

**IWAKI AMERICA INC.
EMPLOYEE GROUP MEDICAL PLAN
SUMMARY OF MATERIAL MODIFICATIONS TO THE
RESTATED OCTOBER 1, 2014 PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION
EFFECTIVE: OCTOBER 1, 2015**

This Plan is amended as follows to incorporate the provisions of the Patient Protection and Affordable Care Act of 2010 (The Affordable Care Act):

1. Prescription drug out-of-pocket expenses, including any applicable Deductible, Coinsurance or Co-payments, count toward the Out-of-Pocket Maximums.
2. Covered dependent children will be covered through the last day of the month in which they reach age 26.
3. The following Qualifying Changes in Status are added to permit an Employee to elect to cancel coverage under this Plan when:
 - o The Employee’s hours of service are no longer expected to average 30 or more per week and the Employee intends to enroll in another plan that provides Minimum Essential Coverage (MEC) as defined by The Affordable Care Act
 - o The Employee is eligible for a Special Enrollment Period to elect coverage under a Qualified Health Plan offered through a Health Insurance Marketplace or Exchange (“Exchange”)
 - o The Employee would like to enroll in a Qualified Health Plan through an Exchange during the Exchange Open Enrollment period.
4. Certificate of Creditable Coverage (also called Certificate of Coverage) is no longer required to enroll in other coverage and will no longer be issued.
5. The Termination and Continuation of Coverage section is updated to note that other potentially less expensive coverage options may be available for covered Employees and their Eligible Dependents who become eligible for COBRA continuation coverage. Instead of enrolling in COBRA, other coverage options with lower monthly premiums and out of pocket costs may be available through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a Spouse’s plan) during what is called a “special enrollment period.” More information about these options can be obtained at www.healthcare.gov.
6. The Plan is revised to include the following provisions and definitions related to (i) Employee and dependent eligibility for Plan participation, (ii) the accrual of time toward measuring eligibility during periods of protected leave of absence, (iii) general reemployment guidelines and (iv) definitions:

(i) Employees and their Eligible Dependents are eligible to participate in the Plan as described below:

If the Employee is a(n):	Then
New hire – <ul style="list-style-type: none"> • Employee reasonably expected to average 30 or more hours of service per week 	The Employee is eligible for coverage beginning on date of hire. Eligibility for coverage will continue at least until the first day of the first Standard Stability Period following completion of a Standard Measurement Period, provided the Employee remains employed.

If the Employee is a(n):	Then
<p>New hire –</p> <ul style="list-style-type: none"> • Employee reasonably expected to average fewer than 30 hours per week; • Variable Hour Employee (cannot reasonably determine whether average hours will equal or exceed 30 per week); or • Seasonal Employee (hired into position that typically lasts six months or less and begins/ends at generally same time each year) 	<p>The Employee’s hours of service will be tracked over a 12-month Initial Measurement Period that begins on date of hire to determine whether the Employee averages 30 or more hours of service per week.</p> <p>Employees who average 30 or more hours of service per week during the Initial Measurement Period will be eligible for coverage beginning on the day following completion of the Initial Measurement Period, which is also the first day of the Initial Stability Period. Eligibility for coverage will continue at least until the end of the Employee’s Initial Stability Period, provided the Employee remains employed.</p> <p>Employees who average fewer than 30 hours of service per week during the Initial Measurement Period will not be offered coverage.</p>
<p>New hire –</p> <ul style="list-style-type: none"> • Change from reasonably expected to average fewer than 30 hours per week, Variable Hour or Seasonal Employee to a non-Seasonal position expected to average 30 or more hours per week during Initial Measurement Period 	<p>Coverage will be offered:</p> <ul style="list-style-type: none"> • On the date of the change in employment status, or, if later • The first day of the 14th full calendar month of employment if hours of service during the Initial Measurement Period averaged 30 or more per week <p>Eligibility for coverage will continue at least until the end of the Initial Stability Period, provided the Employee remains employed.</p>
<p>Ongoing Employee (an Employee who has been employed for a complete Standard Measurement Period)</p>	<p>Hours will be tracked during each Standard Measurement Period:</p> <ul style="list-style-type: none"> • Employees who average 30 or more hours of service per week during the Standard Measurement Period will be eligible for coverage for as long as they remain employed during the following Standard Stability Period. • Employees who average fewer than 30 hours of service per week will be ineligible for coverage for the following Standard Stability Period.
<p>Employee as of August 1, 2014 (Employees hired after that date are subject to the rules for new hires outlined above)</p>	<p>Eligibility for coverage as of October 1, 2015 will be based on each Employee’s average hours of service between August 1, 2014 and July 31, 2015.</p>

Hours of service include all hours for which an Employee is paid, including vacation and sick time or disability.

