A Dependent Care FSA is a cafeteria plan governed by Sections 125 and 129 of the Internal Revenue Code. Establishing a Dependent Care FSA is a convenient way to manage out-of-pocket qualified dependent care expenses. Contributions are made as a reduction in your gross salary, pre-tax, and are not considered wages for federal income tax purposes.

The amount of money you save in taxes depends, in part, on the elections you make. You should carefully estimate the total amount you elect to set aside in your account. Employees can only be reimbursed for allowable, documented expenses incurred during the plan year.

Check with your tax advisor to determine whether you should select a Dependent Care FSA, use the federal and state Child and Dependent Care tax credits or a combination of both to maximize your savings.

With Nova you have access to your account information 24/7 at myflexspend.com, so you can check your account balance and claims information.

<table>
<thead>
<tr>
<th>FSA OPTIONS</th>
<th>You allocate pre-tax dollars to pay for dependent care expenses incurred to allow you and your spouse to work, look for work, or attend school full-time (at least five months a year).</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONTRIBUTION LIMITS</td>
<td>The maximum contribution is $2,500 or $5,000 if you are married and file a joint tax return. Dependent care funds reimburse only up to the amount of funds available in your account.</td>
</tr>
</tbody>
</table>
| ELIGIBLE EXPENSES | Care may be provided by a relative or non-relative but cannot be provided by your child under the age of 19, the child’s parent or another tax dependent. Your care provider must conform to state and local laws (including being licensed if required) and is able to provide you with a Social Security or Tax ID number. This information is required for reimbursement. Eligible expenses include:  
  • Au Pair  
  • Before and After-School Care  
  • Senior Day Care  
  • Nanny  
  • Summer Day Camp  
  • Pre-k or Nursery School |
| UNIQUE TO YOUR PLAN | The following items will be unique to your employer. Please confirm the following with your Human Resources department or call Nova’s customer service department at 1-877-268-3799.  
  • Nova Innovations Prepaid Visa Card may be available  
  • You may enroll regardless of your health insurance benefit selections.  
  • This plan is only available as long as you are employed with your current employer.  
  • Plan dollars need to be used within your plan year or grace period of up to 75 days beyond the close of the previous plan year. This varies by plan. |

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