

Wraparound Summary Plan Description for Group Insurance Certificate

**Summary Plan Description
for
Seattle Institute for Biomedical and Clinical Research Group Vision Plan**

Seattle Institute for Biomedical and Clinical Research has a Group Vision Plan financed through a group insurance contract with **Vision Service Plan (VSP)** to provide vision coverage to eligible employees and their dependents. **VSP** has developed a certificate to describe the coverage available under the plan. The certificate does not contain all the information a federal law known as ERISA (Employee Retirement Income Security Act) requires for summary plan descriptions (SPDs). This “wraparound” SPD provides the missing information.

This wraparound SPD and certificate only describes the **Seattle Institute for Biomedical and Clinical Research** Group Vision Plan in a summary manner. The plan document for the **Seattle Institute for Biomedical and Clinical Research** Group Vision Plan governs the plan and includes more details on how it operates. If there is any conflict between (i) the wraparound SPD and certificate and (ii) the plan document, then the plan document will control. Participants and beneficiaries should not rely on any oral description of the plan because the written terms of the plan will always govern.

Plan Identification Information

Plan name:	Seattle Institute for Biomedical and Clinical Research Group Vision Plan
Plan number:	503
Type of plan:	The Group Vision Plan provides comprehensive vision benefits and is considered a "welfare benefit plan" under ERISA.
Type of funding:	The plan is insured by Vision Services Plan (VSP) .
Type of administration:	VSP provides claims administration and other services under the group insurance contract.
Claims administrator:	VSP 3333 Quality Drive, Rancho Cordova, CA 95670-7985, (800) 852-7600
Plan year:	The plan year begins on September 1 and ends on August 31. The plan's financial records are based on the plan year(s).
Plan administrator:	Seattle Institute for Biomedical and Clinical Research 1660 S Columbian Way, MS 151F, Seattle, WA 98108-1532, (206) 764-2710

Plan Identification Information, continued

Employer who sponsors the plan:	Seattle Institute for Biomedical and Clinical Research 1660 S Columbian Way, MS 151F, Seattle, WA 98108-1532, (206) 764-2710
Employer's EIN (Employer Identification Number):	91-1452438
Agent for service of legal process:	Steven Goldstein Betts Patterson & Mines, P.S. 800 Financial Center 1215 Fourth Avenue Seattle, WA 98161-1090
Plan establishment:	Seattle Institute for Biomedical and Clinical Research established the Group Vision Plan for the exclusive benefit of its eligible employees on September 01, 2000.
Wraparound SPD Revision Date	This wraparound SPD was last revised in October 2007.

Coverage and Claims Procedures

Coverage. All claims for benefits under the plan are processed by **VSP** under a group insurance contract. **VSP** has developed a certificate that describes the coverage under the plan. The certificate also describes the rules determining eligibility to participate in the plan and eligibility to receive benefits from the plan. This wraparound SPD incorporates by reference the certificate. It is attached as an Appendix.

Claims procedures. You must file claims for benefits under the plan with **VSP**. The certificate describes the procedure for filing claims and the procedure for requesting a review of denied claims. As part of the claims administration process, **VSP** will:

- pay claims for benefits due under the plan;
- provide written explanations of the reasons for denied claims;
- handle claimant requests for reviews of denied claims; and
- make the final decision on denied claims.

Contributions and Funding

Employee contributions. Employees shall not contribute toward the cost of the plan for themselves. If employees choose to insure dependents, the employee will contribute the 25% of the cost of their dependent coverage. **Seattle Institute for Biomedical and Clinical Research** has adopted a Section 125 plan under the Internal Revenue Code (IRC), these contributions may be pretax employee contributions. The contribution amounts are specified in the plan documents and will be furnished to employees when they are hired and during the annual enrollment process.

Employer contributions. **Seattle Institute for Biomedical and Clinical Research** shall contribute 100% of the cost of the plan for employees and 75% for their dependents.

Funding. The plan is unfunded and insured. **Seattle Institute for Biomedical and Clinical Research** collects and sends the premiums to **VSP**.

