UNIVERSITY OF SOUTHERN CALIFORNIA

DEPENDENT CARE ASSISTANCE PLAN

Effective as of January 1, 2023
<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 1. Introduction.</td>
<td>1</td>
</tr>
<tr>
<td>Article 2. Definitions.</td>
<td>1</td>
</tr>
<tr>
<td>Article 3. Participation.</td>
<td>3</td>
</tr>
<tr>
<td>3.1. Date of participation</td>
<td>3</td>
</tr>
<tr>
<td>3.2. Cessation of participation</td>
<td>3</td>
</tr>
<tr>
<td>3.3. Reinstatement of former Participant</td>
<td>4</td>
</tr>
<tr>
<td>Article 4. Election to Receive Dependent Care Assistance</td>
<td>4</td>
</tr>
<tr>
<td>4.1. Election procedure</td>
<td>4</td>
</tr>
<tr>
<td>4.2. Maximum dependent care assistance</td>
<td>4</td>
</tr>
<tr>
<td>Article 5. Dependent Care Expense Reimbursement Accounts</td>
<td>5</td>
</tr>
<tr>
<td>5.1. Establishment of accounts</td>
<td>5</td>
</tr>
<tr>
<td>5.2. Crediting of accounts</td>
<td>5</td>
</tr>
<tr>
<td>5.3. Debiting of accounts</td>
<td>6</td>
</tr>
<tr>
<td>5.4. Forfeiture of accounts</td>
<td>6</td>
</tr>
<tr>
<td>Article 6. Payment of Dependent Care Assistance</td>
<td>6</td>
</tr>
<tr>
<td>6.1. Claims for reimbursement</td>
<td>6</td>
</tr>
<tr>
<td>6.2. Reimbursement or payment of expenses</td>
<td>7</td>
</tr>
<tr>
<td>6.3. Report to Participants on or before January 31 of each year</td>
<td>8</td>
</tr>
<tr>
<td>6.4. Limitation on reimbursements or payments with respect to certain Participants</td>
<td>8</td>
</tr>
<tr>
<td>Article 7. Termination of Participation</td>
<td>8</td>
</tr>
<tr>
<td>Article 8. Administration</td>
<td>9</td>
</tr>
<tr>
<td>8.1. Plan Administrator</td>
<td>9</td>
</tr>
<tr>
<td>8.2. Examination of records</td>
<td>10</td>
</tr>
<tr>
<td>8.3. Reliance on tables, etc</td>
<td>10</td>
</tr>
<tr>
<td>8.4. Indemnification of Administrator</td>
<td>11</td>
</tr>
<tr>
<td>8.5. Claims procedures</td>
<td>11</td>
</tr>
<tr>
<td>Article 9. Amendment and Termination of Plan</td>
<td>11</td>
</tr>
<tr>
<td>9.1. Amendment and termination of Plan</td>
<td>11</td>
</tr>
<tr>
<td>9.2. Termination of Plan</td>
<td>11</td>
</tr>
<tr>
<td>Article 10. Miscellaneous</td>
<td>12</td>
</tr>
<tr>
<td>10.1. Information to be furnished</td>
<td>12</td>
</tr>
</tbody>
</table>
10.2. Limitation of rights .............................................................................................................. 12
10.3. Employment not guaranteed .............................................................................................. 12
10.4. Benefits solely from general assets .................................................................................... 12
10.5. Nonassignability of rights .................................................................................................. 12
10.6. Reclassification of Employment Status .............................................................................. 13
10.7. No guarantee of tax consequences ..................................................................................... 13
10.8. Indemnification of Participating Employer by Participants ................................................. 13
10.9. Actions on behalf of Participating Employers ..................................................................... 14
10.10. Governing law .................................................................................................................. 14
University of Southern California
Dependent Care Assistance Plan

Article 1.  Introduction.

This Plan document amends, restates and renames the University of Southern California Dependent Care Assistance Plan, effective January 1, 2023. This Plan is intended to qualify as a dependent care assistance program under section 129 of the Internal Revenue Code of 1986, as amended, and is to be interpreted in a manner consistent with the requirements of Code section 129. The purpose of the Plan is to provide Participants with reimbursements of their Dependent Care Expenses that are excludable from the Participants’ gross income under section 129 of the Code.

Article 2.  Definitions.

