

Waco, Inc. Benefits

HEALTH INSURANCE: Once you have met the required waiting period of 60 days, without a 30 day break in service, you are eligible to enroll in Waco's group health insurance plan through Anthem Blue Cross Blue Shield. Coverage begins on the first day of the month following your eligibility. Depending on where you live, you will either be enrolled in the Anthem Healthkeepers HMO/POS or Anthem Keycare 30. Coverage will be effective on the first day of the month following the required waiting period. Coverage is paid for by WACO for full time employees (30 or more hrs/wk average) only. The company pays either \$4,812.20 or \$5,167.44 per year for your coverage, depending on which plan you are enrolled.

Your home address determines which plan you qualify for. Generally, employees that live in West Virginia, North Carolina, Maryland and certain parts of Western Virginia will be enrolled in the Anthem Keycare 30 plan and all others will be enrolled in the Healthkeepers HMO/POS plan. We will tell you which plan you qualify for.

Dependant coverage is your responsibility. You may pay for dependant coverage by using payroll deductions. If your employment is terminated or you have a break in service of 30 days and are currently enrolled on our health plan, you may be eligible for extending your coverage under the **COBRA** rules. **Employee cost** for dependent coverage as of February 1, 2016 is as follows: HMO/Keycare: Add Child or Children - \$325.10/\$348.82 per month. Add Spouse - \$481.63/\$516.76 per month. Add Family - \$947.19/\$1,016.29 per month. Waco pays the subscriber cost of \$401.35/\$430.62 per month.

DENTAL INSURANCE: Dental Insurance is provided on an employee-paid basis through Anthem Dental Insurance. Rates are: Employee - \$29.97/month, Employee + child or children - \$70.04/month, Employee + spouse - \$59.30/month, Employee + Family - \$103.87/month. The plan is **Anthem Dental Complete**.

LIFE INSURANCE: Eligibility for Life Insurance is on the same basis as Health Insurance. It is paid for by the company. The amount of the life policy is \$25,000. In addition to the life benefit, you also receive an AD&D benefit for an additional \$25,000. The benefits under this plan are detailed in the plan documents, but essentially, the life benefit is doubled to \$50,000 in the case of accidental death. Other partial benefits are paid for loss of hand, foot, etc. under a schedule contained in the policy. Should you leave employment with Waco, Inc., information may be forwarded to you at your request, as this plan can be converted to an individual life plan.

DISABILITY INSURANCE: The Company does not provide disability insurance.

401 K Retirement Savings Plan: This benefit is available to employees with one year of service. Waco, Inc. will match 25% of every dollar you contribute up to 6% of your pay. The plan also provides for additional deductions not subject to the 25% match. There are annual limits for the total deductions (matching plus additional). In 2016 that annual limit is \$18,000, and \$24,000 for those that turn 50 years old in 2016.

TAX SAVINGS FEATURE: For all benefits that require a payroll deduction, Waco offers a special salary reduction plan (Cafeteria Plan) whereby deductions are taken on a pre-tax basis. Employees that elect to participate will reduce Social Security, Federal and State income taxes.

A Summary Plan Description is available for each of the above benefit plans, on our Company website, at <http://www.wacoinc.net/benefits.html>. You are entitled to a printed copy. If you wish to receive a printed copy, please ask the Employee Benefits Coordinator for one.