Role of Insurer. The plan's benefits are financed through a group insurance contract with **VSP** of Rancho Cordova, CA. The insurer is responsible for investing the premiums and paying benefit claims. The insurer guarantees the payment of claims incurred before the group insurance contract terminates.

Plan Administration and Amendments

Named fiduciary and plan administrator. **Seattle Institute for Biomedical and Clinical Research** is the named fiduciary and plan administrator authorized to control and manage the operation and administration of the plan. **Seattle Institute for Biomedical and Clinical Research**, as named fiduciary, has allocated to **VSP** responsibility for administering the plan's claims procedures and for exercising other fiduciary functions described in the certificate.

Plan interpretations. In exercising their fiduciary functions, the plan fiduciaries have discretionary authority to determine eligibility for benefits and to interpret the terms of the plan. Using their discretionary authority, the plan fiduciaries may correct defects, make findings of fact, rectify any omission, or reconcile any inconsistency or ambiguity in the plan. This wraparound SPD does not constitute a contract of employment.

Plan amendments. Pursuant to the plan, **Seattle Institute for Biomedical and Clinical Research** can amend or replace the group insurance contract through which benefit claims are paid under the plan. **Seattle Institute for Biomedical and Clinical Research** also can amend the plan. **Seattle Institute for Biomedical and Clinical Research's** decision to amend or replace the group insurance contract or to amend the plan is not a fiduciary decision that must be made solely in the interest of the employees, but is a business decision that can be made solely in **Seattle Institute for Biomedical and Clinical Research's** interest. Plan amendments include amendments to terminate coverage for some or all employees. If the plan is terminated, the rights of a participant covered under the plan are limited to the payment of eligible expenses incurred prior to termination.

Information about sponsors of plan. A complete list of employers and employee organizations sponsoring the plan may be obtained upon written request to the plan administrator and is available for examination by participants and beneficiaries. Alternatively, participants and beneficiaries may receive from the plan administrator on written request information on whether a particular employer or union is a plan sponsor, and if so, the sponsor's address.

Rights Under Federal Law

Rights under HIPAA. The Group Vision Plan is subject to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Qualified medical child support orders. If a qualified medical child support court order (QMCSO) issued in a domestic relations proceeding (e.g., a divorce or legal separation proceeding) requires you as a parent to cover a child who is not in your custody, you may do so. To be qualified, a medical child support order must include:

- name and last known address of the parent who is covered under this plan;

- name and last known address of each child to be covered under this plan;
- type of coverage to be provided to each child; and
- period of time the coverage is to be provided.

QMCSOs should be sent to the plan administrator. Upon receipt, the plan administrator will notify you and describe the plan's procedures for determining if the order is qualified. If the order is qualified, you may cover your children under the plan. As a beneficiary covered under the plan, your child will be entitled to information that the plan provides to other beneficiaries under ERISA's reporting and disclosure rules.

Leave under Family Medical Leave Act (FMLA). If you take a leave of absence for your own serious health condition or to care for family member with a serious health condition or to care for newborn or adopted child, you may be able to continue your health coverage under the plan. If you drop your health coverage during the leave, you can also have your health coverage reinstated on the date you return to work, assuming you pay any contributions required for the coverage.

COBRA coverage. You (or your covered spouse or children) can elect to temporarily continue coverage under the plan if you (or your covered spouse or children) would otherwise lose coverage when a "qualifying event" occurs. This continuation coverage is commonly known as COBRA coverage. Your covered spouse or children have the right to elect COBRA coverage even if you do not elect it.

Qualifying events:

Employment termination or reduction in hours. If your employment terminates (for reasons other than your gross misconduct) or if your hours are reduced to the point where you would ordinarily lose coverage under the plan, you (or your covered spouse or children) may elect COBRA coverage for up to 18 months from the date of the employment termination or reduction in hours. For these 18-month qualifying events, you (or your covered spouse or children) must pay 102% of the full cost of the coverage.

