

## **CIS Trust**

### **Pre-Tax Premium Only Program**

#### **Summary Plan Description**

**Effective January 1, 2026**

**The Pre-Tax Premium Only Program forms part of a Cafeteria Plan as defined in Section 125 of the Internal Revenue Code and is designed to permit an eligible employee to pay their premiums for group health plan coverage on a pre-tax basis.**

## Table of Contents

### Pre-Tax Premium Only Program

FREQUENTLY ASKED QUESTIONS REGARDING THE PRE-TAX PREMIUM ONLY PROGRAM .....	1
Q WHAT IS THE PRE-TAX PREMIUM ONLY PROGRAM?.....	1
Q WHO CAN PARTICIPATE IN THE POP PROGRAM? .....	1
Q WHAT IS THE ADVANTAGE OF PARTICIPATION IN THE POP PROGRAM?.....	1
Q IF I MAKE PRE-TAX PAYMENTS TO THE POP PROGRAM, WON'T I MAKE LESS MONEY? .....	1
Q HOW DO I ENROLL IN THE POP PROGRAM? .....	1
Q CAN MY PREMIUMS FOR THE COVERAGE OF MY DOMESTIC PARTNER BE PAID ON A PRE-TAX BASIS UNDER THE POP PROGRAM?.....	1
Q HOW MUCH WILL BE DEDUCTED FROM MY PAYCHECK FOR MY PRE-TAX PREMIUMS? .....	2
Q WHAT IF THE AMOUNT OF MY PREMIUM CHANGES DURING THE YEAR?.....	2
Q ARE THERE ANY NEGATIVES THAT I SHOULD KNOW ABOUT?.....	2
GENERAL PLAN INFORMATION.....	3

**FREQUENTLY ASKED QUESTIONS  
REGARDING THE PRE-TAX PREMIUM ONLY PROGRAM**

**Q      WHAT IS THE PRE-TAX PREMIUM ONLY PROGRAM?**

The Pre-Tax Premium Only Plan (POP) allows you to pay for your medical, dental and vision insurance coverage (including dependent coverage) on a pre-tax basis. Without the POP Program, you would have to pay for these premiums with after-tax dollars – that is, with money for which you already paid taxes. The pre-tax premiums are automatically deducted from your gross wages before federal, state and Social Security taxes are withheld. The premiums are not considered taxable income, and therefore do not appear on your W-2 form as taxable income. Since your taxable income is reduced, so are your taxes.

**Q      WHO CAN PARTICIPATE IN THE POP PROGRAM?**

You are eligible to participate in the POP Program if you are enrolled in a medical, dental or vision care plan sponsored by CIS that your employer has adopted for its employees.

**Q      WHAT IS THE ADVANTAGE OF PARTICIPATION IN THE POP PROGRAM?**

Paying for your coverage under a health plan on a pre-tax basis can save you taxes on each dollar that you spend on premiums.

**Q      IF I MAKE PRE-TAX PAYMENTS TO THE POP PROGRAM, WON'T I MAKE LESS MONEY?**

No. Your spendable income will actually increase by the amount of your tax savings.

**Q      HOW DO I ENROLL IN THE POP PROGRAM?**

If you are enrolled in a medical, dental or vision plan that requires you to pay a premium for coverage (including dependent coverage), then you will automatically be enrolled in the POP Program, unless your employer requires you to expressly elect to participate.

**Q      CAN MY PREMIUMS FOR THE COVERAGE OF MY DOMESTIC PARTNER BE PAID ON A PRE-TAX BASIS UNDER THE POP PROGRAM?**

No. Under the IRS tax rules you will not be eligible to pay for the cost of domestic partner coverage under a health plan unless your domestic partner qualifies as your dependent for federal income tax purposes. Otherwise, your premium payments for domestic partner coverage must be made on an after-tax basis.

**Q      HOW MUCH WILL BE DEDUCTED FROM MY PAYCHECK FOR MY PRE-TAX PREMIUMS?**

For each pay period, your employer will withhold from your paycheck the amount of the applicable premium for your coverage as then in effect.

**Q      WHAT IF THE AMOUNT OF MY PREMIUM CHANGES DURING THE YEAR?**

If the amount of your premium for coverage increases or decreases during the year, including by reason of the enrollment (or disenrollment) of a dependent, then your salary reduction amounts for future pay periods will automatically be adjusted.

**Q      ARE THERE ANY NEGATIVES THAT I SHOULD KNOW ABOUT?**

Yes, because you are not paying Social Security tax on your premiums for coverage under the POP Program, your Social Security benefits may be slightly reduced. However, if you invest your tax savings, you most likely would have more money available at retirement than the benefit you would have received from the amount not paid into Social Security.

Participants on leave under the Family Medical Leave Act (“FMLA”) are entitled to maintain health plan coverage. You must pay for coverage during your leave by making payments directly to your employer each month. You may also have such amounts withheld from any ongoing compensation being paid to you (such as accrued sick or vacation leave).

## GENERAL PLAN INFORMATION

<b>Name of the Plan</b>	CIS Employee Benefits Trust Plan, which includes the Pre-Tax Premium Only Program
<b>Plan Sponsor</b>	CIS Trust (CIS) 15875 Boones Ferry Road Lake Oswego, OR 97035-3401 (503) 763-3800
<b>Plan Administrator</b>	CIS Trust (CIS) 15875 Boones Ferry Road Lake Oswego, OR 97035-3401 (503) 763-3800

**The plan year** is the twelve-month period beginning January 1 and ending December 31.

### **Pre-Tax Premium Only Program Administration**

The Pre-Tax Premium Only Program is self-administered by CIS and your employer through payroll deductions.

### **Other Information**

**In preparing this summary of the Pre-Tax Premium Only Program (the “Program”), we have done our best to explain the various features in straightforward, non-technical language. Of course, this information is based on a legal plan document that governs the Program. It is not our intention in summarizing the material features of the Program to change the meaning expressed by the formal plan document. If we have inadvertently indicated anything that disagrees or is inconsistent with the legal plan document, the formal plan document is the one we must follow in the administration of the Program and in determining your rights under the Program. A copy of that plan document is available for your review by contacting CIS. You may be charged reasonable photocopying charges if a hard copy is requested.**

CIS will perform its duties as the Plan Administrator, and in its sole discretion will determine an appropriate course of action in light of the reason and purpose for which the Program is established and maintained. In particular, the Plan Administrator will have full, discretionary authority to interpret all plan documents, and make all interpretive and factual determinations as to whether any individual is entitled to receive any benefit under the terms of the Program. Any interpretation of the terms of any plan document, and any determination of fact adopted by the Plan Administrator, will be final and legally binding on all parties. Any interpretation will be subject to review only if it is arbitrary, capricious, or otherwise an abuse of discretion. Any review of a final decision or action of the Plan Administrator will be based only on such evidence presented to or considered by the Plan Administrator at the time of the decision that is the subject of review. Accepting any benefits under the Program constitutes agreement with and consent to any decisions that the Plan Administrator makes in its sole discretion, and further constitutes agreement to the limited standard and scope of review described by this section.

To the extent permitted by law, the Plan Administrator, and any other party assuming a fiduciary or decision making role will not incur any liability for any act or for failure to act except for their own willful misconduct or willful breach of the Program. The standard will be one of ordinary care.

**Benefits Offered:**

- Pre-Tax Premium Only Program (POP)