

**ROGER CLEVELAND GOLF, INC.
FLEXIBLE BENEFITS PLAN**

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**ADOPTION AGREEMENT
CAFETERIA PLAN**

The undersigned adopting employer hereby adopts this Plan. The Plan is intended to qualify as a cafeteria plan under Code section 125. The Plan shall consist of this Adoption Agreement, its related Basic Plan Document and any related Appendix and Addendum to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

COMPANY INFORMATION

1. Name of adopting employer (Plan Sponsor): Roger Cleveland Golf, Inc.
2. Address: 5601 Skylab Road
3. City: Huntington Beach
4. State: CA
5. Zip: 92647
6. Phone number: 714-889-1355
7. Fax number: 714-889-5893
8. Plan Sponsor EIN: 95-3838879
9. Plan Sponsor fiscal year end: 12/31
10. Entity Type:
 - a. Plan Sponsor entity type:
 - i. C Corporation
 - ii. S Corporation
 - iii. Non-Profit Organization
 - iv. Partnership
 - v. Limited Liability Company
 - vi. Limited Liability Partnership
 - vii. Sole Proprietorship
 - viii. Union
 - ix. Government Agency
 - x. Other: _____
 - xi. If "Union"(10a.viii) is selected, enter name of the representative of the parties who established or maintain the Plan: _____
11. State of organization of Plan Sponsor: CA
12. **Controlled Groups/Affiliated Service Groups**
 - a. The Plan Sponsor is a member of an affiliated service group. List all members of the group (other than the Plan Sponsor): _____
13. **Controlled Groups**
 - a. The Plan Sponsor is a member of a controlled group. List all members of the group (other than the Plan Sponsor): _____
NOTE: Affiliated service group members and controlled group members may adopt the Plan with the approval of the Plan Sponsor.
NOTE: Listing affiliated service group members and controlled group members is for information purposes only and is optional.
Participating Employers in the Plan are listed in Addendum.

PLAN INFORMATION

A. GENERAL INFORMATION AND DEFINITIONS

1. **Plan Number:** 502
2. **Plan Name:**
 - a. Roger Cleveland Golf, Inc.
 - b. Flexible Benefits Plan
3. **Effective Date:** 09/01/1995

A. GENERAL INFORMATION AND DEFINITIONS

- a. Is this a restatement of a previously-adopted plan?
- b. Effective date of Plan restatement: 01/01/2025 ("Restatement Date")

4. Plan Year:

- a. Plan Years mean each 12-consecutive month period ending on 12/31 (e.g. December 31). If the Plan Year changes, any special provisions regarding a short Plan Year shall be placed in the Addendum to the Adoption Agreement.
- b. The Plan has a short Plan Year. The short Plan Year begins _____ and ends on _____.

Plan Features

5. The following Benefits are available under the Plan:

- a. Premium Conversion Account
- b. Health Flexible Spending Account
- c. Limited Purpose HSA-Compatible Health Flexible Spending Account
- d. Post-Deductible HSA-Compatible Health Flexible Spending Account
- e. Dependent Care Assistance Plan Account
- f. Adoption Assistance Flexible Spending Account
- g. Health Savings Account
- h. Flexible Benefits Credits
- i. PTO Purchase/Sale

6. Simple Cafeteria Plan

- a. The Plan is intended to qualify as a simple cafeteria plan under Code section 125(j).
- b. The Employer shall make contributions to the Plan as follows:
 - i. _____% (no less than 2%) of an Eligible Employee's Compensation for the Plan Year.
 - ii. _____% (at least 200%) of an Eligible Employee's salary reduction contribution for the Plan Year, but no less than 6% of the Eligible Employee's Compensation for the Plan Year.