Disability extension. If, within the first 60 days of COBRA coverage due to employment termination or reduction in hours, you (or a covered family member) are totally and permanently disabled and qualify for Social Security benefits, COBRA coverage may be extended an additional 11 months for a total of 29 months. For the 11-month extension, you (or your covered spouse or children) must pay 150% of the full cost of the coverage. This 11-month extension is available to each family member who would otherwise lose coverage because of the employment termination or reduction in hours. To obtain the 11-month extension, you (or a covered family member) must notify **Seattle Institute for Biomedical and Clinical Research** within 60 days of Social Security's disability determination and within 18 months of the original qualifying event.

In the event you (or a covered family member) are no longer qualified for Social Security disability benefits, you must notify the plan administrator within 30 days. Your COBRA coverage will then stop.

Death. If you die while you are employed and your dependents are covered by the plan, then your spouse (and any children) may elect COBRA coverage for up to 36 months from the date of your death. If there is no spouse, or your spouse is not eligible for COBRA coverage, your children may elect COBRA coverage for up to 36 months from the date of your death.

Divorce or legal separation. If your divorce or legal separation occurs prior to termination of employment, your spouse (and any children) may elect COBRA coverage for 36 months from the date of the divorce or legal separation. If your spouse is not eligible for COBRA coverage, your children may elect COBRA coverage for up to 36 months.

Child no longer dependent. If your child ceases to be a dependent as defined by the plan, your child may elect COBRA coverage for up to 36 months.

Medicare enrollment. After your COBRA election date, if you enroll in Medicare as your primary coverage, then your spouse (and any children) may elect COBRA coverage for up to 36 months. If your spouse is not eligible for COBRA coverage, your children may continue COBRA coverage for up to 36 months.

Second qualifying events. If your spouse and/or dependents have another qualifying event while on COBRA coverage due to your employment termination or reduction in hours, they may elect COBRA coverage for up to 36 months from the date of the employment termination or reduction in hours. For example, assume that you (or your spouse or children) elect COBRA coverage because of your employment termination. If you died during the first 18 months of COBRA coverage, your spouse and children may elect to continue COBRA coverage for up to 36 months from your date of employment termination.

For these 36-month qualifying events, you (or your spouse or children) must pay 102% of the full cost of the coverage.

Notice requirement for employee. If your spouse or child qualifies for COBRA coverage due to a qualifying event such as divorce, legal separation, or ceasing to meet the definition of a dependent under the plan, you (or your covered spouse or child) must notify the plan administrator. You should give this notice prior to the qualifying event, or as soon as possible thereafter (but not more than 60 days after the qualifying event). When **Seattle Institute for Biomedical and Clinical Research** receives your notice, it must in turn notify you, your spouse, and children (individually or jointly) of their right to elect COBRA coverage.

While on COBRA coverage, you may enroll newly-acquired adopted or newborn children in COBRA coverage if you notify the plan administrator within 30 days of the birth or placement for adoption.

60-day deadline for election. To elect COBRA coverage, you (or your covered spouse or children) must submit a completed COBRA election form to **Seattle Institute for Biomedical and Clinical Research** within 60 days after you (or your covered spouse or children) receive the election form or, if later, 60 days after coverage under the plan would otherwise end if COBRA coverage is not elected. You (or your spouse or children) cannot elect COBRA coverage after the expiration of this 60-day deadline.

Canceling COBRA coverage. COBRA coverage will be canceled in less than 18 months (or, if applicable, 36 months) if the following situation occurs:

- Payments for the COBRA coverage are not paid on a timely basis by you, your spouse, or your child, as the case may be. To be timely, a payment must be paid within 30 days of its due date (or 45 days of the due date for the initial payment).
- After you (or your spouse or children) have elected COBRA coverage under this plan, you (or they) become covered under another Group Vision Plan. However, you (or they) may continue

COBRA coverage if the other Group Vision Plan limits coverage for preexisting medical conditions that you (or they) may have.

- After you (or your spouse or children) have elected COBRA coverage under this plan, you (or your spouse or children) become enrolled in Medicare.
- The plan terminates for all **Seattle Institute for Biomedical and Clinical Research** employees.

