



First Light Technologies, Inc.

First Light Technologies, Inc.
212 Ideal Way
Poultney, VT 05701

First Light Technologies, Inc. HRA Plan

Summary Plan Description

Effective January 01, 2019

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INTRODUCTION

This is the Summary Plan Description (the "SPD") for the First Light Technologies, Inc. HRA Plan, a Health Reimbursement Arrangement (the "HRA"). This SPD summarizes your rights and obligations as a participant (or beneficiary) in the HRA.

Read this SPD carefully so that you understand the provisions of our HRA and the benefits you will receive. You should direct any questions you have to the Plan Administrator. There is a plan document on file, which you may review if you desire. In the event there is a conflict between this SPD and the plan document, the plan document will control.

I. ELIGIBILITY

01. **What Are the Eligibility Requirements for this HRA?**

You will be automatically enrolled in the HRA when you enroll in the Employer's group medical plan, unless you have opted out of the HRA.

02. **When is My Entry Date?**

Your entry date is the date you satisfy the eligibility requirements of and enroll in the Employer's group medical plan.

03. **Are There Any Employees Who Are Not Eligible?**

Yes, employees who are not eligible to receive medical benefits under the group medical plan, or who are not enrolled in that plan, are not eligible to join the HRA.

II. BENEFITS

01. What Benefits Are Available?

The HRA allows for reimbursement for expenses as described in the Appendices of this document. The expenses that qualify are those permitted by Section 213(d) of the Internal Revenue Code.

The amounts provided to the HRA by your employer will be made available on the first day of the plan year.

Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. Any amounts reimbursed under the HRA may not be claimed as a deduction on your personal income tax return or reimbursed by other health plan coverage.

If the maximum amount available for reimbursement for a Coverage Period is not utilized in its entirety, refer to Appendix A for information on how these funds will be handled.

02. What is the "Plan Year"?

The "Plan Year" begins January 01 and ends December 31.

03. What is the "Coverage Period"?

The period of the current "Coverage Period" in which the individual is an eligible employee on or after his or her plan entry date.

04. How are payments made from the HRA?

The group Health Plan Carrier will submit requests for reimbursement of expenses you have incurred during the course of a Coverage Period for Qualified Medical Expenses as described in Appendix A. All claims need to be submitted for reimbursements no later than 180 days after the end of the Coverage Period (that is, no later than 06/28). If the request qualifies as a benefit or expense that the HRA has agreed to pay, the claims processor will provide reimbursement directly to you soon thereafter. You are responsible to pay your Provider for any expenses not covered by this HRA.

Remember, reimbursements made from the HRA are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes.

05. What Happens If I Terminate Employment?

If your employment is terminated during the Plan Year for any reason, your participation in the HRA will cease on the date of your termination, and you will not be eligible to be reimbursed for any expenses incurred past that date. You must submit claims for any expenses incurred prior to your termination of employment within 180 days after you terminate employment. Any unused amounts will be forfeited.

06. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, the Uniformed Services Employment and Reemployment Rights Act of 1994 may give you special rights to health care coverage under the HRA. These rights can include extended health care coverage. If you may be affected by this law, ask your Plan Administrator for further details.

07. **Newborn and Mothers Health Protection Act**

Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the HRA or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

08. **Qualified Medical Child Support Order**

A medical child support order is a judgment, decree or order (including approval of a property settlement) made under state law that provides for child support or health coverage for the child of a participant. The child becomes an "alternate recipient" and can receive benefits under the health plans of the Employer, if the order is determined to be "qualified." You may obtain, without charge, a copy of the procedures governing the determination of qualified medical child support orders from the Plan Administrator.

III. GENERAL INFORMATION ABOUT OUR HRA

This Section contains certain general information, which you may need to know about the HRA.

01. General HRA Information

"First Light Technologies, Inc. HRA Plan" is the name of the Plan.

Your Employer has assigned Plan Number 516 to your Plan.

This HRA is integrated with a group health plan entitled the "First Light Technologies, Inc. Health Plan", which has been assigned policy number 211123.

The company has adopted this Plan effective January 01, 2019.

Your Plan's records are maintained on the basis of a period of time known as the "Plan Year." The Plan Year begins on January 01 and ends December 31 (the "Plan Year").

02. Employer Information

Your Employer's name, address, and identification number are:

First Light Technologies, Inc.
212 Ideal Way
Poultney, VT 05701
EIN: 03-0344799

03. Plan Administrator Information

The name and address of your Plan Administrator are:

MVP Health Care
PO Box 2207
Schenectady, NY 12301

The Plan Administrator will also answer any questions you may have about our HRA. The Plan Administrator has the exclusive right to interpret the appropriate HRA provisions. Decisions of the Plan Administrator are conclusive and binding. You may contact the Plan Administrator for any further information about the HRA.

04. Agent for Service of Legal Process

Should it ever be necessary, you or your personal representative may serve legal process on the agent for service of legal process for the HRA. The HRA Agent of Service is:

First Light Technologies, Inc.
212 Ideal Way
Poultney, VT 05701

Legal process may also be served on the Plan Administrator.

05. Type of Administration

The HRA is a health reimbursement arrangement. The HRA is not funded or insured. Benefits are paid from the general assets of the Employer.

06. **Claims Administrator Information**

The name and address of your Claims Administrator are:

MVP Health Care
PO Box 2207
Schenectady, NY 12301

The Claims Administrator keeps the claims records for the HRA and is responsible for the claims administration of the HRA. The Claims Administrator will also answer any claims-related questions you may have about the HRA.