B. ELIGIBILITY

Eligible Employees - Employees must meet the following requirements:

- 1. Minimum age requirement for an Employee to become an Eligible Employee: 18.
NOTE: If the Plan is intended to be a simple cafeteria plan under Article 12, B.1 may not exceed "21."
- 2a. An Employee must complete the following service requirements to become an Eligible Employee on the date set forth in B.2b:
 - i. None
 - ii. Completion of _____ hours of service.
 - iii. Completion of _____ days of service.
 - iv. Completion of _____ months of service.
 - v. Completion of _____ years of service.*NOTE: If the Plan is a simple cafeteria plan under Article 12, B.2 may not exceed 1,000 hours of service or one year of service.*
- 2b. Effective Date of Eligibility. An Employee will become an Eligible Employee on the date below upon completing the age and service requirements in B.1 and B.2a:
 - i. An Employee shall become an Eligible Employee immediately upon completing the age and service requirements in B.1 and B.2a.
 - ii. first day of each calendar month.
 - iii. first day of each plan quarter.
 - iv. first day of the first month and seventh month of the Plan Year.
 - v. first day of the Plan Year.
- 2c. If eligibility is not immediate after meeting age and service requirements, an Employee shall become an Eligible Employee on the Eligibility Date in B.1 and B.2b that is:
 - i. coincident with or next following the period in B.2b
 - ii. following the completion of the period in B.2b.
- 3. Describe any other modifications to the eligibility rules specified in B.1 and B.2: _____

Excluded Employees

4. The term "Eligible Employee" shall not include:
- a. **Union Employees.** Any Employee who is included in a unit of Employees covered by a collective bargaining agreement, if benefits were the subject of good faith bargaining between employee representatives and the Employer, and if the collective bargaining agreement does not provide for participation in this Plan.
 - b. **Leased Employees.**
 - c. **Non-Resident Aliens.** Any Employee who is a non-resident alien described in Code section 410(b)(3)(C).
 - d. **Part-time Employees.** Any Employee who is expected to work fewer than 30 hours per week.
 - e. **Other.** _____ (any exclusion must satisfy Code section 125(g) and the requirements under Article 13).
- NOTE: If the Plan is intended to be a simple cafeteria plan, B.4b, B.4d and B.4e may be selected only to the extent that the provisions do not violate the requirements on Code section 125(j).*
5. Describe any modifications to the definition of the term "Eligible Employee" for the specified Plan Benefit: _____

Leave of Absence under FMLA

6. If a Participant takes an unpaid leave of absence under FMLA, the Participant may elect the following with respect to the health Benefits under the Plan (i.e., Premium Conversion Account, Health FSA, and Limited Purpose Health FSA) (**select at least one**):
- a. Revoke coverage, which will be reinstated under the same terms upon the Participant's return from the FMLA leave of absence.
 - b. Continue coverage but discontinue payment of his or her contribution for the period of the FMLA leave of absence.
7. If B.6b. is selected, the Employer may recover the Participant's suspended contributions when the Participant returns to work from the FMLA leave of absence.
8. A Participant on leave of absence under FMLA (select only one):
- a. may continue coverage for all Benefits for which he is eligible when on FMLA leave, including non-health Benefits.
 - b. may only continue coverage for Premium Conversion Accounts, Health FSA, and Limited Purpose Health FSA, as applicable.
9. A Participant who continues coverage for Benefits while on FMLA leave of absence may make contributions for such Benefits as follows (select at least one):
- a. pre-pay on a pre-tax (to the extent permissible under Code section 125) or after-tax basis, prior to commencement of the FMLA leave of absence period, the contributions due for the FMLA leave of absence period
 - b. pay on an after-tax basis the same schedule as payments would have been made if the Participant were not on a leave of absence or if contributions were being made under COBRA
 - c. to the extent agreed in advance, the Participant will repay amounts advanced by the Employer to the Plan on behalf of the Participant upon the Participant's return from the FMLA leave of absence
- NOTE: B.9a may only be elected together with B.9.b or B.9c.*
NOTE: B.9b must be elected if available for non-FMLA leaves of absence.
NOTE: B.9c may only be elected together with B.9a and/or B.9b unless it is the only option available to Participants on a non-FMLA leave of absence.

