium. I understand that payment of any contributions required from me for any coverage I have elected under the Employer's major medical plan will be on a pre-tax basis in accordance with the provisions of the Plan. Furthermore, I understand that the amount of the reduction in my salary per pay period shall be the amount set forth in the box to the right [Insert zero dollars ($0) if you have signed and submitted a Waiver of Health Insurance to the Plan Administrator.] Plan:_____	$
Health Savings Account Contributions. I elect to have the amount which I have indicated in the box to the right contributed to my HSA. **Certification:** By electing HSA contributions, I am certifying that I meet the requirements under Internal Revenue Code § 223 to be eligible to contribute to an HSA. (For more information about HSA eligibility requirements, see IRS Publication 969.) I also understand that I must provide sufficient identifying information about my HSA to facilitate the forwarding of contributions through the Employer's payroll system to my designated HSA trustee/custodian.	$
Other Insurance Benefits. I elect to have the amount which I have indicated in the box to the right applied to the purchase of the Other Insurance Benefits offered by the Employer that I have selected on the attached selection form. Payroll deduction 1st pay of month.	$
Total Amount of Salary Reduction	$

3. Duration. The reduction of salary described in paragraph 2 shall be effective as of September 7, 2018 as to compensation not yet earned as of that date, and shall continue, subject to modification only as permitted under the Plan, until the earlier of (a) the last day of the Plan Year for which this Agreement has been entered in to by you and the Employer; or (b) you becoming ineligible to participate in the Plan, such as by virtue of your termination of employment with the Employer.

4. Handling of Deferred Amounts. The Employer agrees that all amounts deferred under this Agreement will not be paid to you but will be credited by the Employer to the accounts maintained on your behalf under the Plan. Further, all amounts credited under this Plan will remain the sole property of the Employer, and will not be held in trust for you or as collateral security for the fulfillment of the Employer's obligations under the Plan. All amounts credited under this Agreement shall be subject to the claims of all general creditors of the Employer, and neither you nor any of your Beneficiaries shall have a secured or preferred position with respect to any of those amounts, or have any claim against the Employer except as a general creditor.

5. Modification. Prior to each Plan Year, you will be given the opportunity to make elections under the Plan for the new Plan Year. If you do not make elections at that time, you will be treated as having agreed (a) to continue any medical coverage in effect under the Plan immediately before the new Plan Year (to the extent that coverage remains available under the Plan for the new Plan Year) and (b) to pay any required contributions for that coverage through a reduction in salary equal to the amount of any required contributions. If you do not make a new election with respect to the Uninsured Medical Reimbursement or Limited Purpose Medical Reimbursement, you will not have any amounts credited to those accounts for the new Plan Year. Except as provided in the limited "Permitted Election Changes" section in the Plan, this Agreement may not be revoked or amended.

6. Preservation of Plan Status. The Employer may, unilaterally and without prior notice to you, reduce the amount computed under paragraph 2 if, in the sole judgment of the Employer, a reduction is necessary to continue the favorable status of the Plan, or any of its constituent plans, under the discrimination rules of the Code and related regulations. **The employer shall not be obligated to pay more than the monthly prorated "hard cap" amounts established pursuant to Public Act 152 of 2011 for medical/health insurance coverage.**

7. Pay-out of Benefits. Amounts credited to your accounts will be distributed only in accordance with the terms of the Plan in effect at the time of the distribution.

8. Forfeiture of Unused Amounts. Any amounts remaining in your accounts under the Plan at the end of the Plan Year will be forfeited and will remain the property of the Employer.

9. Employer not Liable. By providing Employees with the opportunity to elect coverage under this Plan, the Employer is not assuming liability for any of your medical expenses of any nature.

10. Incorporation of Plan. The terms and conditions of the Plan are hereby incorporated by reference into, and made a part of, this Agreement, as if fully set forth in this Agreement.

11. Acknowledgments. You hereby acknowledge that you have received a copy of this Agreement, and either received, or had an opportunity to receive, a copy of the Plan; that you have read this Agreement, and either read, or had an opportunity to read, the Plan; that by signing this Agreement you are voluntarily electing to participate in the Plan; that neither this Agreement nor the Plan constitute an agreement for continued employment.

Date:1/1/2026

PARTICIPANT

_____

ADDISON COMMUNITY SCHOOLS

By:_____

Its: Brenda Pyle, CFO