KARUK TRIBE
FLEXIBLE BENEFITS PLAN

SUMMARY PLAN DESCRIPTION

Summary Plan Description

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Article I

INTRODUCTION TO YOUR PLAN

Karuk Tribe offers a "Flexible Benefits Plan" as part of your employee benefits program. This Plan was instituted on Friday, May 15, 2009. This Plan is intended to qualify under Section 125 of the Internal Revenue Code (IRC). Under IRC Section 125, you can take advantage of the tax-free benefits offered under the Plan, as described in this summary.

Your Plan is a "Salary (or wage) Reduction" plan. This means that you pay your share of the cost of your benefits by electing to have your compensation reduced. But, both you and the Employer contribute to pay for these benefits. Your Employer can temporarily reduce or increase your portion of the cost. The Employer pays its portion out of its general assets. To pay your share, you must file a Benefits Enrollment Form which contains a "Salary (or wage) Reduction Agreement" with the Plan Administrator. This form lists both the benefits selected plus the amount you have agreed to contribute to pay for those benefits. Then, the Employer will deduct from your paycheck, an amount sufficient to pay for your portion of your benefits.

Any money you contribute to pay for your benefits is not subject to Federal income, Social Security or Unemployment taxation. Therefore, your benefit costs are quite low, and in some cases, can even result in a net increase in spendable income to you, after paying for your benefits. This can be illustrated by the following example:

	With Your Plan	**Without Your Plan**
Gross Taxable Wages	$25,000.	$25,000.
Pre-tax Contribution	$1,800.	N/A
Taxable Wages	$23,200.	$25,000.
Estimated Taxes*	$3,480.	$3,750.
After-tax Contribution	N/A	$1,800.
Take-home Pay	$19,720.	$19,450.

* Joint Return, 15% marginal tax rate

By paying for benefits before taxes are calculated, estimated taxes are reduced by $270, which is $22.50 per month more in take-home pay for our example person. In other words, paying for benefits without a Flexible Benefits Plan costs this person $22.50 more per month. Please consult your tax advisor for a more accurate estimate for your situation.

This Summary Plan Description is a brief description of the Plan and your rights, benefits and obligations under the Plan. This Summary Plan Description is not meant to interpret, extend or change any provision contained in the main Plan Document. The provisions of Karuk Tribe Flexible Benefits Plan can only be accurately understood by reading the Plan Document. This Document is on file with the Employer and may be read by you or your dependents or your legal representative by contacting the Benefits Coordinator. The Benefits Coordinator's office will make the Document available to you at any reasonable time. You may request a copy of the Plan from the Plan Administrator, who may charge you a fee for copying the Plan for you.

Article II

GENERAL INFORMATION

You may need the following information if you have any questions about your Plan.

1. GENERAL PLAN INFORMATION

The name of this Plan is Karuk Tribe Flexible Benefits Plan.

Your Employer has assigned Plan Number 501 to this Plan.

The provisions of your Plan became effective on Friday, May 15, 2009.

This Plan's records are maintained on a 12-month period known as the Plan Year. The Plan Year for your Plan is November 1st through October 31st The first plan year will be a short plan year starting on May 15, 2009 and ending on October 31, 2009.

Your Plan shall be governed by the Laws of the State of California.

2. EMPLOYER INFORMATION

The name, address and tax identification number of the Employer are:

Karuk Tribe
P.O. Box 1016
Happy Camp, CA 96039
530-493-1600
942576572

3. PLAN ADMINISTRATOR INFORMATION

The name, address and telephone number of your Plan Administrator are:

Karuk Tribe
P.O. Box 1016
Happy Camp, CA 96039
530-493-1600

Your Plan Administrator is responsible for the administration of your Plan. Should you need to see any records or have any questions regarding the Plan, contact the Plan Administrator.

4. BENEFITS COORDINATOR

Your Human Resources Representative has been named as the Plan's Benefits Coordinator. If you need additional information about the plan or the benefits offered, the Benefits Coordinator will be able to assist you.

5. LEGAL REPRESENTATIVE

The following person has been named your Plan's agent for service of legal process:

Karuk Tribe
P.O. Box 1016
Happy Camp, CA 96039

Service of process can also be made upon the Plan Administrator.

Article III

PARTICIPATION IN YOUR PLAN

All employees who meet the participation requirements are eligible to participate in this Plan.

To qualify as a participant under this Plan, you must meet the following requirements:

- You must have completed 90 days of service with the employer.

Employees who fall into the following groups are excluded from participating in the Plan:

- Part-Time Employees who work less than 20 Hours per week.