Non-FMLA

10. A Participant may elect to continue coverage of Benefits when on unpaid non-FMLA leave of absence.

Termination of Participation

11. If a Participant remains an Employee but is no longer an Eligible Employee, his or her participation in the Plan shall terminate:
- a. on the last day of employment during which the Participant ceases to be an Eligible Employee
 - b. on the last day of the payroll period during which the Participant ceases to be an Eligible Employee
 - c. on the last day of the month during which the Participant ceases to be an Eligible Employee
 - d. on the last day of the Plan Year during which the Participant ceases to be an Eligible Employee
 - e. Other _____

Reemployment

12. If an Eligible Employee has a Termination of Employment and is subsequently reemployed by the Employer as an Eligible Employee within 30 days after Termination:
 - a. the Plan Administrator shall automatically reinstate the Benefit elections in effect at the time of Termination
 - b. the Eligible Employee shall not resume or become a Participant until the first day of the subsequent Plan Year
13. If an Eligible Employee has a Termination of Employment and is subsequently reemployed by the Employer as an Eligible Employee more than 30 days after Termination:
 - a. the Plan Administrator shall automatically reinstate the Benefit elections in effect at the time of Termination
 - b. the Eligible Employee shall not resume or become a Participant until the first day of the subsequent Plan Year
 - c. the Eligible Employee may elect to reinstate the Benefit election in effect at the time of Termination or make a new election under the Plan

C. PARTICIPATION ELECTIONS

Failure to Elect (Default Elections)

1. The election for the immediately preceding Plan Year relating to the following Benefits will apply to the applicable Plan Year:
 - a. Premium Conversion Account (Non-Employer-sponsored Contracts)
 - b. Health Flexible Spending Account
 - c. Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSAs)
 - d. Dependent Care Assistance Plan Account
 - e. Health Savings Account
 - f. Adoption Assistance Flexible Spending Account

NOTE: If a Benefit is not selected, an Eligible Employee who does not make an affirmative election under the Plan for a Plan Year will be deemed to have elected not to participate in that Benefit for the Plan Year.

Change in Status

2. An Eligible Employee may change his or her election upon the following Change in Status events:
 - a. None
 - b. Any event described in Treas. Reg. section 1.125-4 and other events permitted by IRS guidance
 - c. Pursuant to written Plan Administrative Procedures, which are incorporated herein by reference
 - d. Other: Participants can revise FSAs upon a change of status pursuant to regs. except no decrease if less than amount reimbursed; At any time permitted under IRS regulations except: Participants cannot revoke an election of coverage under a group health plan due to reduction in hours of service
3. Permit Participants to revoke an election of coverage under a group health plan:
 - a. due to enrollment of a family member in a qualified health plan offered through a Marketplace established under section 1311 of the Patient Protection and Affordable Care Act (Section 4.03(s)).

NOTE: The group health plan may not be a health FSA and must provide minimum essential coverage (as defined in Code section 5000A(f)(1)).

D. PREMIUM CONVERSION ACCOUNT

Contracts for Reimbursement

NOTE: If Premium Conversion Account is not a selected Benefit under A.5a, Section D is disregarded.

1. If Premium Conversion Accounts are allowed under the Plan, select the types of Contracts with respect to which a Participant may contribute under Section 5.04:

- a. Employer Health
- b. Employer Dental
- c. Employer Vision
- d. Employer Short-Term Disability
- e. Employer Long-Term Disability
- f. Employer Group Term Life
- g. Employer Accidental Death & Dismemberment
- h. Individually-Owned Dental
- i. Individually-Owned Vision
- j. Individually-Owned Disability
- k. COBRA continuation coverage under the Employer group health plan
- l. Other: _____

Enrollment

- 2. All Employees will automatically be enrolled in the Premium Conversion Account upon their date of hire and will be deemed to have elected to contribute the entire amount of any premiums payable by the Employee during the Plan Year for participation in Employer-sponsored Contract(s).
NOTE: If D.2 is not selected, Eligible Employees may only elect to participate in the Premium Conversion Account pursuant to Section 4.02(b), 4.02(c) and Section 4.03 of the Plan.

Contributions

- 3. **Participant elections** will be automatically adjusted for changes in the cost of Employer-sponsored Contracts pursuant to the terms of Treas. Reg. 1.125-4(f)(2)(i).

E. FLEXIBLE SPENDING ACCOUNTS

NOTE: If Flexible Spending Accounts are not a permitted Benefit under A.5b, Section E is disregarded.

