

SUMMARY PLAN DESCRIPTION TRANSPORTATION FRINGE BENEFIT PLAN

WHAT IS A TRANSPORTATION FRINGE BENEFIT?

Your Employer has adopted a Transportation Fringe Benefit Plan (also referred to as “the Plan” or “this Plan”) to provide certain transportation and/or parking benefits. The benefits provided under this Plan are intended to be eligible for exclusion from gross income under Section 132(f) of the Internal Revenue Code.

Depending on the benefit programs your Employer has elected, you may be able to receive a Transit Pass Benefit, Qualified Parking Benefit or Commuter Highway Vehicle Benefit. These benefits are described below.

The manner of providing benefits under this Plan is specified in the PLAN INFORMATION SHEET. The possible methods of providing benefits are: (a) directly by the Employer; (b) through a salary reduction arrangement; or (c) through a reimbursement arrangement.

If benefits are provided through a salary reduction arrangement, then by participating in the Plan you can “give up” a part of your taxable compensation and choose “tax free” benefits instead. If you would normally pay for these benefits with “after-tax” dollars, the Plan enables you to pay with “pre-tax” dollars and save money by reducing your taxes.

This Summary Plan Description summarizes in plain language the operation of the Transportation Fringe Benefit Plan. If you have questions about the information contained here or about the legal documents, contact your legal or tax consultant. All issues concerning the operation of the Plan will be resolved in accordance with the Plan documents and the law. In the event of any inconsistency between this Summary and the Plan, the terms of the Plan document will govern.

PARTICIPATION, RENEWAL AND TERMINATION

WHO IS ELIGIBLE TO PARTICIPATE?

If you are an employee and have met the required eligibility standards and waiting period set forth in the PLAN INFORMATION SHEET, you are eligible to participate. If benefits are provided through a salary reduction arrangement, you must complete and sign an enrollment form and a salary reduction agreement prior to your Entry Date to participate in this Plan. Your “Entry Date” is the date on which you become eligible to participate in the Plan as indicated below:

- a. If you are an eligible employee on the date the Plan goes into effect, your Entry Date will be the effective date of the Plan; or
- b. If you become an eligible employee after the effective date of the Plan, your Entry Date will be the Entry Date specified in the PLAN INFORMATION SHEET.

You may have different waiting periods or different eligibility requirements (and thus different Entry Dates) for different benefits offered under the Plan.

If you do not complete the required paperwork prior to your Entry Date indicated above, you will not be eligible to enroll in the Plan until the next Enrollment Period. If benefits are provided through salary reductions, you will be given notice of your eligibility to participate prior to your Entry Date so that you have time to decide whether or not to participate and to make your elections.

The PLAN INFORMATION SHEET will indicate whether employees or classes of employees are prohibited from participating in the Plan or one or more of its benefits.

RENEWALS

After your initial participation in the Plan, you may renew or modify your election during any Enrollment Period specified in the PLAN INFORMATION SHEET. If the PLAN INFORMATION SHEET contains a paragraph titled “Deemed Elections”, then your election will remain in effect until you turn in a new election form modifying or revoking your election. Otherwise, you must make a new election for each new Period of Coverage (as specified in the PLAN INFORMATION SHEET), and if you fail to make a new election, you will be treated as if you elected not to participate in the Plan for that Period of Coverage. In either case, you may change your elections during any Enrollment Period for future Periods of Coverage.

WHEN DOES PARTICIPATION END?

You will cease to be a Participant in the Plan as of the earliest of:

- (a) The first day of a Period of Coverage for which you decline to participate in any benefit program provided under the Plan;
- (b) If you terminate employment or otherwise cease to satisfy the eligibility requirements, the date as of which you cease to have a right to any benefit under the Plan; or

- (c) The date on which the Plan is terminated.

WHAT IS THE EFFECT OF LOSING ELIGIBILITY?

If you lose eligibility to participate in the Plan for any reason, no further benefits will be distributed to you. If your loss of eligibility is not due to termination of the Plan or your termination of employment, then you may continue to use your salary reduction funds for qualified benefits, even though you may not make further salary reductions.

If your loss of eligibility is due to your termination of employment, then you may not receive any further benefits under the Plan. Also any salary reduction funds that have not been used are forfeited to the Plan upon your termination of employment.

If benefits are distributed to you before you lose eligibility for any reason, you may continue to use those benefits. However, if your loss of eligibility is due to your termination of employment, then the value of benefits attributable to the period after your termination of employment will be included in your income to the extent required by the tax code.

WHAT IS THE EFFECT OF REGAINING ELIGIBILITY?

