



EMPLOYEE BENEFITS: LOOKING BEYOND YOUR PAYCHECK

As a full-time salaried U.S. employee of Hendrickson, you are eligible to participate in a comprehensive program of employee benefits. Many of these benefits stretch your paycheck by minimizing out-of-pocket expenses and are designed to help provide you with financial security now, and in the future. This brochure includes an overview of the benefits items offered to you. For the plan details, you should refer to the benefit booklets and Summary Plan Descriptions provided to active employees. All health benefits are subject to usual and customary standard provisions of the insurance industry.

You are eligible for most benefits following one month of employment. Exceptions include:

- Business Travel Accident Insurance - eligible beginning first day of employment
- 401(k) Plan — eligible to contribute immediately upon employment
- Pension Plan — after you have completed one year of service you will be considered a participant in the Company's defined benefit pension plan and receive service credit back to your date of hire.

Medical Benefits

Our current group health plan is administered by Blue Cross Blue Shield of Illinois (BCBS) and includes a medical Preferred Provider Organization (PPO) option. A PPO is a network of medical service providers, both doctors and hospitals, that have contracted with BCBS and have agreed to charge our covered employees and their dependents a "negotiated discounted" fee.

By using providers in the PPO network, your deductibles, out of pocket limits, and the co-payment percentage you pay will be lower. You also have the choice of using medical providers who do not participate in the BCBS PPO (non-PPO providers); in most cases the non-PPO deductibles, out of pocket limits, and the co-payment percentages you pay will be higher than the PPO amounts. However, expenses you pay out of pocket such as deductibles or co-payment percentages will apply to both the PPO and the non-PPO deductibles and out of pocket maximums.

Dental Benefits

Under our BCBS dental plan, you may choose to use a dentist that is a member of the BCBS dental PPO network. If you use a PPO dentist you will receive PPO discounted rates. If your dentist is not in the network, all payments made under the Plan for allowable charges will be limited to usual and customary charges and you will be responsible for any excess amounts. Note that under the dental plan the deductibles, co-payment percentages, and out of pocket amounts are the same in and out of network.

Employee Cost (pre-tax)

Employee Only = \$96/month + .003 of monthly base salary

Employee + child(ren) = \$226/month + .006 of monthly base salary

Employee + spouse = \$242/month + .006 of monthly base salary

Employee + spouse + child(ren) = \$248/month + .006 of monthly base salary

You may receive a discount on the monthly premiums if you and, if applicable, your covered spouse participate in a Health Risk Assessment (HRA) within your first three weeks of hire. The monthly savings is \$30 for Employee Only coverage and \$50 for Employee plus Family member coverage.

Summary of Certain Benefits

Certain Blue Cross Blue Shield Medical Plan Benefit Levels	Per Calendar Year		
	You Pay . . . In-Network	You Pay . . . Out-of-Network*	Calendar Year Maximum
Deductible - annual			
• Per Person	\$400	\$ 700	
• Per Family	\$800	\$1,500	
Out-of-Pocket Maximum			
• Per Person	\$1,750	\$2,750	
• Per Family	\$3,500	\$5,500	
Hospital Benefits			
• Inpatient and Outpatient	deductible, then 20%	deductible, then 40%	
• Emergency Room (non-serious)	\$75 co-pay, deductible, then 20%	\$75 co-pay, deductible, then 40%	
• Emergency Room (Serious**)	20%, no deductible		
Physician Benefits			
• Office Visit (Primary)	\$20 co-pay	deductible, then 40%	
• Office Visit (Specialist)	\$30 co-pay	deductible, then 40%	
• Surgical/Medical Covered Services	deductible, then 20%	deductible, then 40%	
Other Covered Services	deductible, then 20%		
Wellness Benefits: Do Not Apply to the Above Medical Plan Deductibles or Out-of-Pocket Maximums			
Preventive Care	0%	40%	Unlimited
Drug Card Benefits: Do Not Apply to the Above Deductibles or Out-of-Pocket Maximums			
Deductible - annual			
• Per Person	\$100		
• Per Family	\$200		
Co-Pay at Time of Purchase - after deductible			
• Generic Prescription	20% of purchase price		
• Brand Prescription	20% of purchase price, or \$25 if greater		
Maximum Co-Pay Per Rx	\$100		
<p>* All payments made under this plan for allowable charges will be limited to usual and customary charges. You will be responsible for any amount in excess of such limits.</p> <p>** Condition must be determined to be life threatening or a serious illness/injury.</p>			