Mid-Year Changes Under Section 125 Plans

The benefit elections you make when you enroll in **Seattle Institute for Biomedical and Clinical Research's** programs will be in effect for the entire calendar year (or portion of the calendar year that remains, if you are a new employee), unless you have a qualified mid-year event. You will *not* be able to change your coverages unless you file a written request for a change with your Human Resource Department within 30 days of any of the following mid-year events:

1. Change in Status. If one or more of the following Changes in Status occur, you may revoke your old election during the year and make a new election, provided that both the revocation and new election are on account of and correspond with the Change in Status (as described below). Those occurrences which qualify as a Change in Status include the events described below, as well as any other events which the plan administrator determines are permitted under subsequent IRS regulations:

- a change in your legal marital status (such as marriage, legal separation, annulment, divorce or death of your spouse);
- a change in the number of your dependents for tax purposes (such as the birth of a child, adoption or placement for adoption of a dependent, or death of a dependent);
- any of the following events that change the employment status of you, your spouse, or your dependent that affects benefit eligibility under a cafeteria plan (including this plan) or other employee benefit plan of yours, your spouse, or your dependents. Such events include any of the following changes in employment status: termination or commencement of employment, a strike or lockout, a commencement of or return from an unpaid leave of absence, a change in worksite, switching between salaried and hourly-paid, union and non-union, or part-time and full-time; incurring a reduction or increase in hours of employment; or any other similar change which makes the individual become (or cease to be) eligible for a particular employee benefit;
- an event that causes your dependent to satisfy or cease to satisfy an eligibility requirement for a particular benefit;
- a change in your, your spouse's, or your dependent's place of residence.

If a Change in Status occurs, you must inform the plan administrator and complete a payroll deduction form within 30 days of the occurrence. Your coverage change will be effective on the date you notify the plan administrator. However, if your Change in Status is a birth, adoption, or placement for adoption of a Dependent child, coverage will be retroactively provided to the date of the event.¹

If you wish to change your election based on a Change in Status, you must establish that the revocation is on account of and corresponds with the Change in Status. The plan administrator (in its sole discretion) shall determine whether a requested change is on account of and corresponds with a Change in Status. As a general rule, a desired election change will be found to be consistent with a Change in Status event if the event affects coverage eligibility. In addition, you must also satisfy the following specific requirements in order to alter your election based on that Change in Status:

¹ *Note:* An employer may always provide retroactive coverage to employees, but it cannot take retroactive pretax contributions (other than for a change in status as a result of birth, adoption or placement for adoption).

- *Loss of Dependent Eligibility.* For accident and health benefits (e.g., health, dental and vision coverage, accidental death and dismemberment coverage, and health care expense reimbursement benefits), a special rule governs which type of election changes are consistent with the Change in Status. For a Change in Status involving your (a) divorce, annulment or legal separation from your spouse, (b) the death of your spouse or your dependent, or (c) your dependent ceasing to satisfy the eligibility requirements for coverage, your election to cancel accident or health benefits for any individual other than (a) your spouse involved in the divorce, annulment, or legal separation, (b) your deceased spouse or dependent, or (c) your dependent that ceased to satisfy the eligibility requirements, would fail to correspond with that Change in Status. Hence, you may only cancel accident or health coverage for the affected spouse or dependent. However, if you, your spouse, or a dependent elect COBRA continuation coverage under the Employer's plan, you may be able to increase your contribution to pay for such coverage.
- *Gain of Coverage Eligibility Under Another Employer's Plan.* For a Change in Status in which you, your spouse, or your dependent gain eligibility for coverage under another employer's cafeteria plan (or qualified benefit plan) as a result of a change in your marital status or a change in your, your spouse's, or your dependent's employment status, your election to cease or decrease coverage for that individual under the plan would correspond with that Change in Status *only* if coverage for that individual becomes effective or is increased under the other employer's plan.
- For group term life insurance benefits, disability income coverage, and accidental death and dismemberment coverage, if you have a change in status, you may elect either to increase or decrease coverage.