IV. ADDITIONAL HRA INFORMATION

01. Your Rights Under ERISA

HRA Participants, eligible employees and all other employees of the Employer may be entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. These laws provide that Participants, eligible employees and all other employees are entitled to:

- a. Examine, without charge, at the Plan Administrator's office, all HRA documents, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the HRA with the U.S. Department of Labor (also, available at the Public Disclosure Room of the Employee Benefits Security Administration).
- b. Obtain copies of all HRA documents and other HRA information upon written request to the Plan Administrator. The Plan Administrator may charge a reasonable fee for the copies.
- c. Continue health care coverage for a HRA Participant, Spouse, or other dependents if there is a loss of coverage under the HRA as a result of a qualifying event. Employees and dependents may have to pay for such coverage.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time frames.

If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or Federal court; provided, such suit may be filed only after the plan's review procedures described herein have been exhausted and only if filed within 90 days after the final decision on review is provided, or, if a later date is specified in a booklet, certificate or other documentation for a particular Welfare Program, only if filed by such later date.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request materials from the HRA and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may request the Plan Administrator to provide the materials and pay you up to \$112 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

In addition, if a HRA Participant disagrees with the HRA's decision or lack thereof concerning the qualified status of a medical child support order, he or she may file suit in federal court.

In addition to creating rights for HRA Participants, ERISA imposes obligations upon the individuals who are responsible for the operation of the HRA. The individuals who operate the HRA, called "fiduciaries" of the

HRA, have a duty to do so prudently and in the interests of the HRA Participants and their beneficiaries. No one, including the Employer or any other person, may fire a HRA Participant or otherwise discriminate against a HRA Participant in any way to prevent the HRA Participant from obtaining benefits under the HRA or from exercising his or her rights under ERISA.

If it should happen that HRA fiduciaries misuse the HRA's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

If you have any questions about the HRA, you should contact the Plan Administrator. If you have any questions about your rights under ERISA or the Health Insurance Portability and Accountability Act (HIPAA), or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

02. **How claims are submitted**

Your group Health Plan Carrier will submit all claims to the Claims Processor for processing. All claims will be processed in accordance with the HRA plan design contained in Appendix A of this document.

A Claim is defined as any request for a HRA benefit, made by a claimant or by a representative of a claimant that complies with the HRA's reasonable procedure for making benefit Claims. The times listed are maximum times only. A period of time begins at the time the Claim is filed. Unless otherwise specified, decisions will be made within a reasonable period of time appropriate to the circumstances. "Days" means calendar days.

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information on the claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Claims Administrator will provide written or electronic notification of any Claim denial. The notice will state:

1. Information sufficient to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), the diagnosis code and its corresponding meaning, and the treatment code and its corresponding meaning.
2. The specific reason or reasons for the adverse determination.
3. Reference to the specific HRA or Welfare Program provisions on which the determination is based.
4. A description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary.
5. A description of the HRA's internal review procedures and time limits applicable to such procedures, available external review procedures, as well as the claimant's right to bring a civil action under Section 502 of ERISA following a final appeal.
6. Upon request and free of charge, a copy of any internal rule, guideline, protocol or other similar criterion that was relied upon in making the adverse determination regarding the claim, and an explanation of the scientific or clinical judgment for a determination that is based on a medical necessity, experimental treatment or other similar exclusion or limit.
7. In the case of a claim involving urgent care, a description of the expedited review process applicable to such claim.
8. The availability of and contact information for an applicable office of health insurance consumer assistance or ombudsman established under PHS Act Section 2793.

When you receive a denial, you will have 180 days following receipt of the notification in which to appeal the decision to the Claims Administrator. You may submit written comments, documents, records, and other information relating to the Claim. If you request, you will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the HRA. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

1. was relied upon in making the Claim determination;
2. was submitted, considered, or generated in the course of making the Claim determination, without regard to whether it was relied upon in making the Claim determination;
3. demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that Claim determinations are made in accordance with HRA documents and HRA provisions have been applied consistently with respect to all

claimants;

4. or constituted a statement of policy or guidance with respect to the HRA concerning the denied Claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial Claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the HRA who is neither the individual who made the adverse determination nor a subordinate of that individual.

After receiving notice of an adverse benefit determination or a final internal adverse benefit determination, a claimant may file with the HRA a request for an external review. A claimant may request from the Plan Administrator additional information describing the HRA's external review procedure.

IF YOU HAVE QUESTIONS

For more information about your rights under the Employee Retirement Income Security Act of 1974 (ERISA), including the Patient Protection and Affordable Care Act and other laws affecting group health plans, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at www.dol.gov/ebsa or call their toll-free number at 1-866-444-3272.

For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit www.HealthCare.gov.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

Appendix A - HRA Plan Benefit

Employee Class

- Individual

Qualified benefits

- Deductible - Medical
- Rx drugs - Health (prescriptions)

Plan Coverage

- Medical

Reimbursement Schedule

- First, the Employee will pay \$1,650.00 of qualifying expenses.
- Last, the HRA will pay \$1,050.00 of qualifying expenses up to a max benefit limit of \$1,050.00.

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

Appendix A - HRA Plan Benefit

Employee Class

- Family

Qualified benefits

- Deductible - Medical
- Rx drugs - Health (prescriptions)

Plan Coverage

- Medical

Reimbursement Schedule

- First, the Employee will pay \$3,300.00 of qualifying expenses.
- Last, the HRA will pay \$2,100.00 of qualifying expenses up to a max benefit limit of \$2,100.00.

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.