Certain Blue Cross Blue Shield Dental Plan Levels	You Pay*	Maximum Dental Plan Will Pay	
		Calendar Year	Lifetime
Dental Services:			
Maximum Per Person All Dental Services		\$1,500	
Preventive & Diagnostic Care	0%	Once every 6 months	
Annual Deductibles			
• Per Person	\$ 50		
• Per Family	\$150		
Basic Treatment , e.g. fillings, repairs	15%		
Major Treatment , e.g. crowns	50%		
Orthodontic Services (under age 19)**			
Deductible			
• Per Person	\$50 (Lifetime)		
All Covered Orthodontic Services			
Covered Services	40%		\$1,000

* You will be responsible for charges in excess of usual and customary and in excess of the calendar year maximum.

** Orthodontic expenses are paid outside of the dental plan and therefore are not part of the dental deductibles and/or annual maximums.

Flexible Spending Account — (Section 125 Plan)

The Company also provides you the choice to participate in the Flexible Spending Account Plan (FSA). You can use the FSA to supplement your group health plan benefits by contributing before-tax money to reimburse yourself for eligible “uninsured” expenses. You can also elect to use your FSA for Child and Disabled Dependent Care expenses. The FSA is available to you following completion of your first month of employment whether or not you enroll yourself or your dependents in the Company’s group health plan.

Eligible FSA Expenses —

- The expense must meet the IRS definition of an eligible expense that normally could be taken by you as a tax deduction
- Health expenses not covered by any existing benefit plan (e.g., deductibles, out-of-pocket co-payment expenses, etc.)
- Child and Disabled Dependent Care expenses

Contributions to your FSA: Employee Contribution —

You can contribute up to \$300 per month to your FSA on a before-tax basis for health related expenses and up to \$415 per month for Child and Disabled Dependent Care expenses.

Eligible Dependents for FSA Purposes —

You may submit eligible dependent expenses to your FSA for payment. Under your healthcare FSA, eligible dependents are any qualifying child or qualifying relative that you claim as a dependent on your federal income tax return or any dependent that you could claim if that person had no gross income in excess of the IRS limit or had not filed a joint federal tax return.

Under your Child and Disabled Dependent Care FSA, dependents are defined as your children who are younger than age 13 and any dependent over 13 (including your spouse) who is physically or mentally disabled and unable to care for him/herself. Children and adults that you do not claim as dependents on your federal income taxes and any children age 13 and older, who are not disabled, do not qualify as eligible dependents under your Child and Disabled Dependent Care FSA.

Spend It or Lose It —

All unused funds remaining in your FSA are forfeited by you following the year-end close. You have until March 31st to submit your claims incurred in the prior calendar year.

Money Accumulation Plan — 401(k)

A 401(k) savings plan gives you the opportunity to save and invest in a tax-effective manner thus building income for the future. You set aside and invest your own money, and the Company automatically matches a part of your before-tax contributions. You are eligible to participate on the first day of your employment.

Employee Contributions —

- You may contribute up to 50% of your pay on a before-tax basis (subject to the annual IRS dollar limit)
- You direct the investment of your employee contributions between various professionally managed investment funds

Annual Company Contributions —

Matching Contribution: The Company will match at least 25% of your before-tax contributions, limited to the first 6% of your regular pay. The match may be as high as 100% based upon the Company's return on operating assets.

Automatic Contribution: Even if you don't contribute, the Company will make an automatic contribution of 1% of your regular pay to your account, provided the Company's before-tax income meets certain minimum levels.

Vesting: You are always 100% vested in your Employee Contributions and earnings. You become 100% vested in your Company Contributions and earnings following 3 years of service with the Company.

Rollovers: The 401(k) Plan accepts eligible rollovers.

