

**SECOND AMENDMENT TO**  
**VIRGINIA BANKERS ASSOCIATION**  
**GROUP FLEXIBLE BENEFITS PLAN**

**(January, 2015)**

Pursuant to the authority granted to the Benefits Corporation under paragraph 9.1 of the Virginia Bankers Association Group Flexible Benefits Plan (the "Plan"), the Benefits Corporation hereby amends the Plan, effective January 1, 2020 or as otherwise stated, as follows:

Each Employer maintains a group welfare plan and a "cafeteria plan" under Section 125 of the Internal Revenue Code for the exclusive benefit of eligible employees and their dependents through the adoption of the Virginia Bankers Association Group Flexible Benefits Plan. This Amendment is intended to amend the Plan 1) to permit Employers to elect to extend coverage through furloughs or leaves of absences in connection with the coronavirus outbreak, and 2) to permit Employers to all reimbursements for certain over the counter drugs permitted by the Coronavirus Aid, Relief and Economic Security (CARES) Act, as follows:

1. A new subparagraph 2.4(d) of the Plan to read as follows:

(d) Other Leaves of Absence. If elected by the Employer in Option 4(e) of the Adoption Agreement, if a Participant is placed on a furlough or leave of absence in connection with the coronavirus outbreak, the Participant may elect to continue to participate in the Plan during the period of furlough or leave of absence for as long as the Plan and the insurance carriers permit. During the period that the Participant is so eligible, the Participant may make Plan contributions in accordance with procedures established by the Plan Administrator. If a Participant does not elect to continue coverage under the Plan during a furlough or leave of absence or if coverage for such Participant ends during the furlough or leave, the Participant will be allowed to re-enroll in the Plan upon his or her return to work on the same basis as the Participant was participating in the Plan prior to such leave, provided that the Participant satisfies the requirements of paragraph 2.1.

2. Subparagraph B-1.3(h) of Appendix B is amended effective January 1, 2020 to read as follows.

B-1.3(h) "Qualifying Medical Expenses": All expenses (to the extent not covered by insurance or for which a Participant is not otherwise compensated) incurred by the Participant for "medical care" (as defined in Section 213 of the Code) of the Participant or any Dependent of the Participant, including, but not limited to all amounts paid for hospital, medical, vision, hearing, mental, drug dependence, dental care and pharmaceutical bills. Expenses for medical care also include deductible and co-insurance amounts paid by the Participant for such medical care. Notwithstanding the foregoing, Qualifying Medical Expenses do not include premiums for other accident or health insurance or long term care services or insurance. For periods prior to January 1, 2020, notwithstanding any other provision of the Plan to the contrary, Qualifying Medical Expenses eligible for reimbursement under the Health Care Account shall include expenses for medicines or drugs incurred only if the medicine or drug is a prescribed drug (determined without regard to whether the medicine or drug is available without a prescription) or is insulin. The Plan Administrator shall have sole discretion to determine, on a uniform and consistent basis, whether a particular item is a medicine or drug subject to this rule and whether the requirement of a prescription has been satisfied. Effective January 1, 2020, Qualifying Medical Expenses shall

include expenses for medicines or drugs determined without regard to whether a prescription is obtained and menstrual care products as defined in Section 223(d)(2)(D) of the Code. Notwithstanding the foregoing, an Employer may elect in Option 5(i)(8) of the Adoption Agreement, to apply or continue to apply the pre-January 1, 2020 definition of Qualifying Medical Expenses.

2. Subparagraph C-1.3(h) of Appendix C is amended effective January 1, 2020 to read as follows.

C-1.3(h) "Qualifying Medical Expenses": All expenses (to the extent not covered by insurance or for which a Participant is not otherwise compensated) incurred by the Participant during the Plan Year and, if elected by the Employer in Option 5(i)(7) of the Adoption Agreement, during the Grace Period, and in the case of a Dependent, while a Dependent, for the following expenses:

(i) "preventive care" (as described in Section 223(c)(2)(C) of the Code and the regulations thereto) of the Participant or any

(ii) "permitted coverage" but not through insurance or for long-term care services) (as described in Section 223(c)(1)(B) of the Code and the regulations thereto) of the Participant; or

(iii) "medical care" (as described in Section 213 of the Code) of the Participant or any Dependent, but only to the extent such medical care is incurred after the annual deductible of the high deductible group health plan has been satisfied, including but not limited to the amounts paid for hospital, medical, vision, hearing, mental, drug dependence, dental care, pharmaceutical bills, and co-insurance amounts paid by the Participant for such medical care under the high deductible group health plan.

Notwithstanding the foregoing, Qualifying Medical Expenses do not include premiums for other accident or health insurance. For periods prior to January 1, 2020, notwithstanding any other provision of the Plan to the contrary, Qualifying Medical Expenses otherwise eligible for reimbursement under the HSA Compatible Health Care Spending Account shall include expenses for medicines or drugs only if the medicine or drug is a prescribed drug (determined without regard to whether the medicine or drug is available without a prescription) or is insulin. The Plan Administrator shall have sole discretion to determine, on a uniform and consistent basis, whether a particular item is a medicine or drug subject to this rule and whether the requirement of a prescription has been satisfied. Effective January 1, 2020, Qualifying Medical Expenses shall include expenses for medicines or drugs determined without regard to whether a prescription is obtained and menstrual care products as defined in Section 223(d)(2)(D) of the Code, to the extent otherwise described in (i) – (iii) above. Notwithstanding the foregoing, an Employer may elect in Option 5(i)(8) of the Adoption Agreement, to apply or continue to apply the pre-January 1, 2020 definition of Qualifying Medical Expenses.

[Signature on Following Page]

This amendment is adopted by the Board of Directors of the Benefits Corporation on this 15 day of May, 2020. Employers adopting the Plan shall be notified of this amendment in writing, and a copy of this amendment shall be provided to each.

**VBA BENEFITS CORPORATION**

By:  \_\_\_\_\_  
Thomas Cherry (May 21, 2020 07:23 EDT)

Its \_\_\_\_\_ Thomas Cherry \_\_\_\_\_

