Notice to Employee

Do you have to file? Refer to the Form 1040 instructions to determine if you are required to file a tax return. Even if you do not have to file a tax return, you may be eligible for a refund if box 2 shows an amount or if you are eligible for any credit.

Earned income credit (EIC). You may be able to take the EIC for 2017 if your adjusted gross income (AGI) is less than a certain amount. The amount of credit is based on income and family size. Workers without children could qualify for a smaller credit. You and any qualifying children must have valid social security numbers (SSNs). You can't take the EIC if your investment income is more than the specified amount for 2017 or if income is earned for services provided while you were an inmate at a penal institution. For 2017 income limits and more information, visit www.irs.gov/eitc. Also see Pub. 596, Earned Income Credit. Any EIC that is more than your tax liability is refunded to you, but only if you file a tax return.

Clergy and religious workers. If you aren't subject to social security and Medicare taxes, see Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Corrections. If your name, SSN, or address is incorrect, correct Copies B, C, and 2 and ask your employer to correct your employment record. Be sure to ask the employer to file Form W-2c, Corrected Wage and Tax Statement, with the Social Security Administration (SSA) to correct any name, SSN, or money amount error reported to the SSA on Form W-2. Be sure to get your copies of Form W-2c from your employer for all corrections made so you may file them with your tax return. If your name and SSN are correct but aren't the same as shown on your social security card, you should ask for a new card that displays your correct name at any SSA office or by calling 1-800-772-1213. You may also visit the SSA at www.SSA.gov.

Cost of employer-sponsored health coverage (if such cost is provided by the employer). The reporting in Box 12, using Code DD, of the cost of employer-sponsored health coverage is for your information only. **The amount reported with Code DD is not taxable.**

Credit for excess taxes. If you had more than one employer in 2017 and more than $7,886.40 in social security and/or Tier 1 railroad retirement (RRTA) taxes were withheld, you may be able to claim a credit for the excess against your federal income tax. If you had more than one railroad employer and more than $4,630.50 in Tier 2 RRTA tax was withheld, you also may be able to claim a credit. See your Form 1040 or Form 1040A instructions and Pub. 505, Tax Withholding and Estimated Tax.

Instructions for Employee

Box 1. Enter this amount on the wages line of your tax return.

Box 2. Enter this amount on the federal income tax withheld line of your tax return.

Box 3. You may be required to report this amount on Form 8959, Additional Medicare Tax. See the Form 1040 instructions to determine if you are required to complete Form 8959.

Box 4. This amount includes the 1.45% Medicare Tax withheld on all Medicare wages and tips shown in Box 5, as well as the 0.9% Additional Medicare Tax on any of those Medicare wages and tips above $200,000.

Box 8. This amount is **not** included in boxes 1, 3, 5, or 7. For information on how to report tips on your tax return, see your Form 1040 instructions.

You must file Form 4137, Social Security and Medicare Tax on Unreported Tip Income, with your income tax return to report at least the allocated tip amount unless you can prove that you received a smaller amount. If you have records that show the actual amount of tips you received, report that amount even if it is more or less than the allocated tips. On Form 4137 you will calculate the social security and Medicare tax owed on the allocated tips shown on your Form(s) W-2 that you must report as income and on other tips you did not report to your employer. By filing Form 4137, your social security tips will be credited to your social security record (used to figure your benefits).

Box 9. If you are e-filing and if there is a code in this box, enter it when prompted by your software. The only valid characters are the letters A-F and numerals 0-9. This code assists the IRS in validating the W-2 data submitted with your return. The code is not entered on paper-filed returns.

Box 10. This amount includes the total dependent care benefits that your employer paid to you or incurred on your behalf (including amounts from a section 125 (cafeteria) plan). Any amount over $5,000 also is included in box 1. Complete Form 2441, Child and Dependent Care Expenses, to compute any taxable and nontaxable amounts.