- Seasonal Employees who work less than 6 months per year.

- Employees who are non-resident aliens and receive no earned income from the employer which constitutes income from sources within the United States.

- Employees covered by a collective bargaining plan.

If you become eligible under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) for coverage by an Accident or Health Benefit available under the Plan you shall be allowed to participate in the Plan, so long as you comply with the provisions set out in HIPAA. See your Plan Administrator for details.

Your Plan Entry Date, the date you may actually join the Plan, is on the first day of the month following, or coincident with, the date you meet all of the above eligibility requirements.

BENEFITS ENROLLMENT FORM

You will be required to file a Benefits Enrollment Form before either one of two dates. If your plan has different eligibility requirements, you will have different benefit entry dates for each benefit. If your plan has one set of eligibility requirements, the benefit entry dates will be the same as the plan entry dates. The benefits enrollment form needs to be filed before any applicable benefit or plan entry dates. The Benefits Enrollment Form is an agreement between you and your Employer, where your Employer lists the benefits offered for the Plan Year. It will also specify the amount you have agreed to contribute towards the cost of these benefits, in the Salary (or Wage) Reduction Agreement part of the form. This is an agreement between you and your Employer, which states that you agree to have your compensation reduced by the amount necessary to pay for the benefits. Any money you contribute to this Plan will not be subject to Federal income taxation.

If you do not file a new Benefits Enrollment Form with the Plan Administrator before the start of the new Plan Year, it will be assumed that you selected the same benefits as in the previous Plan Year, and your compensation will be reduced accordingly by the Employer. If you do not want to participate in your Plan for the new Plan Year, you must inform the Plan Administrator in writing of your wish. For purposes of the Plan's first Plan Year only, if you do not file a Benefits Enrollment Form with the Plan Administrator before the Plan's Effective Date, you will not be able to participate in the Plan during that first Plan Year.

LIMITATIONS ON CONTRIBUTIONS

The Maximum Contribution you can make to this Plan is an amount equal to the total cost of purchasing the most expensive premium-type benefit available from each Benefit Category. "Benefit Category" refers to each category of benefits such as

health insurance, group term life insurance, or disability insurance. These are examples only, the actual benefits offered under this Plan are detailed in Section VI.

CHANGE IN ELECTIONS/CHANGE IN STATUS

The laws governing Flexible Benefits Plans generally do not allow you to change the terms of your Benefits Enrollment Form during a Plan Year. There are, however, a few exceptions to this rule. You may change your benefit elections if there is a change in your status. Your changes would be limited to: the marriage or divorce of the Participant; the adoption, birth, or death of a child or other Dependent of the Participant or the Participant's Spouse; the emancipation or coming of age of a child of the Participant so that the child is no longer eligible as a Dependent under the Plan; the employment of the Participant or Participant's Spouse; change in the Participant's residence; the Participant beginning or ending adoption proceedings; automatic changes upon cost increases or decreases; significant cost increases; significant curtailment of coverage; addition or elimination of similar benefit package option allowing (prohibiting) employees that previously opted out of other benefits to make an election change; change in coverage under employer plan of spouse or dependent; FMLA leaves; changes in 401(k) contributions; HIPAA special enrollment rights; a COBRA qualifying event; a judgment, decree or order, or; Medicare or Medicaid entitlement.

You do need to submit any changes to your election within 30 days of any applicable event.

Also, you (or your estate) will not be required to make further contributions to the Plan once you have died, retired, terminated employment, or have a change in job status so that you are no longer eligible to participate under this Plan.

Note that the new benefit elections can start only after your change in status has taken place and the new form has been filed. For example, assume that you have a change in status from the list above. You could request a change in your benefits ahead of time to be effective on the date of the event. However, making other unrelated changes or changes that are effective before the date of the event would not be approved.

Also, you may be required to increase your contribution if the Plan's cost for a particular benefit should increase during the Plan Year. If, for example, premiums for health insurance offered under the Plan are raised during the year, you will be required to pay your share of the increased cost.

ENDING PLAN PARTICIPATION AND LEAVES OF ABSENCE

Ending Plan Participation

A Participant whose employment terminates and who is subsequently re-employed with less than 30 days separation of service will immediately rejoin the Plan with the same Benefit elections. Should the Participant return to service during the following Plan Year, the Participant would not be allowed to elect new Benefits prior to returning to service, unless the Employee should incur an applicable Change in Status.

