

# Section 125 Cafeteria Plan

Intrepid Potash (Section 125) Cafeteria Plan allows employees to:

- Have the premium contributions for the benefit programs withheld on a Pre-Tax basis (known as the Premium Payment Plan).

Prior to each plan year, employees are given the opportunity to participate by salary reduction in any of the three components of Intrepid Potash Cafeteria Plan. Or, they may elect not to reduce their salary and waive participation in the plan. At this time, you will be making your election to participate for the Plan Year **June 1, 2007 – May 31, 2008**.

## ELIGIBILITY GUIDELINES:

Full-time regular employees are eligible on the first of the month following their date of hire.

## DESCRIPTION OF THE BENEFITS:

### **Direct Reimbursement Card**

Discovery Benefits Inc. offers Health Flexible Spending Account participants the “stored value” Visa Card for reimbursement of medical expenses. All Section 125 plan participants will automatically receive a card. The annual cost for the card has been paid by Intrepid Mining, LLC. Additional cards may be ordered and will be charged against your annual election.

### **Health Premiums Paid through Intrepid Mining, LLC**

Any premiums paid for health care coverage and dental/vision coverage for you and your dependents will be deducted from your paycheck on a BEFORE-TAX basis unless otherwise directed.

### **Health Flexible Spending Account**

Employees who have met the initial eligibility period can elect to salary defer up to **\$3,000** (TAX FREE!) from your pay in order to reimburse qualified un-reimbursed expenses as defined by the IRS code. Expenses can be incurred by the employee, spouse or dependent. Please refer to the Discovery Benefits Flexible Benefits Employee Guide for additional information on eligible and non-eligible expenses.

### **Dependent Care Flexible Spending Account**

Employees can elect to salary defer up to **\$5,000** (TAX FREE!) if you are the head of the household or file a joint return. Your day care provider must provide you with a tax ID number or social security number. Expenses are for qualifying adults or children under the age of 13.

Section 125 Cafeteria Plan Administrator	Discovery Benefits Inc.
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