Employer Contributions

- 1. **Matching Contributions.** The Plan permits Employer matching contributions to the applicable Benefits as follows:
 - a. **Health FSA:**
 - i. None
 - ii. Discretionary
 - iii. _____% of the Participant's Health FSA contribution up to _____% of the Participant's Compensation
 - iv. _____% of the Participant's Health FSA contribution up to \$_____
 - v. Other: _____
 - b. **Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA)**
 - i. None
 - ii. Discretionary
 - iii. _____% of the Participant's HSA-Compatible Health FSA contribution up to _____% of the Participant's Compensation
 - iv. _____% of the Participant's HSA-Compatible Health FSA contribution up to \$_____
 - v. Other: _____
 - c. **Dependent Care Assistance Plan Account:**
 - i. None
 - ii. Discretionary
 - iii. _____% of the Participant's DCAP Account contribution up to _____% of the Participant's Compensation
 - iv. _____% of the Participant's DCAP Account contribution up to \$_____
 - v. Other: _____
 - d. **Adoption Assistance Flexible Spending Account:**

E. FLEXIBLE SPENDING ACCOUNTS

- i. None
- ii. Discretionary
- iii. _____% of the Participant's Adoption Assistance FSA contribution up to _____% of the Participant's Compensation
- iv. _____% of the Participant's Adoption Assistance FSA contribution up to \$ _____
- v. Other: _____

NOTE: If there are no Employer matching contributions to the Plan, questions under E.1 are disregarded.

NOTE: Only one contribution formula is permitted for each applicable Benefit.

NOTE: If the Plan is intended to be a simple cafeteria plan, the matching contributions in this section will apply in addition to the contributions at A.6b.

2. **Non-Elective Employer Contributions.** The Plan permits Employer contributions to the applicable Benefits as follows:

a. **Health Flexible Spending Account:**

- i. None
- ii. Discretionary
- iii. _____% of the Participant's Compensation
- iv. \$ _____ per Eligible Employee
- v. Other: _____

b. **Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA):**

- i. None
- ii. Discretionary
- iii. _____% of the Participant's Compensation
- iv. \$ _____ per Eligible Employee
- v. Other: _____

c. **Dependent Care Assistance Plan Account:**

- i. None
- ii. Discretionary
- iii. _____% of the Participant's Compensation
- iv. \$ _____ per Eligible Employee
- v. Other: _____

d. **Adoption Assistance Flexible Spending Account:**

- i. None
- ii. Discretionary
- iii. _____% of the Participant's Compensation
- iv. \$ _____ per Eligible Employee
- v. Other: _____

NOTE: If there are no non-elective Employer contributions, questions under E.2 are disregarded.

NOTE: Employer matching and non-elective contributions shall not exceed the limits set forth in the BPD including: Health FSA, Section 6.04(b); HSA-Compatible FSA Section 7.04; Dependent Care Assistance Plan Account Section 8.04; and Adoption Assistance Flexible Spending Account, Section 10.04.

NOTE: If the Plan is intended to be a simple cafeteria plan, the Employer non-elective contributions in this section will apply in addition to the contributions at A.6b.

3. **Contribution Limits.** Select the maximum allowable Participant contribution to the applicable FSA in any Plan Year:

- a. The maximum amount permitted under Code section 125(i), 129(a)(2) and/or 137(b)(1)
- b. Other amounts
 - i. Health Flexible Spending Account: _____
 - ii. Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA): _____
 - iii. Dependent Care Assistance Plan Account: _____
 - iv. Adoption Assistance Flexible Spending Account: _____

NOTE: Other amounts for Health Flexible Spending Account in E.3bi and Limited Purpose/Post-Deductible Health Flexible Spending Account in E.3ii cannot exceed the Code section 125(i) maximum. Other amounts in E.3b.iii for Dependent Care Assistance Plan Account cannot exceed Code 129(a)(2) amounts and E.3b(iv) cannot exceed Code section 137(b)(1) maximum.