A Participant whose employment terminates and who is subsequently re-employed with more than 29 days separation of service may immediately rejoin the Plan and may make new benefit elections. Any unused reimbursement Benefits Accounts balance prior to the initial separation of service date will be forfeited.

Continuing Plan Participation Under COBRA and FMLA

Special rules, called COBRA provisions, apply to certain health or medical plans. If you terminate employment or have another "qualifying event" that affects your health plan, your Benefits Coordinator will give you an explanation of COBRA and your rights to continued coverage, if COBRA applies to your plan.

The Family and Medical Leave Act ('the FMLA') requires employers with 50 or more employees to provide unpaid leave for eligible employees at the time of the birth or adoption of a child or at the time of a serious health condition affecting the employee or a family member.

If you are on an unpaid leave under the FMLA rules, you may continue to participate in the plan, by making contributions under one of the options elected by your employer.

The payment options for coverage while on unpaid Family Medical Leave Act leave for group health plans are:

i) Pre-pay. Under this option, you will pay your share of premium payments that will be due during your leave, before your FMLA leave begins. The payments may be either pre-tax or after-tax, according to the terms of your Salary Reduction Agreement.

ii) Pay-as-you-go. Under this option, you will pay your share of premium payments on the same schedule as if you were not on leave, or under another schedule according to Department of Labor regulations. If you fail to make payments under this Pay-as-you-go option, your Employer is not required to continue coverage. However, if your Employer chooses to continue coverage, your employer is entitled to collect these amounts from you after you return from the FMLA leave.

Article IV

PAYING FOR BENEFITS UNDER YOUR PLAN

INTRODUCTION

There is one basic type of benefit offered under your plan: Premium benefits.

Premium benefits are insurance benefits, such as health, life and disability insurance.

PAYMENT OF PLAN EXPENSES

The cost of the plan includes administrative expenses and the amount paid to provide benefits such as premium payments to insurance companies. The amount needed to provide your benefits depends on the selections you made on the Benefits Enrollment Form. You and your Employer share in the cost of your benefits under your Plan. The Employer pays its portion from the general corporate assets and you pay your portion through salary (or wage) reductions.

Article V

ADMINISTRATION OF YOUR PLAN

The Plan Administrator is responsible for the administration of your Flexible Benefits Plan. The duties of the Plan Administrator include determining who is eligible to participate, interpreting laws and regulations and how they apply to your Plan and whether or not certain expenses should be allowed under the Plan.

When you are ready to enter the Plan, you must file a Benefits Enrollment Form and Salary (or Wage) Reduction Agreement with the Plan Administrator. After becoming a participant in the Plan, file all change requests with the Plan Administrator. The Plan Administrator will determine, in accordance with the various laws that apply to Flexible Benefits Plans, whether or not to grant your requests.

The Plan Administrator can demand any documents or evidence deemed necessary to properly administer your Plan. If the Plan Administrator feels that you have submitted insufficient data to make a determination, or that the request made is not allowed under the Plan, the Plan Administrator can deny your request. After the request has been denied, you will be allowed an opportunity to appeal. The Plan Administrator must furnish you in writing the reasons for the denial of your claim for benefits. The written denial must be provided to you within 30 days of the date the claim for benefits was received by the Plan Administrator. The written denial must refer to the Plan provision, or section of the Internal Revenue Code upon which the Plan Administrator relied in making such denial. The denial may include a request for any additional data or material needed to properly complete the claim and explain why such data or material is necessary, and explain the Plan's claim review procedures. If requested in writing, and within 180 days of the claim denial, the Plan Administrator is required to give you a full and fair review of the Plan Administrator's decision, and within 60 days of the request for review of the denied claim, the Plan Administrator shall notify you in writing of his final decision on the reviewed claim.

With respect to the denial of any claim for benefits from an insurance company or other third-party benefit provider, paid for as a premium-type Benefit under the Plan, the review procedures of the insurance company or other third-party benefit provider shall apply.

If your request was denied because the Plan Administrator felt your request is not covered under the Plan, you will be given the chance to show why it should have been allowed under the Plan. If the Plan Administrator rejects your reasons, you will not be able to appeal again.

You may, however, feel that you were treated unfairly. The Employee Retirement Income Security Act of 1974 (ERISA) provides all plan participants with certain rights. If you feel the Plan Administrator violated these rights, you may be able to take legal action in a court of law. Generally, this type of action can be taken only if you can prove that the Plan Administrator did not act in accordance with the terms of your Plan, or that the Plan Administrator acted in bad faith when making its decision.