(ii) Rule for protected absences due to FMLA, USERRA or jury duty:

If an Employee is on an approved unpaid FMLA or military leave, or is on jury duty, then the weeks of unpaid time will not be included in the calculation of average hours of service for the purposes of determining eligibility for coverage for the following Stability Period. If the Employee is on any other type of unpaid leave, the weeks of unpaid time are included in the Measurement Period and credited with zero (0) hours of service for the purpose of determining eligibility for coverage for the following Stability Period.

(iii) The general provisions below replace any more restrictive provisions for resuming coverage after termination of employment and rehire (for reasons other than return to work following a leave of absence under FMLA, a leave for military service, or any other approved leave of absence as outlined in the Plan Document):

A rehired Employee who was a participant in the Plan on the date of employment termination may resume participation in the Plan on the date of rehire if the Employee has not had a Break-in-Service, provided either a. the Stability Period on the date of reemployment is the same as the Stability Period in effect on the date of employment termination, or b. if reemployment begins during a new Stability Period, the Employee is eligible for coverage in accordance with the eligibility provisions set forth above under subsection (i) of this paragraph 6.

In cases of reemployment following a Break-in-Service, eligibility to participate will be based on the Employee's status on the date of rehire in accordance with the eligibility provisions set forth above under subsection (i) of this paragraph 6 as they relate to new hires.

(iv) The following words and phrases will have the following meanings when used in the Plan, unless a different meaning is plainly required by the text:

Break-in-Service – following an Employee's termination of employment: a period of 13 or more consecutive weeks during which an Employee has not had an hour of service.

Health Insurance Marketplace or Exchange – a resource available in each state that helps individuals learn about health coverage, and about paying for health coverage and available subsidies, and offers individuals and families the opportunity to enroll in Qualified Health Plans.

Initial Measurement Period – a 12-month period that begins on the date of hire during which the hours of service for Variable Hour Employees, Seasonal Employees and Employees reasonably expected to average fewer than 30 hours per week are tracked to determine eligibility for coverage during the Initial Stability Period.

Initial Stability Period – a 12-month period that begins on the first day after completing Initial Measurement Period during which an Employee's status as eligible or ineligible for coverage is locked in based on average hours of service during the Initial Measurement Period.

New Employee – an Employee who has not been employed for an entire Standard Measurement Period or a returning Employee who has had a Break-in-Service.

Ongoing Employee – an Employee who has been employed for a complete Standard Measurement Period.

Qualified Health Plan – a health plan offered through and certified by a Health Insurance Marketplace or Exchange.

Seasonal Employee – a New Employee hired into a position which customarily lasts six months or less and which begins and ends at approximately the same time each calendar year.

Standard Measurement Period – the 12-month period during which all Employees' hours of service are tracked to determine eligibility or ineligibility for coverage for the following Standard Stability Period. The dates for the Standard Measurement Period are determined by the Employer each year.

Standard Stability Period – the 12-month period that begins on the first day of each Plan Year, during which every Ongoing Employee's status as eligible or ineligible for coverage is locked in based on average hours of service during the Standard Measurement Period.

Variable Hour Employee – a New Employee for whom average hours of service cannot reasonably be determined.

Waiting Period – the period of time, if any, an eligible Employee must be employed by the Employer before coverage begins under this Plan.

All references to the provisions above that appear in any part of the Plan Document or in any prior amendments are also hereby amended to be consistent with the changes described above.

Accepted by:
Iwaki America, Inc.

Amy Francee
Authorized Signature

Amy Francee
Print Name

HK Director
Title

9/18/15
Date