Wherever used herein, the singular includes the plural and the following terms have the following meanings unless a different meaning is clearly required by the context:

“Administrator” means the University or such other person or committee as may be appointed from time to time by the University to supervise the administration of the Plan.

“Benefit Eligible Employee” means a regular Employee who is regularly scheduled to work at least 50-percent full-time equivalent hours. The term “Benefit Eligible Employee” shall not include a temporary agency or contract Employee, or any other individual who is in a division, department, unit, or job classification designated by the University as not benefit eligible, regardless of the individual’s work schedule or number of hours worked, or any individual covered by a collective bargaining agreement with a Participating Employer that does not provide for participation in this Plan.

“Code” means the Internal Revenue Code of 1986, as amended from time to time. Reference to any section or subsection of the Code includes reference to any comparable or
succeeding provisions of any legislation which amends, supplements or replaces such section or subsection.

“Dependent” means any individual who is (a) a qualifying child of the Participant (as defined in section 152(a)(1) of the Code) who is under the age of 13, or (b) a dependent of the Participant (within the meaning of section 152 of the Code) who is physically or mentally incapable of caring for themselves and who has the same principal place of abode as the Participant for more than one-half of the Participant’s taxable year, or (c) the spouse of the Participant, who is physically or mentally incapable of caring for themselves and who has the same principal place of abode as the Participant for more than one-half of the Participant’s taxable year. In determining whether an individual is a Dependent of the Participant, the special rules of Code section 21(e)(5) shall be taken into account, where applicable.

“Dependent Care Expense Reimbursement Account” means the account described in Article 5 hereof.

“Dependent Care Expenses” mean expenses incurred by a Participant which (a) are incurred for the care of a Dependent of the Participant or for related household services, (b) are paid or payable to a Dependent Care Service Provider, and (c) are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Dependents with respect to the Participant. “Dependent Care Expenses” shall not include expenses incurred (i) for services outside the Participant’s household for the care of a Dependent, unless such Dependent is described in Section 2.5(a) or regularly spends at least eight hours each day in the Participant’s household, (ii) for services at a camp where the Dependent stays overnight, or (iii) before the Participant became a Participant. Dependent Care Expenses shall be deemed to be incurred at the time the services to which the expenses relate are rendered.
“Dependent Care Service Provider” means a person who provides care or other services described in Section 2.7(a) above, but shall not include (a) a dependent care center (as defined in Code section 21(b)(2)(D)), unless the requirements of Code section 21(b)(2)(C) are satisfied, or (b) a related individual described in Code section 129(c).

“Employee” means any individual who is employed by a Participating Employer.

“Flexible Benefit Plan” means the University of Southern California Flexible Benefit Plan, as amended from time to time.

“Participant” means each Benefit Eligible Employee who participates in the Plan in accordance with Article 3.

“Participating Employer” means the University and any affiliate of the University listed in the attached Appendix A whose participation in this Plan has been approved by the University.

“Plan” means the University of Southern California Dependent Care Assistance Plan as set forth herein, together with any and all amendments and supplements hereto.

“Plan Year” means the calendar year.

“University” means University of Southern California, or any successor to all or a major portion of its assets or business which assumes the obligations of the University under the Plan Article 3. Participation.

3.1. Date of participation. Each Benefit Eligible Employee will become a Participant upon the effective date of an election under the Flexible Benefit Plan to receive dependent care expense reimbursement under this Plan.

3.2. Cessation of participation. A Participant will cease to be a Participant as of the earliest of:

(1) the date on which the Plan terminates,
(2) the date on which the Participant’s election to receive dependent care assistance under the Plan expires or is terminated under the Flexible Benefit Plan (unless a new such election is effective immediately thereafter), or

(3) the date on which the Participant ceases to be a Benefit Eligible Employee (including, without limitation, cessation due to a Plan amendment by the University in accordance with Article 9 hereof).

3.3. Reinstatement of former Participant. If a former Participant who is eligible under Section 3.1 elects again under the Flexible Benefit Plan to receive dependent care assistance under this Plan, or if such an election is reinstated under the Flexible Benefit Plan, the individual will again become a Participant in this Plan on the effective date of such election or reinstatement.

Article 4. Election to Receive Dependent Care Assistance.