In addition to interpreting the plan and making sure that benefits are properly paid, the Plan Administrator also keeps all the records of the Plan. Should you need a copy of anything filed with the Plan Administrator, contact the Plan Administrator directly.

Article VI

BENEFITS UNDER YOUR PLAN

INTRODUCTION

Your Flexible Benefits Plan offers several benefit options. It is very important that you make benefit choices that fit your benefit needs. You should not, for example, choose a benefit just because it is the least expensive if that benefit will not fit your needs. When making your decision as to what benefits are best for you, you should consider factors such as whether you have benefits from another source (such as coverage under a similar plan by your spouse's employer), the number of dependents you are covering and the amount you can afford to spend. Your Benefits Coordinator will be glad to assist you in making the best benefit choices for your particular situation.

HEALTH INSURANCE BENEFITS

Your Plan offers a PPO or POS as its health insurance options.

The PPO or POS offered under this plan may have different restrictions, coverages and charges from each other. You may be encouraged (or required) to select your doctor from a list of participating physicians. Also, deductibles, co-payments and other fees will vary among health care alternatives. Consult each health alternative's enrollment materials or Summary Plan Description for a description of the benefits, limitations and costs. This information can be obtained from your Benefits Coordinator.

DENTAL BENEFITS

You may select dental benefits as part of your medical benefits program. Various coverages are available.

This insurance will assist in paying for cleanings, fillings, oral surgery, etc. A copy of the Summary Plan Description for the dental plan is available from the Benefits Coordinator. It describes the specific coverages and limitations available.

GROUP TERM LIFE INSURANCE

Your Flexible Benefits Plan offers group term life insurance as one of your benefit options. Several different group term life policies, with different coverages, are available.

Group term life insurance provides a cash benefit to your beneficiary, such as your spouse, should you die unexpectedly. Unlike whole life insurance, group term life does not build a cash fund (or cash values) during its term. Thus, group term life insurance does not help you accumulate additional money for retirement. However, the price of a group term life insurance policy is considerably less than that of other life insurance.

Ask to see the Summary Plan Description for the group term life insurance benefits available under this Plan. It is on file with the Benefits Coordinator and has information about specific coverages, limitations and restrictions concerning the various group term life insurance policies available under your Flexible Benefits Plan.

DISABILITY BENEFITS

Your Flexible Benefits Plan offers disability insurance as one of your benefit options. Several different disability coverages are available.

Disability insurance helps to preserve a substantial part of your income in case you become severely ill or injured and are unable to work. Should you become severely injured or are unable to work, a determination will be made as to whether or not you qualify for disability coverage under the Plan. If it is determined that you are disabled, you will begin receiving disability

benefits. You should be aware that there is a waiting period between the time you become sick or injured and the time you can begin receiving disability benefits.

Also, some disability insurance policies require that your disability benefits be reduced by a portion of any money you receive from Social Security for disability benefits.

Ask to see the Summary Plan Description for the disability benefits available under the Plan. It is on file with the Benefits Coordinator and has information about specific coverages, limitations, restrictions and waiting periods concerning the various disability benefits being offered under your Flexible Benefits Plan.

CANCER EXPENSE & CRITICAL ILLNESS PLANS

The benefits of Cancer Expense & Critical Illness Plans are described in the Summary Plan Description of Individual Cancer Expense & Critical Illness Policies

SPECIFIED INJURY & HOSPITAL INCOME PLANS

The benefits of Specified Injury & Hospital Income Plans are described in the Summary Plan Description of Individual Specified Injury & Hospital Income Policies.

MEDICAL BRIDGE BENEFIT PLANS

The benefits of Medical Bridge Plans are described in the Summary Plan Description of Individual Medical Bridge Policies.

VISION BENEFIT PLANS

The benefits of Vision Plans are described in the Summary Plan Description of Individual Vision Policies.

ACCIDENT BENEFIT PLANS

The benefits of Accident Plans are described in the Summary Plan Description of Individual Accident Policies.

Article VII

STATEMENT OF ERISA RIGHTS

As a participant in Karuk Tribe Flexible Benefits 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:

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all plan documents, including insurance contracts, copies of the latest annual report (Form 5500 series if applicable), updated Summary Plan Description, collective bargaining agreements and copies of all documents filed by the plan with the Department of Labor, such as detailed annual reports and plan descriptions.

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 participants and beneficiaries. No one, including your employer, union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part you must receive a written explanation of the reason for denial. You have the right to have the plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file a suit in 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. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, 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 frivolous. If you have any questions about this statement or about your rights under ERISA, 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 Benefit Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.