The PLAN INFORMATION SHEET specifies under what circumstances, if any, forfeited amounts may be restored to you under the Plan if you are re-employed by the Employer. If benefits are provided by the Employer and the Employer limits the amount of benefits that will be provided during a specified period, then all benefits provided to you during that period are taken into account in determining that limitation, even though your eligibility under the Plan changed during that period. For example, if your Employer limits benefits provided during a Plan Year to \$600, and you use \$100 during the first two months of the Plan Year and then terminate employment and are re-employed for the last half of the Plan Year, only \$400 of benefits would remain available for the remainder of that Plan Year.

FRAUDULENT USE

WARNING: If the Plan Administrator determines that you have made fraudulent use of the Plan, your participation in the Plan will terminate and you will forfeit your unused funds.

BENEFITS

WHAT ARE YOUR BENEFITS?

As specified on the PLAN INFORMATION SHEET, you may receive one or more of the following benefits:

- a. Commuter Highway Vehicle Benefit
- b. Transit Pass Benefit
- c. Qualified Parking Benefit

The benefits are explained more fully below (but remember the PLAN INFORMATION SHEET shows the benefits actually available under the Plan). The PLAN INFORMATION SHEET also specifies the method by which the benefits are provided, the Period of Coverage and Enrollment Period for those benefits.

COMMUTER HIGHWAY VEHICLE BENEFIT

This benefit relates to commuting. You may exclude from gross income the value, up to the limit specified in the PLAN INFORMATION SHEET, of transportation provided to you to commute between your residence and your place of employment in a "Commuter Highway Vehicle." A Commuter Highway Vehicle is a vehicle that has seating capacity for at least 6 adults, not including the driver, and is used primarily to transport employees from their homes to work. The maximum benefit that may be excluded from gross income is calculated by adding this benefit to any Transit Pass Benefit provided.

TRANSIT PASS BENEFIT

This benefit relates to commuting. A "Transit Pass" is any pass, token, farecard, voucher, or similar item that entitles you to transportation (or transportation at a reduced rate) on mass transit facilities (such as a bus or train), or transportation that is provided by a person in the business of transporting people for compensation or hire in a vehicle that has seating capacity for at least 6 adults, not including the driver (such as a commercial vanpool). You may exclude from gross income the value of Transit Pass Benefits provided to you, up to the limit specified in the PLAN INFORMATION SHEET. The maximum benefit that may be excluded from gross income is calculated by adding this benefit to any Commuter Highway Vehicle Benefit provided.

Transit Passes may be distributed to participants in advance as long as they are not distributed in advance by more than the period specified in the PLAN INFORMATION SHEET. The value of Transit Passes distributed in advance is based on the value attributable to one month for purposes of determining the maximum value of benefits that may be excluded from gross income.

Transit Passes may not be provided through reimbursement unless they are unavailable for direct distribution by the Employer. Transit Passes are considered unavailable for direct distribution by the Employer if such passes or vouchers are subject to advance

purchase or minimum purchase requirements that make it impracticable for the Employer to purchase such passes or vouchers directly and distribute them to participants. The determination of whether Transit Passes are unavailable for direct distribution by the Employer shall be made by the Employer or its delegate.

QUALIFIED PARKING BENEFIT

This benefit relates to parking. "Qualified Parking" is parking on or near the business premises of the Employer or job site where you are working for the Employer. Qualified Parking also includes parking on or near the location from which you commute to work by way of Commuter Highway Vehicle, carpool or transportation for which a Transit Pass would be permitted. However, Qualified Parking does not include any parking on or near your residential property.

You may exclude from gross income the value of Qualified Parking provided to you, up to the limit specified in the PLAN INFORMATION SHEET. The maximum value of this benefit that may be excluded from gross income is calculated without regard to any Transit Pass or Commuter Highway Vehicle Benefit provided.

HOW THE PLAN OPERATES

GENERAL RULES

You must make all elections about the use of the Plan before you receive any cash or other taxable benefit that is subject to your salary reduction election. Your election must be made during an Enrollment Period specified in the PLAN INFORMATION SHEET.

Only expenses incurred while you are a participant, on or after your Entry Date and prior to your termination of employment are eligible for payment. An expense is incurred on the date a service is provided or rendered and not on the date that the service is billed or paid.

You become a participant in the Plan on your Entry Date. However, if benefits are provided through salary reduction, then you do not become a participant with respect to the benefits provided through such salary reduction before the effective date of the salary reduction election.

If benefits under this Plan are provided through a salary reduction arrangement, the amount reduced from your salary or wages cannot exceed the amount of your annual salary or wages.