Box 11. This amount is: **(a)** reported in box 1 if it is a distribution made to you from a nonqualified deferred compensation or nongovernmental section 457(b) plan or **(b)** included in box 3 and/or 5 if it is a prior year deferral under a nonqualified or section 457(b) plan that became taxable for social security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferred amount. This box shouldn't be used if you had a deferral and a distribution in the same calendar year. If you made a deferral and received a distribution in the same calendar year, and you are or will be age 62 by the end of the calendar year, your employer should file Form SSA-131, Employer Report of Special Wage Payments, with the Social Security Administration and give you a copy.

Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Elective deferrals (codes D, E, F, and S) and designated Roth contributions (codes AA, BB, and EE) under all plans are generally limited to a total of $18,000 ($12,500 if you only have SIMPLE plans; $21,000 for section 403(b) plans if you qualify for the 15-year rule explained in Pub. 571). Deferrals under code G are limited to $18,000. Deferrals under code H are limited to $7,000.

However, if you were at least age 50 in 2017, your employer may have allowed an additional deferral of up to $6,000 ($3,000 for section 401(k)(11) and 408(p) SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals. For code G, the limit on elective deferrals may be higher for the last 3 years before you reach retirement age. Contact your plan administrator for more information. Amounts in excess of the overall elective deferral limit must be included in income. See the "Wages, Salaries, Tips, etc." line instructions for Form 1040.

Note. *If a year follows code D through H, S, Y, AA, BB, or EE, you made a make-up pension contribution for a prior year(s) when you were in military service. To figure whether you made excess deferrals, consider these amounts for the year shown, not the current year. If no year is shown, the contributions are for the current year.*

A—Uncollected social security or RRTA tax on tips. Include this tax on Form 1040. See "Other Taxes" in the Form 1040 instructions.

B—Uncollected Medicare tax on tips. Include this tax on Form 1040. See "Other Taxes" in the Form 1040 instructions.

C—Taxable cost of group-term life insurance over $50,000 (included in boxes 1, 3 (up to social security wage base), and 5)

D—Elective deferrals to a section 401(k) cash or deferred arrangement. Also includes deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

E—Elective deferrals under a section 403(b) salary reduction agreement

F—Elective deferrals under a section 408(k)(6) salary reduction SEP

G—Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan

H—Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. See "Adjusted Gross Income" in the Form 1040 instructions for how to deduct.

J—Nontaxable sick pay (information only, not included in boxes 1, 3, or 5)

K—20% excise tax on excess golden parachute payments. See "Other Taxes" in the Form 1040 instructions.

L—Substantiated employee business expense reimbursements (nontaxable)

M—Uncollected social security or RRTA tax on taxable cost of group-term life insurance over $50,000 (former employees only). See "Other Taxes" in the Form 1040 instructions.

N—Uncollected Medicare tax on taxable cost of group-term life insurance over $50,000 (former employees only). See "Other Taxes" in the Form 1040 instructions.

P—Excludable moving expense reimbursements paid directly to employee (not included in boxes 1, 3, or 5)

Q—Nontaxable combat pay. See the instructions for Form 1040 or Form 1040A for details on reporting this amount.

R—Employer contributions to your Archer MSA. Report on Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.

S—Employee salary reduction contributions under a section 408(p) SIMPLE plan (not included in box 1)

T—Adoption benefits (not included in box 1). Complete Form 8839, Qualified Adoption Expenses, to compute any taxable and nontaxable amounts.

V—Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to social security wage base), and 5). See Pub. 525, Taxable and Nontaxable Income, for reporting requirements.

W—Employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to your Health Savings Account. Report on Form 8889, Health Savings Accounts (HSAs).

Y—Deferrals under a section 409A nonqualified deferred compensation plan.

Z—Income under a nonqualified deferred compensation plan that fails to satisfy section 409A. This amount is also included in box 1. It is subject to an additional 20% tax plus interest. See "Other Taxes" in the Form 1040 instructions.