4.1. Election procedure. A Participant may elect to receive dependent care assistance under this Plan by filing an election and compensation reduction agreement in accordance with the procedures established under the Flexible Benefit Plan. An election to receive dependent care assistance may not be changed or revoked by the Participant during the Plan Year, except as provided in the Flexible Benefit Plan. However, such an election may automatically terminate, or may be terminated or modified by action of the Flexible Benefit Plan administrator, in accordance with the terms of the Flexible Benefit Plan.

4.2. Maximum dependent care assistance. The maximum amount which the Participant may receive in the form of dependent care assistance under this Plan with respect to Dependent Care Expenses incurred in any calendar year shall be the least of (a) the Participant’s earned income for the calendar year (after all reductions in compensation including the reduction related to dependent care assistance), (b) the actual or deemed earned income of the Participant’s spouse
for the calendar year, if the Participant is married, or (c) $5,000 (or, if the Participant is married but will not file a joint federal income tax return for the year, $2,500 or such amount as may be determined by the Administrator). In the case of a spouse who is a full-time student at an educational institution or is physically or mentally incapable of caring for themselves, such spouse shall be deemed to have earned income of not less than $250 per month if the Participant has one Dependent and $500 per month if the Participant has two or more Dependents. In the case of two Participants who are married to each other and who file a joint federal income tax return for the calendar year, the $5,000 limit in (c) above shall be reduced for each such Participant by the amount received for the year under this Plan by the Participant’s spouse. For purposes of this Section 4.2, “earned income” shall have the meaning given it by section 32(c)(2) of the Code, and a Participant shall be treated as not married if the Participant is not considered as married under the special rules of Code section 21(e)(3) and (4).

Article 5. **Dependent Care Expense Reimbursement Accounts.**

5.1. **Establishment of accounts.** Each Participating Employer will cause to be established and maintained a Dependent Care Expense Reimbursement Account for each Plan Year with respect to each Participant employed by such Participating Employer who has elected to receive dependent care assistance for the Plan Year.

5.2. **Crediting of accounts.** There shall be credited to a Participant’s Dependent Care Expense Reimbursement Account for each Plan Year, as of each date compensation is paid to the Participant in such Plan Year, an amount equal to the reduction, if any, to be made in such compensation in accordance with the Participant’s election and compensation reduction agreement under the Flexible Benefit Plan. Except as otherwise requested by law, all amounts credited to
each such Dependent Care Expense Reimbursement Account shall be the property of the Participant’s Participating Employer until paid out pursuant to Article 6.

5.3. **Debiting of accounts.** A Participant’s Dependent Care Expense Reimbursement Account for each Plan Year shall be debited from time to time in the amount of any payment under Article 6 to or for the benefit of the Participant for Dependent Care Expenses incurred during such Plan Year.

5.4. **Forfeiture of accounts.** The amount credited to a Participant’s Dependent Care Expense Reimbursement Account for any Plan Year shall be used only to reimburse the Participant for Dependent Care Expenses incurred during such Plan Year, and only if the Participant applies for reimbursement on or before the March 31 following the close of the Plan Year (or, if March 31 falls on a Saturday, Sunday or holiday, the next following business day). If any balance remains in the Participant’s Dependent Care Expense Reimbursement Account for any Plan Year after all reimbursements hereunder, such balance shall not be carried over to reimburse the Participant for any Dependent Care Expenses incurred after such Plan Year and, and shall not be available to the Participant in any other form or manner, but shall remain the property of the Participating Employer, and the Participant shall forfeit all rights with respect to such balance.

Article 6. **Payment of Dependent Care Assistance.**

6.1. **Claims for reimbursement.** A Participant who has elected to receive dependent care assistance for a Plan Year may apply to the Administrator for reimbursement of Dependent Care Expenses incurred by the Participant during the Plan Year by making an application in writing to the Administrator, in such form as the Administrator may prescribe, setting forth:

(1) the amount, date and nature of each expense;
(2) the name of the person, organization or entity to which the expense was or is to be paid;

(3) such other information as the Administrator may from time to time require; and

(4) a statement that the expense (or the portion thereof for which reimbursement is sought under the Plan) has not been reimbursed and will not be reimbursed under any other dependent care plan coverage.

Such application shall be accompanied by a written statement from an independent third party, stating that the expense has been incurred and the amount of the expense, and by such other bills, invoices, receipts, canceled checks or other statements or documents that the Administrator may request. Such application may be made before or after the Participant has paid such expense, but not before the Participant has incurred such expense.