The Boler Company Historical Company Contribution - Last 11 years	
<u>Plan Year Ending</u>	<u>Company Matching Contributions</u>
12/31/09	0%*
12/31/08	35%
12/31/07	75%
12/31/06	100%
12/31/05	100%
12/31/04	100%
12/31/03	55%
12/31/02	25%
12/31/01	25%
12/31/00	45%
12/31/99	100%

* Due to industry economic conditions all Company Contributions to the 401(k) plan were suspended in 2009. The Company lifted the suspension in 2010.

Compensation at Retirement (CAR) - Pension Plan

The Compensation at Retirement (CAR) Plan is a noncontributory defined benefit pension plan and is designed to provide you with monthly income when you retire. To receive a CAR pension you must complete five years of vesting service with the Company. Here are a few highlights of the CAR Plan.

- Your CAR pension is based on a formula that reflects your salary, age, length of service, and includes an offset of your age 65 Social Security benefit
- Normal Retirement is age 65 and Early Retirement is anytime after you reach age 55 and complete at least 10 years of service
- Hendrickson, as your employer, makes all contributions to CAR, which means there are no required employee contributions
- At retirement there are a variety of payment options that you can choose from

Life Insurance and Accidental Death and Dismemberment (AD&D)

Life Insurance —

The Plan provides Basic Life insurance equal to two times your base annual salary. There is a \$200,000 maximum benefit. You may also purchase Supplemental Life insurance coverage for yourself and Dependent Life insurance for your spouse and/or child(ren). Such optional life coverage may be purchased during your initial one-month enrollment period without providing proof of good health. Late enrollments will require proof of good health.

AD&D —

The Plan provides a benefit of up to two times your base annual salary with a \$200,000 maximum benefit should an injury occur which results in a loss due to a qualifying accident under the AD&D policy.

Short Term Disability

Our Short Term Disability (STD) Plan provides salary continuation for up to 26 weeks of medical disability. The length and amount of salary continuation is based upon your length of service with the Company as follows:

<u>Length of Service</u>	<u>Weeks Paid at 100%</u>	<u>Weeks Paid at 70%</u>
Less than 2 years	4	22
2 years, but less than 5 years	8	18
5 years, but less than 10 years	16	10
10 years or more	26	N/A

Long Term Disability

Our Long Term Disability (LTD) Plan affords replacement compensation normally to the age of 65 to those employees who become totally disabled. The Plan is designed to provide compensation equal to 60% of what you had been receiving during the year prior to the disability. The LTD benefit considers any Social Security payment you are receiving or may become entitled to receive.

Business Travel Accident Insurance

The BTA Insurance Plan provides up to \$300,000 of Accidental Death and Dismemberment Coverage while traveling on authorized company business.

Educational Assistance Plan

The Educational Assistance Plan provides financial assistance to full-time salaried employees for the purpose of pursuing formal education that is directly related to their present job with the Company. You must receive a passing grade in the course to qualify for reimbursement; a passing grade is a "C" or better for undergraduate coursework and a "B" or better for graduate coursework. The Plan covers 100% of the cost of tuition, books, and entrance fees up to \$5,250/year for undergraduate studies and \$10,000/year for graduate studies. See the Educational Assistance Policy for complete details and to obtain an Educational Assistance Request Form.

Adoption Assistance Plan

The Hendrickson Adoption Assistance Plan is designed to provide tax-excludable reimbursement of expenses for employees who are pursuing adoption. The maximum amount reimbursable for an adoption under this plan is \$5,000 (\$6,000 for the adoption of a U.S. Child with Special Needs). The dollar amount applies to the adoption of each child and is cumulative over all tax years and unsuccessful adoptions. See the Adoption Assistance Policy for full details of this benefit and how to qualify and apply for it.

Vacation

The amount of available vacation per year is determined by your years of service with Hendrickson as follows:

First Calendar Year:	1 day for each full month of service worked, with a maximum of 10 days total for the year
2nd - 5th Calendar Years:	10 days of vacation available per calendar year
6th - 12th Calendar Years:	15 days of vacation available per calendar year
13th Calendar Year and beyond:	20 days of vacation available per calendar year