Eligible Expenses

4. **Individual Expenses Eligible for Reimbursement.** Participant may only be reimbursed from the applicable FSA for expenses that are

incurred by:

- a. **Participant, spouse and Dependents.** The Participant, his or her spouse and all Dependents, and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday;
- b. **Persons covered under Employer-sponsored group health plan.** The Participant, his or her spouse and all Dependents, and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday, but only if such persons are also covered under an Employer-sponsored health plan;
- c. **Participants only.** No reimbursement for expenses incurred by the Participant's spouse or Dependents;
- d. **Other:** _____ (may not include anyone other than the Participant, his or her spouse and all Dependents, and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday)

Expenses Not Eligible for Reimbursement

- 5. **Expenses Not Eligible for Reimbursement.** In addition to those listed in the Basic Plan Document, the following expenses are not eligible for reimbursement from a Participant's FSA:
 - a. Health Flexible Spending Account: _____
 - b. Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA): _____
 - c. Dependent Care Assistance Plan Account: _____
 - d. Adoption Assistance Flexible Spending Account: _____
- 6. **Adult Children Coverage.** Reimbursement for adult children may be paid from the applicable FSA for claims incurred:
 - a. until the date the child attains age 26
 - b. until the last day of the calendar year in which the child attains age 26

Reimbursement

- 7. **Amounts Available for Reimbursement.** The Plan Administrator may direct reimbursement of FSAs up to the entire annual amount elected by the Eligible Employee on the Salary Reduction Agreement for the Plan Year for the applicable FSA, less any reimbursements already disbursed from the applicable FSA for the following Benefits:
 - a. Dependent Care Assistance Plan Account
 - b. Adoption Assistance Flexible Spending Account

NOTE: If 7.a or 7.b is not selected, the Plan Administrator may direct reimbursement only up to the amount in the applicable FSA at the time the reimbursement request is received by the Plan Administrator.

Grace Period

- 8. The Plan will reimburse claims incurred during a Grace Period immediately following the end of the Plan Year for the following Benefits:
 - a. Health Flexible Spending Account
 - b. Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA)
 - c. Dependent Care Assistance Plan Account
 - d. Adoption Assistance Flexible Spending Account

NOTE: The Plan cannot reimburse claims incurred during a Grace Period if carryovers are permitted in Part E.12.
- 9. **Last day of Grace Period:**
 - a. Fifteenth day of the 3rd month following end of the Plan Year
 - b. Other _____

Run Out Period

- 10. If **no Grace Period** applies for the Plan Year, an active Participant must submit claims for the Plan Year for reimbursement from the applicable FSA no later than:
 - a. _____ days after the end of the Plan Year
 - b. 02/28 (29 in leap years) (insert date, e.g., March 31) immediately following such Plan Year
- 11. If a **Grace Period** applies for the Plan Year, an active Participant must submit claims for the Plan Year for reimbursement from the applicable FSA no later than:

- a. _____ days after the end of the Grace Period
- b. _____ (insert date, e.g., March 31st) immediately following such Plan Year

NOTE: The date in E.11b should be later than the last day of the Grace Period.

Automatic Payment of Claims

- 12. Eligible expenses not covered under the Employer-sponsored health plan (e.g., co-payments, co-insurance, deductibles) automatically paid from the applicable FSA.
 - a. Health Flexible Spending Account
 - b. Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA)

Carryover

- 13. The Plan will carry over unused Health FSA balances at the end of the Plan Year for the following Benefits:
 - a. Health Flexible Spending Account
 - i. Maximum amount, as indexed
 - ii. Other: _____
 - b. Limited Purpose/Post-Deductible Health Flexible Spending Account (HSA-Compatible FSA)
 - i. Maximum amount, as indexed
 - ii. Other: _____

NOTE: If carryover is selected (E.13a or E.13b is selected for the applicable FSA), the Plan may not provide for a Grace Period for the applicable FSA and the Plan may not provide for a Grace Period for the applicable FSA in the Plan Year to which the carryover amount is applied.