AA—Designated Roth contributions under a section 401(k) plan.

BB—Designated Roth contributions under a section 403(b) plan.

DD—Cost of employer-sponsored health coverage. **The amount reported with Code DD is not taxable.**

EE—Designated Roth contributions under a governmental section 457(b) plan. This amount does not apply to contributions under a tax-exempt organization section 457(b) plan.

FF—Permitted benefits under a qualified small employer health reimbursement arrangement

Box 13. If the "Retirement plan" box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct. See Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs).

Box 14. Employers may use this box to report information such as state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a member of the clergy's parsonage allowance and utilities. Railroad employers use this box to report railroad retirement (RRTA) compensation, Tier 1 tax, Tier 2 tax, Medicare tax and Additional Medicare Tax. Include tips reported by the employee to the employer in railroad retirement (RRTA) compensation.

Note: *Keep Copy C of Form W-2 for at least 3 years after the due date for filing your income tax return. However, to help protect your social security benefits, keep Copy C until you begin receiving social security benefits, just in case there is a question about your work record and/or earnings in a particular year.*

Form W-2 Wage and Tax Statement 2017

Copy C, for employee's records

This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.

d Control number: 0072-18081902 0000000280-	Void	c Employer's name, address, and ZIP code: BEPC INCORPORATED PO BOX 1209 SAN ANGELO TX 76902	Department of the Treasury - Internal Revenue Service OMB No. 1545-0008
b Employer's identification number: 26-1107008	a Employee's social security number: 752-13-9087		1 Wages, tips, other compensation: 51560.90 / 2 Federal income tax withheld: 6591.10
13 Statutory Employee / Retirement plan / Third-party sick pay			3 Social Security wages: 51560.90 / 4 Social Security tax withheld: 3196.78
12 See instrs. for Box 12 / 14 Other	e Employee's name, address, and ZIP code: VARUN K KABARIA 443 NORTHWEST HIGHWAY APT 3501 IRVING TX 75039		5 Medicare wages and tips: 51560.90 / 6 Medicare tax withheld: 747.63
			7 Social Security tips / 8 Allocated Tips
			10 Dependent care benefits / 11 Nonqualified plans
			Verification Code: bbb0-1798-b7d7-54c0

15 State	Employer's state I.D. No.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

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Form W-2 Wage and Tax Statement 2017

Copy B, to be filed with employee's FEDERAL tax return

d Control number: 0072-18081902 0000000280-	Void	c Employer's name, address, and ZIP code: BEPC INCORPORATED PO BOX 1209 SAN ANGELO TX 76902	Department of the Treasury - Internal Revenue Service OMB No. 1545-0008
b Employer's identification number: 26-1107008	a Employee's social security number: 752-13-9087		1 Wages, tips, other compensation: 51560.90 / 2 Federal income tax withheld: 6591.10
13 Statutory Employee / Retirement plan / Third-party sick pay			3 Social Security wages: 51560.90 / 4 Social Security tax withheld: 3196.78
12 See instrs. for Box 12 / 14 Other	e Employee's name, address, and ZIP code: VARUN K KABARIA 443 NORTHWEST HIGHWAY APT 3501 IRVING TX 75039		5 Medicare wages and tips: 51560.90 / 6 Medicare tax withheld: 747.63
			7 Social Security tips / 8 Allocated Tips
			10 Dependent care benefits / 11 Nonqualified plans
			Verification Code: bbb0-1798-b7d7-54c0

