

Town of Northborough

CAFETERIA PLAN ELECTION

Application/Election Form and Compensation Redirection Agreement

Employee Name: _____

Employee Address: _____

Employee Social Security Number: _____

The Employer and I hereby agree that my cash compensation will be reduced by the amounts set forth below for each pay period during the plan year (or during such portion of the year as remains after the date of this agreement).

**ELECTION AND COMPENSATION REDIRECTION AGREEMENT
FOR COVERAGE UNDER CERTAIN BENEFIT PLANS**

I understand that:

_____ If my required contributions for the elected benefits are increased or decreased while this agreement remains in effect, my compensation redirection will automatically be adjusted to reflect that increase or decrease.

_____ Prior to the first day of each plan year I will be offered the opportunity to change my benefit election for the following plan year. If I do not complete and return a new election form at that time, I will be treated as having elected to continue my benefit coverage then in effect for the new plan year. In addition, this compensation redirection agreement will continue by its terms in the amount of the required contribution for the benefit option.

OTHER TERMS AND CONDITIONS

I understand that:

-- I cannot change or revoke this compensation redirection agreement at any time during the plan year unless I have a change in family status (including marriage, divorce, death of a spouse or child, birth or adoption of child, termination or commencement of

employment of a spouse, or such other events as the Plan Administrator determines will permit a change or revocation of an election).

--The Plan Administrator may reduce or cancel my compensation reduction or otherwise modify this agreement in the event he/she believes it advisable in order to satisfy certain provisions of the Internal Revenue Code.

--The reduction in my cash compensation under this agreement shall be in addition to any reductions under other agreements or benefit plans.

--The amount of my compensation redirection during the year will be credited to an insurance account and such amount will be paid on my behalf.

--My Social Security benefits may be slightly reduced as a result of my election.

I hereby authorize the Employer to withhold a service fee of \$ -0- per pay period from my compensation for administrative costs of the plan.

This agreement is subject to the terms of the Employers Cafeteria Plan as amended from time to time in effect, shall be governed by and construed in accordance with applicable laws, shall take effect as a sealed instrument under applicable laws, and revokes any prior election and compensation reduction agreement relating to such plans(s).

I choose to **ELECT** the Cafeteria Plan as described above:

Employees Signature

Date: _____

Accepted and agreed to by the Employer's Authorized Representative.

By: _____

Date: _____

Town of Northborough

CAFETERIA PLAN WAIVER

Election To Receive Full Compensation In Cash

Employee Name: _____

Employee Address: _____

Employee Social Security Number: _____

I understand all the benefit options available under the Town of Northborough Cafeteria Plan.

I elect to receive my full compensation in cash.

I understand that:

-- I cannot change or revoke this election to receive full compensation in cash at any time during the plan year unless I have a change in family status (including marriage, divorce, death of a spouse or child, birth or adoption of child, termination or commencement of employment of a spouse, or such other events as the Plan Administrator determines will permit a change or revocation of an election).

--Prior to each plan year I will be offered the opportunity to change my benefit election for the following plan year. If I do not complete and return a new election form at that time, I will be treated as having elected to continue my election to receive full cash compensation in effect for the new plan year.

I choose to WAIVE the Cafeteria Plan as described above:

Employee's Signature

Date: _____

Accepted and agreed to by the Employer's Authorized Representative.

By: _____

Date: _____