Termination of Employment

- 14. In the event of a Termination of Employment the Participant may elect to continue to make contributions to FSAs under the Plan on an after-tax basis and reimbursements will be allowed for the remainder of the Plan Year.
 - a. Yes
 - b. Yes - subject to the following limitations: _____
 - c. No

NOTE: If E.14c is selected, then contributions shall cease upon Termination and reimbursements will be allowed only for expenses incurred prior to Termination.

NOTE: If applicable, any COBRA elections shall supersede this section.

- 15. In the event of a Termination of Employment, a Participant may submit claims for reimbursement from the applicable FSA no later than:
 - a. 30 days after a Termination of Employment.
 - b. _____ days following the Plan Year in which the Termination occurs.

NOTE: If E.14a or E.14b is selected, then E.15b must be selected.

Qualified Reservist Distributions

- 16. **Qualified Reservist Distributions are available for:**
 - a. The entire amount elected for the applicable Health FSA for the Plan Year minus applicable Health FSA reimbursements received as of the date of the Qualified Reservist Distribution request.
 - b. The amount contributed to the applicable Health FSA as of the date of the Qualified Reservist Distribution request minus applicable FSA reimbursements received as of the date of the Qualified Reservist Distribution request.
 - c. Other amount (not to exceed the entire amount elected for the applicable Plan Year minus reimbursements): _____

F. HEALTH SAVINGS ACCOUNT (HSA Account) (Article 9)

NOTE: If HSA Account is not a permitted Benefit under A.5g, Section F is disregarded.

Employer Contributions

1. **Matching Contributions.** The Plan permits Employer matching contributions to the HSA Account as follows (not to exceed the limits in Section 9.04):
- a. None
 - b. Discretionary
 - c. _____% of the Participant's elected HSA Account contribution up to _____% of the Participant's Compensation
 - d. _____% of the Participant's elected HSA Account contribution up to \$_____
 - e. Other: _____

NOTE: If the Plan is intended to be a simple cafeteria plan, the matching contributions in this section will apply in addition to the contributions at A.6b.

2. **Employer Non-Elective Contributions.** The Plan permits Employer non-elective contributions to the HSA Account as follows (not to exceed the limits in Section 9.04):
- a. None
 - b. Discretionary
 - c. _____% of the Participant's Compensation
 - d. \$_____ per Eligible Employee
 - e. Other: _____

NOTE: If the Plan is intended to be a simple cafeteria plan, the Employer non-elective contributions in this section will apply in addition to the contributions at A.6b.

3. **Contribution Limits.** Select the maximum allowable contribution to a Participant's HSA Account in any Plan Year:
- a. The maximum amount permitted under Code section 223(b), reduced by any Employer contributions.
 - b. Other amount: _____ (not to exceed the Code section 223(b) maximum when combined with any Employer contributions).

G. FLEXIBLE BENEFIT CREDITS ("Flex Credits") (Section 11.01)

Health Flex Contribution

NOTE: If Flexible Benefit Credits are not permitted Benefits in A.5h, Section G is disregarded.

1. **Health Flex Contribution.** The Flex Credit is intended to qualify as a "health flex contribution" under Treas. Reg. section 1.5000A-3(e)(3)(ii)(E). The Participant may not opt to receive the Flex Credit as a cash or taxable benefit and the Participant may only use the Flex Credit for the payment of premiums applicable to health care and toward the Health FSA or HSA-Compatible Health FSA Benefits.
2. **Eligible Benefits.** Participants may elect to contribute the Flex Credits to the following benefits:
- a. All Benefits offered under the Plan
 - b. All Benefits offered under the Plan except the following: _____
 - c. Only the following Benefits: _____
 - d. Only the portion of the (i) Premium Conversion Account paid toward Employer-sponsored Health Contract premiums and/or (ii) Health FSA or HSA-Compatible Health FSA Benefits.

NOTE: If G.1 is selected, G.2d must be selected.

3. **Amount of Flex Credit.** The Employer will contribute a Flex Credit on behalf of each Eligible Employee as follows:
- a. \$_____ per Eligible Employee
 - b. A discretionary amount as determined by the Employer
 - c. Other: _____
 - d. The amount of the simple cafeteria plan contributions described in A.6b
4. **Contribution to 401(k) Plan.** An Eligible Employee may elect to contribute all or a portion of his or her Flex Credits to a Qualified Plan in accordance with the terms of the following Qualified Plan(s): _____

NOTE: If G.4 is selected, then G.5 (cash out) must also be elected.