15 State	Employer's state I.D. No.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

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Form W-2 Wage and Tax Statement 2017

d Control number	Void: X	c Employer's name, address, and ZIP code	Department of the Treasury - Internal Revenue Service OMB No. 1545-0008
b Employer's identification number	a Employee's social security number		1 Wages, tips, other compensation / 2 Federal income tax withheld
13 Statutory Employee / Retirement plan / Third-party sick pay			3 Social Security wages / 4 Social Security tax withheld
12 See instrs. for Box 12 / 14 Other	e Employee's name, address, and ZIP code		5 Medicare wages and tips / 6 Medicare tax withheld
			7 Social Security tips / 8 Allocated Tips
			10 Dependent care benefits / 11 Nonqualified plans
			Verification Code

15 State	Employer's state I.D. No.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **1095-C**
Department of the Treasury
Internal Revenue Service

Employer-Provided Health Insurance Offer and Coverage

▶ **Do not attach to your tax return. Keep for your records.**

▶ **Go to *www.irs.gov/Form1095C* for instructions and the latest information.**

☐ VOI

☐ COI

Part I Employee

1 Name of employee	2 Social security number (SSN)	7 Name of employer
Varun K Kabaria	752-13-9087	BEPC INCORPORATED

3 Street address (including apartment no.)	9 Street address (including room or suite no.)
443 Northwest Highway Apt 3501	PO BOX 1209

4 City or town	5 State or province	6 Country and ZIP or foreign postal code	11 City or town	12 State or province
Irving	TX	US 75039	San Angelo	TX

Applicable Large Employer Mem

Part II Employee Offer of Coverage

Plan Start Month (Enter 2-digit number):

	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1E	1E	1E	1E
15 Employee Required Contribution (see instructions)	$	$ 33.63	$ 33.63	$ 33.63	$ 33.63	$ 33.63	$ 33.63	$ 33.63	$ 33.63	$ 33.6
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2C	2C	2C	2C

Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, inc

	(a) Name of covered individual(s)	(b) SSN or other TIN	(c) DOB (If SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of C						
					Jan	Feb	Mar	Apr	May	June	J
17				☐	☐	☐	☐	☐	☐	☐	☐
18				☐	☐	☐	☐	☐	☐	☐	☐
19				☐	☐	☐	☐	☐	☐	☐	☐
20				☐	☐	☐	☐	☐	☐	☐	☐
21				☐	☐	☐	☐	☐	☐	☐	☐
22				☐	☐	☐	☐	☐	☐	☐	☐

Instructions for Recipient

You are receiving this Form 1095-C because your employer is an Applicable Large Employer subject to the employer shared responsibility provision in the Affordable Care Act. This Form 1095-C includes information about the health insurance coverage offered to you by your employer. Form 1095-C, Part II, includes information about the coverage, if any, your employer offered to you and your spouse and dependent(s). If you purchased health insurance coverage through the Health Insurance Marketplace and wish to claim the premium tax credit, this information will assist you in determining whether you are eligible. For more information about the premium tax credit, see Pub. 974, Premium Tax Credit (PTC). You may receive multiple Forms 1095-C if you had multiple employers during the year that were Applicable Large Employers (for example, you left employment with one Applicable Large Employer and began a new position of employment with another Applicable Large Employer). In that situation, each Form 1095-C would have information only about the health insurance coverage offered to you by the employer identified on the form. If your employer is not an Applicable Large Employer it is not required to furnish you a Form 1095-C providing information about the health coverage it offered.

In addition, if you, or any other individual who is offered health coverage because of their relationship to you (referred to here as family members), enrolled in your employer's health plan and that plan is a type of plan referred to as a "self-insured" plan, Form 1095-C, Part III provides information to assist you in completing your income tax return by showing you or those family members had qualifying health coverage (referred to as "minimum essential coverage") for some or all months during the year.

If your employer provided you or a family member health coverage through an insured health plan or in another manner, the issuer of the insurance or the sponsor of the plan providing the coverage will furnish you information about the coverage separately on Form 1095-B, Health Coverage. Similarly, if you or a family member obtained minimum essential coverage from another source, such as a government-sponsored program, an individual market plan, or miscellaneous coverage designated by the Department of Health and Human Services, the provider of that coverage will furnish you information about that coverage on Form 1095-B. If you or a family member enrolled in a qualified health plan through a Health Insurance Marketplace, the Health Insurance Marketplace will report information about that coverage on Form 1095-A, Health Insurance Marketplace Statement.

Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Additional information. For additional information about the tax provisions of the Affordable Care Act (ACA), including the individual shared responsibility provisions, the premium tax credit, and the employer shared responsibility provisions, see *www.irs.gov/Affordable-Care-Act/Individuals-and-Families* or call the IRS Healthcare Hotline for ACA questions (1-800-919-0452).

Part I. Employee

Lines 1–6. Part I, lines 1–6, reports information about you, the employee.

Line 2. This is your social security number (SSN). For your protection, this form may show only the last four digits of your SSN. However, the employer is required to report your complete SSN to the IRS.

If you do not provide your SSN and the SSNs of all covered individuals to the plan administrator, the IRS may not be able to match the Form 1095-C to determine that you and the other covered individuals have complied with the individual shared responsibility provision. For covered individuals other than the employee listed in Part I, a Taxpayer Identification Number (TIN) may be provided instead of an SSN. See Part III.

Part I. Applicable Large Employer Member (Employer)

Lines 7–13. Part I, lines 7–13, reports information about your employer.

Line 10. This line includes a telephone number for the person whom you may call if you have questions about the information reported on the form or to report errors in the information on the form and ask that they be corrected.

Part II. Employer Offer of Coverage, Lir

Line 14. The codes listed below for line 14 describe the and your spouse and dependent(s), if any. (If you receiv multiemployer plan due to your membership in a union, information on line 14 relates to eligibility for coverage your spouse, and dependent(s). For more information a

1A. Minimum essential coverage providing minimum va contribution for self-only coverage equal to or less than single federal poverty line and minimum essential cover (referred to here as a Qualifying Offer). This code may b Qualifying Offer was made, even if you did not receive a calendar year. For information on the adjustment of the

1B. Minimum essential coverage providing minimum va coverage NOT offered to your spouse or dependent(s).

1C. Minimum essential coverage providing minimum va coverage offered to your dependent(s) but NOT your sp

1D. Minimum essential coverage providing minimum va coverage offered to your spouse but NOT your depend

1E. Minimum essential coverage providing minimum va coverage offered to your dependent(s) and spouse.

1F. Minimum essential coverage NOT providing minimu or dependent(s), or you, your spouse, and dependent(s)

1G. You were NOT a full-time employee for any month insured employer-sponsored coverage for one or more entered in the *All 12 Months* box or in the separate mor line 14.

1H. No offer of coverage (you were NOT offered any he is NOT minimum essential coverage).

1I. Reserved.

1J. Minimum essential coverage providing minimum va conditionally offered to your spouse; and minimum ess dependent(s).

1K. Minimum essential coverage providing minimum va conditionally offered to your spouse; and minimum ess

Line 15. This line reports the employee required contrib lowest-cost self-only minimum essential coverage prov you. The amount reported on line 15 may not be the an chose to enroll in more expensive coverage such as far if code 1B, 1C, 1D, 1E, 1J, or 1K is entered on line 14. to you for the coverage, this line will report a "0.00" for how your eligibility for other healthcare arrangements m IRS.gov.

Line 16. This code provides the IRS information to adm provisions. Other than a code 2C which reflects your er this information affects your eligibility for the premium t employer shared responsibility provisions, see IRS.gov.

Part III. Covered Individuals, Lines 17–2

Part III reports the name, SSN (or TIN for covered indivi and coverage information about each individual (includi employee, and any employee's family members) covere is "self-insured." A date of birth will be entered in colum individuals other than the employee listed in Part I) is nc checked if the individual was covered for at least one d who were covered for some but not all months, informa months for which these individuals were covered. If the additional covered individuals on Part III, Continuation