6.2. Reimbursement or payment of expenses. The Administrator shall reimburse the Participant from the Participant’s Dependent Care Expense Reimbursement Account, at such time and in such manner as the Administrator may prescribe, for Dependent Care Expenses incurred during the Plan Year for which the Participant makes written application and submits documentation in accordance with Section 6.1. No reimbursement or payment under this Section 6.2 of expenses incurred during a Plan Year shall at any time exceed the balance of the Participant’s Dependent Care Expense Reimbursement Account for the Plan Year at the time of the reimbursement or payment, nor shall any reimbursement or payment be made if the Participant’s claim is for an amount less than the minimum reimbursable amount, if any, established by the Administrator. The amount of any Dependent Care Expenses not reimbursed or paid as a result of the preceding sentence shall be carried over and reimbursed or paid only if and when the
Participant’s claim equals or exceeds such minimum and the balance in the Participant’s Dependent Care Expense Reimbursement Account equals or exceeds such claim. Notwithstanding the preceding sentence, claims for expenses incurred during a Plan Year that are submitted for reimbursement after the last day of the Plan Year or on or before the March 31 following the close of the Plan Year (or, if March 31 falls on a Saturday, Sunday or holiday, the next following business day) shall be paid regardless of whether they equal or exceed the minimum reimbursable amount, provided they do not exceed the remaining balance of the Participant’s Dependent Care Expense Reimbursement Account.

6.3. **Report to Participants on or before January 31 of each year.** On or before each January 31, the Administrator shall furnish to each Participant (or former Participant) who has elected dependent care assistance under this Plan for the prior calendar year a written statement showing the amount of such assistance paid or payable with respect to Dependent Care Expenses incurred by the Participant (or former Participant) during such year. If the amount of such Dependent Care Expenses is not yet known to the Administrator by January 31, the written statement shall show the amount of dependent care assistance elected by the Participant (or former Participant) for such year.

6.4. **Limitation on reimbursements or payments with respect to certain Participants.** Notwithstanding any other provision of this Plan, the Administrator may limit the amounts reimbursed or paid to any Participant who is a highly compensated employee (within the meaning of Code section 414(q)), to the extent the Administrator deems such limitation to be advisable to assure compliance with any nondiscrimination provision of the Code. Such limitation may be imposed whether or not it results in a forfeiture under Section 5.4.

**Article 7. Termination of Participation.**
In the event that a Participant ceases to be a Participant in this Plan for any reason during a Plan Year, the Participant’s election and compensation reduction agreement relating to dependent care assistance shall terminate. The Participant shall be entitled to reimbursement only for Dependent Care Expenses incurred within the same Plan Year, and only if the Participant applies for such reimbursement in accordance with Section 6.1 on or before the March 31 following the close of the Plan Year (or, if March 31 falls on a Saturday, Sunday or holiday, the next following business day). In the event of the Participant’s death, the Participant’s spouse (or, if none, the Participant’s executor or administrator) may apply on the Participant’s behalf for reimbursements permitted under this Article 7. No reimbursement under this Article 7 shall exceed the remaining balance, if any, in the Participant’s Dependent Care Expense Reimbursement Account for the Plan Year in which the expenses were incurred.

Article 8. Administration.

8.1. Plan Administrator. The administration of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them. The Administrator will have full discretionary power to administer the Plan in all of its details, subject to applicable requirements of law. For this purpose, the Administrator’s discretionary powers will include, but will not be limited to, the following discretionary authority, in addition to all other powers provided by this Plan:

(1) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan;

(2) To interpret the Plan;
(3) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;

(4) To compute the amount of benefits which will be payable to any Participant or other person in accordance with the provisions of the Plan, and to determine the person or persons to whom such benefits will be paid;

(5) To authorize the payment of benefits;

(6) To appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Plan; and

(7) To delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such delegation or designation to be by written instrument and in accordance with applicable requirements of law.

Any determination by the Administrator, or any authorized delegate, shall be final and binding on all persons, in the absence of clear and convincing evidence that the Administrator or delegate acted arbitrarily and capriciously.

8.2. Examination of records. The Administrator will make available to each Participant such of its records under the Plan as pertain to the Participant, for examination at reasonable times during normal business hours; provided, however, the Administrator shall have no obligation to disclose any records or information which the Administrator, in its sole discretion, determines to be of a privileged or confidential nature.