You may submit claims for reimbursement of benefit expenses incurred during the "run out" period specified in the PLAN INFORMATION SHEET. Claims submitted beyond this "run out" period are ineligible for reimbursement.

Benefits provided by the Employer directly or by Employer funds are limited to the maximum benefit that may be excluded from the income of participants. Such benefits may be further limited as indicated in the PLAN INFORMATION SHEET.

The contributions which you elect to make under the Transportation Fringe Benefit Plan will reduce the amount of your taxable wages. Thus, your taxes will be reduced. However, it is possible that the Social Security benefit that you will ultimately receive will be slightly reduced by reason of the reduction in your taxable wages.

ELECTION CHANGES

You may change your election during any Enrollment Period specified in the PLAN INFORMATION SHEET. Because the Enrollment Period for the benefits provided under this Plan may correspond to the Period of Coverage for that benefit, there may be more than one Enrollment Period. For example, if the Enrollment Period under the Plan is the month before the Period of Coverage, and the Period of Coverage for the Transit Pass Benefit is three months, and the Period of Coverage for the Qualified Parking Benefit is one month, then the Enrollment Period for the Transit Pass Benefit is the month before each calendar quarter, while the Enrollment Period for the Qualified Parking Benefit is each month. In that case, you could change your elections every three months under the Transit Pass Benefit and every month for the Qualified Parking Benefit. You should see the PLAN INFORMATION SHEET to see the actual Enrollment Periods and Periods of Coverage applicable to your Plan.

You may not change your election after you receive cash or other taxable amounts that are subject to your discretion (election). You also may not change your election with respect to a Period of Coverage after you begin receiving benefits for that Period of Coverage. The Period of Coverage for each benefit provided under this Plan is specified in the PLAN INFORMATION SHEET.

THE PLAN CAN BE CHANGED

The Plan is intended to comply with all applicable sections of the Internal Revenue Code and specifically Section 132; therefore, the Plan and any benefit programs offered under the Plan may be amended to comply with the Internal Revenue Code and the Treasury Regulations as they may be amended. In addition, the Plan and any benefits offered under the Plan may be amended at any time for reasons other than compliance with new law. Your employer may also terminate the Plan or any benefit programs offered under the Plan at any time as specified in the Plan document.

HOW TO FILE A REIMBURSEMENT REQUEST

You should file your claim for reimbursement as soon as possible after you have incurred the expense. You must complete and sign a "Request for Reimbursement Form" provided by the Employer for all requests that you submit. Your claim for expense reimbursement must include the following:

- a. A statement from your service provider that you have incurred the expense and the amount of your expense, or a receipt showing the expense incurrence and amount; and
- b. A signed "Request for Reimbursement Form"; and
- c. Such other information as may be required by the Employer.

You must send the completed form, together with the statement from your provider or receipt, to your Employer's representative -- Manley Services Co., P.O. Box 70168, Eugene, OR 97401. Claims for reimbursement submitted after the allowable "run out" period, defined in the PLAN INFORMATION SHEET will not be paid. Claims for reimbursement may be submitted as frequently as indicated in the PLAN INFORMATION SHEET.

HANDLING DENIED CLAIMS

It is possible that a claim under the Plan may be denied. For example, the Plan Administrator could deny a reimbursement request regarding a parking expense you incurred. In addition, you could be denied a benefit under the Plan for reasons relating to your ability to obtain Plan coverage. An example is if you do not submit your election form in time to receive benefits for a specific period.

If the Plan Administrator denies a claim, in whole or in part, you will be notified in writing within 30 days of the date the Administrator receives your claim. (The 30-day period may be extended for an additional 15 days for matters beyond the Administrator's control, such as situations where a claim is incomplete.) The Plan Administrator will provide written notice of any extension, describing the reasons for the extension and the date by which you can expect a decision. Where a claim is incomplete, the extension notice will describe the information still needed by the Administrator and allow you 45 days from receipt of the notice to provide the additional information. (If this happens, it will have the effect of suspending any decision on your claim until you provide the specified information.)

If the Plan Administrator denies your claim, you will receive a notice that includes the following elements:

- ? The specific reason or reasons for the denial;
- ? The specific Plan provision or provisions that support the denial;
- ? A description of any items or information you would need to validate your claim and an explanation of why the added material is necessary.

As indicated above, if you receive a denial of your claim, you will have 45 days to submit any missing information or information needed to satisfy your claim. You may also submit written comments you believe support your claimed expense. Within 30 days of receiving such information or comments, the Plan Administrator will approve or deny your claim. If your claim is denied the Plan Administrator will provide you with the reason for such denial. The Plan Administrator's denial of your claimed expense after such reconsideration is final.