2. Special Enrollment Rights. If you, your spouse and/or a dependent are entitled to special enrollment rights under a Group Vision Plan, you may change your election to correspond with the special enrollment right. Thus, for example, if you declined enrollment in medical coverage for yourself or your eligible dependents because of outside medical coverage and eligibility for such coverage is subsequently lost due to certain reasons (i.e., due to legal separation, divorce, death, termination of employment, reduction in hours, or exhaustion of COBRA period), you may be able to elect medical coverage under the plan for yourself and your eligible dependents who lost such coverage. Furthermore, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may also be able to enroll yourself, your spouse, and your newly acquired dependents, provided that you request enrollment within 31 days after the marriage, birth, adoption, or placement for adoption. Please refer to the Group Vision Plan description for an explanation of special enrollment rights.

3. Certain Judgments and Orders. If a judgment, decree or order, including a Qualified Medical Child Support Order (QMCSO), resulting from a divorce, separation, annulment or custody change requires your dependent child (including a foster child who is your tax dependent) to be covered under this plan, you may change your election to provide coverage for the dependent child. If the order requires that another individual (such as your former spouse) cover the dependent child, you may change your election to revoke coverage for the dependent child.

4. Entitlement to Medicare or Medicaid. If you, your spouse, or a dependent actually enroll in Medicare or Medicaid, you may cancel that person's accident or health coverage. Similarly, if you, your spouse, or a dependent who has been enrolled in Medicare or Medicaid loses eligibility for same, you may, subject to the terms of the underlying plan, elect to begin or increase that person's accident or health coverage.

5. Change in Cost. If the plan administrator notifies you that the cost of your coverage under the plan *significantly* increases during the plan year or there is a loss of coverage mid-year, you may choose either to make an increase in your contributions or revoke your election if there is no other plan option which provides similar coverage. You may also revoke your election if there is a *significant* curtailment that amounts to a loss of coverage and there is no other plan option which provides similar coverage. However, if there is a *significant* curtailment that does not amount to a loss of coverage (e.g., an increase in deductibles or co-payments), you may not drop your coverage but only switch to a similar coverage. If the cost of coverage under the plan *significantly* decreases, all eligible employees, even those who previously did not participate in the cafeteria plan, may elect coverage under the plan. For *insignificant* increases or decreases in the cost of benefits, however, the plan administrator will automatically adjust your election contributions to reflect the minor change in cost. (This “Change in Cost” exception is not applicable to health care expense reimbursement accounts under the plan.)

6. Change in Coverage. If the plan administrator notifies you that your coverage under the plan is significantly curtailed you may revoke your election and elect coverage under another plan option which provides similar coverage. Also, if during the plan year the plan adds or eliminates a coverage option, you may elect the newly-added option or elect another plan option (when a plan option has been eliminated), and may do so on a pre-tax basis by making a corresponding election change under another plan option which provides similar coverage. Additionally, you may make an election change when there is a significant improvement in coverage provided under an existing benefit option. Further, you may make an election change that is on account of and corresponds with a change made under the plan of your spouse’s, former spouse’s, or dependent’s employer, so long as: (a) his or her employer’s plan permits its participants to make an election change permitted under the IRS regulations; or (b) this plan permits you to make an election for a period of coverage which is different from the period of coverage under his or her employer’s plan. (This “Change in Coverage” exception is not applicable to health care expense reimbursement accounts under the plan.)

Rights under ERISA. As a participant in the Seattle Institute for Biomedical and Clinical Research Group Vision Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the plan administrator's office and at other specified locations such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report. [Note: This paragraph does not apply to plans that pay benefits solely from the employer’s general assets.]

Continue Group Vision Plan Coverage

Continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this summary plan description and the documents governing the plan on the rules governing your COBRA continuation coverage rights.

Reduction or elimination of exclusionary periods of coverage for preexisting conditions under your Group Vision Plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your Group Vision Plan or health insurance issuer when you lose coverage under the plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to a preexisting condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a (pension, welfare) 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 schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the 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 you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan'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.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of

Technical Assistance and Inquiries, Pension and Welfare Benefits 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 Pension and Welfare Benefits Administration.

Appendix

Copy of Insurance Certificate