Cash Outs

5. **Cash Out of Flex Credits.** A Participant may elect to receive all or a portion of his or Flex Credits in cash.
- a. Yes
 - b. Yes, subject to the following limitations: _____
 - c. No
- NOTE: If G.5a or G.5b is selected, then Flex Credits a Participant elects to contribute to a Health FSA will count toward the Code section 125(i) contribution limitation.*
- NOTE: If G.1 is selected, G.5c must be selected.*
- NOTE: If G.5.c is selected, the maximum value of Flex Credits a Participant can contribute to a Health FSA for a Plan Year is \$500.*
6. **Amount of Cash Out.** For each Flex Credit dollar that a Participant elects to receive in cash from the Plan, the Participant will receive: \$_____ (insert dollar value of each Flex Credit; if no amount is provided, the cash out value of each Flex Credit is \$1.00)
7. **Maximum Flex Credit Cash Out.** The amount of cash a Participant may receive in exchange for Flex Credits in Plan Year shall not exceed:
- a. No limit
 - b. \$_____ per calendar year
 - c. Other: _____
8. **Payment of Cash Out.** Amounts distributed in cash from the Plan pursuant to Section 11.03 shall be paid to the Participant in:
- a. Equal payroll installments
 - b. A single lump sum at the beginning of the Plan Year
 - c. A single lump sum at the end of the Plan Year
 - d. Other: _____

H. PURCHASE AND SALE OF PAID TIME OFF (PTO) (Section 11.02)

Purchase of PTO

1. **Maximum PTO Purchase.** A Participant can elect to purchase no more than the following periods of PTO in a Plan Year:
- a. None
 - b. _____ hours
 - c. _____ days
 - d. _____ weeks
 - e. Other: _____
- NOTE: If Purchase of PTO is not a permitted Benefit in A.5i, H.1 is disregarded.*

Sale of PTO

2. **Maximum PTO Sale.** A Participant can elect to sell no more than the following periods of PTO in a Plan Year:
- a. None
 - b. _____ hours
 - c. _____ days
 - d. _____ weeks
 - e. Other: _____
- NOTE: If Sale of PTO is not a permitted Benefit in A.5i, H.2 is disregarded.*

Carryover of PTO

3. **No Carryover of Elective PTO.** Unused elective PTO (determined as of the last day of the Plan Year) shall be paid in cash on or prior to the last day of the Plan Year.
- NOTE: If Sale and/or Purchase of PTO are not permitted Benefits in A.5i, H.3 is disregarded.*
- NOTE: If H.3 is not selected, unused elective PTO will be forfeited as of the last day of the Plan Year.*

I. MISCELLANEOUS

Plan Administrator Information

1. **Plan Administrator.**
 - a. Plan Sponsor
 - b. Committee appointed by Plan Sponsor
 - c. Other: _____
2. **Indemnification.** Type of indemnification for the Plan Administrator:
 - a. None - the Company will not indemnify the Plan Administrator.
 - b. Standard as provided in Section 14.02.
 - c. Custom. (If I.2.c. (Custom) is selected, indemnification for the Plan Administrator is provided pursuant to an Addendum to the Adoption Agreement.)
3. **Governing Law.** The following state's law shall govern the terms of the Plan to the extent not pre-empted by Federal law: CA
4. **Participating Employers.** Additional participating employers may be specified in an addendum to the Adoption Agreement.
5. **State of Organization.** State of organization of Plan Sponsor: CA
(If state law requires written document language regarding benefits herein, add language to Addendum.)

J. EXECUTION PAGE

Failure to properly fill out the Adoption Agreement may result in the failure of the Plan to achieve its intended tax consequences.

The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #125 and any related Appendix and Addendum to the Adoption Agreement.

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same. The Plan Sponsor caused this Plan to be executed this _____ day of _____, 2024.

ROGER CLEVELAND GOLF, INC.:

Signature: _____

Print Name: _____

Title/Position: _____