8.3. Reliance on tables, etc. In administering the Plan, the Administrator will be entitled to the extent permitted by law to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by accountants, counsel or other experts employed or engaged by the Administrator.
8.4. **Indemnification of Administrator.** The University agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator or acting for the Administrator in connection with the Plan, including any Employee or former Employee who formerly served or acted in such a capacity, against all liabilities, damages, costs and expenses (including attorney’s fees and amounts paid in settlement of any claims approved by the University) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

8.5. **Claims procedures.** The Administrator shall establish procedures for filing claims for reimbursement under the Plan.

Article 9. **Amendment and Termination of Plan.**

9.1. **Amendment and termination of Plan.** The power to amend the Plan, in whole or in part, shall be vested in the University, which shall have the sole discretion to make all amendments to the Plan or any of its provisions. Such amendment shall be effected by a written instrument signed by an officer of the University, or the Officer’s authorized delegate, and delivered to the Administrator. Unless otherwise provided, any such amendment will be effective for all Participants, whether or not employed by the University or any other Participating Employer.

9.2. **Termination of Plan.** The University has established the Plan with the bona fide intention and expectation that it will be continued indefinitely, but the University will have no obligation whatsoever to maintain the Plan for any given length of time and may discontinue or terminate the Plan at any time, without liability, by a written instrument signed by an officer of the University, or the Officer’s authorized delegate, and delivered to the Administrator. Upon termination or discontinuance of the Plan, all elections and reductions in compensation relating to the Plan shall terminate, and reimbursements shall be made only in accordance with Article 7.
Article 10.  *Miscellaneous.*

10.1. **Information to be furnished.** Benefit Eligible Employees shall provide the Administrator with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.

10.2. **Limitation of rights.** Neither the establishment of the Plan nor any amendment thereof will be construed as giving to any Participant or other person any legal or equitable right against the Administrator or the Participating Employers, except as expressly provided herein, and in no event will the terms of employment or service of any Participant be modified or in any way be affected hereby.

10.3. **Employment not guaranteed.** Nothing contained in the Plan nor any action taken hereunder shall be construed as a contract of employment or as giving any Employee any right to be retained in the employ of the Participating Employers.

10.4. **Benefits solely from general assets.** The benefits provided hereunder will be paid solely from the general assets of the Participating Employers. Nothing herein will be construed to require any Participating Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Participating Employers from which any payment under the Plan may be made.

10.5. **Nonassignability of rights.** The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment or any other method, and will not be subject to be taken by his creditors by any process whatsoever, and any attempt to cause such right to be so subjected will not be recognized, except to such extent as may be required by law.
10.6. **Reclassification of Employment Status.** Notwithstanding anything herein to the contrary, an individual who is not characterized or treated by a Participating Employer as a common-law employee shall not be eligible to participate in the Plan. However, in the event that such an individual is reclassified or deemed to be reclassified as a common-law employee of a Participating Employer, the individual shall be eligible to participate in the Plan as of the actual date of such reclassification (to the extent such individual otherwise qualifies as a Benefit Eligible Employee hereunder and the requirements of Article 3 are satisfied). If the effective date of any such reclassification is prior to the actual date of such reclassification, in no event shall the reclassified individual be eligible to participate in the Plan retroactively to the effective date of such reclassification.

10.7. **No guarantee of tax consequences.** Neither the Administrator nor the Participating Employers make any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant’s gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant’s gross income for federal and state income tax purposes, and to notify the Participating Employer if the Participant has reason to believe that any such payment is not so excludable.

10.8. **Indemnification of Participating Employer by Participants.** If any Participant receives one or more payments or reimbursements under this Plan that are not for Dependent Care Expenses, such Participant shall indemnify and reimburse the Participating Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not
exceed the amount of additional federal and state income tax that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant’s share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

10.9. **Actions on behalf of Participating Employers.** The University shall act for and on behalf of all Participating Employers in all matters pertaining to the Plan, and every act done by, agreement made with, or notice given to the University shall be binding on all such Participating Employers.

10.10. **Governing law.** To the extent that federal law does not apply, the Plan will be construed, administered and enforced according to the laws of the State of California.

IN WITNESS WHEREOF, the University has caused this Plan to be executed in its name and on its behalf by an officer or a duly authorized delegate effective January 1, 2023.

University of Southern California

By: __________________________

Its: Senior Vice President, Human Resources

Date: 05/26/23 ___________________
Appendix A

Participating Affiliates

None