

SUMMARY OF EMPLOYEE BENEFITS
January 1, 2010
FOR ALL FULL-TIME SCHROEDER INDUSTRIES, LLC EMPLOYEES

MANDATED BENEFITS

SOCIAL SECURITY/MEDICARE

- Company and Employees share in the cost of providing social security beneficiaries through taxes on earned wages. For Medicare, Company and Employees contribute a percentage of covered wages toward this mandated benefit of all wages, with no maximum.

WORKERS' COMPENSATION

- Company pays for insurance as dictated by federal and state laws. Employee is compensated for lost time, medical expenses, and loss of life or dismemberment from an injury arising out of or in the course of work. Employees must report any accident or injury immediately to his/her supervisor so that the necessary paperwork may be completed.

UNEMPLOYMENT INSURANCE

- Company is required to pay both federal and state unemployment taxes on behalf of covered employees.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

- Eligible employees are allowed to take up to 12 weeks of unpaid leave during any 12-month rolling period for qualifying reasons.

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COMPANY PROVIDED BENEFITS

SHORT TERM DISABILITY

- After 7 day waiting period, 70% of (1) one week's salary with a maximum of \$600.00 per week for 26 weeks. During the waiting period, employees must use available paid time off (PTO) days and can elect to take unpaid days if they chose.

LIFE INSURANCE

- Employee is eligible on the first day of the month coincident with or next following the date Employee completed the Waiting Period of 60 days. Waiting Period means the period of continuous membership in an eligible class (in other words, continuous full-time service) that Employee must wait before he or she becomes eligible for insurance. Benefits may be different due to age of Employee at the time of incident.
- Employee coverage is equal to (2) two times base annual compensation rounded to the next higher \$1,000, in not already a multiple thereof, with a maximum amount of \$300,000.
- No dependent coverage.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

- Employee is eligible on the first day of the month coincident with or next following the date Employee completed the Waiting Period of 60 days. Waiting Period means the period of continuous membership in an eligible class (in other words, continuous full-time service) that Employee must wait before he or she becomes eligible for insurance. Benefits may be different due to age of Employee at the time of incident.
- Employee coverage is applicable to plan schedule for dismemberment.
- Employee coverage is equal to (2) two times base annual compensation rounded to the next higher \$1,000, in not already a multiple thereof, with a maximum amount of \$300,000.
- No dependent coverage.

BUSINESS TRAVEL

- Business Travel applicable under defined policy provisions
- No dependent coverage

HYDAC 401K AND PROFIT SHARING PLAN

- **Eligibility Requirements for 401(k):** Employee is eligible on the 1st of the month after completion of (6) months of employment with Schroeder Industries, LLC. Company may contribute discretionary

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contribution up to 3% of employee's total annual compensation; if applicable

As of December 1, 2003; employees can rollover

- 1st of the month after six (6) months of service and attainment of age 21

Elective Employee Contributions:

- 1% to 20% (up to \$ IRS limit for given year with additional \$ catch-up for 50+ aged employees per IRS)
- Elections can be modified Semi-Annually - January 1 and July 1
- Elections can be suspended anytime

Employer Profit Sharing Contribution:

- A Discretionary Contribution between 0-3% of Compensation, provided the Participant completes 1000 hours of service and is employed on the last day of the Plan Year (12/31).

Vesting:

Years of Service Percent vested in Employer Contribution

0-1 Years	0%
2 Years	20%
3 Years	40%
4 Years	60%
5 Years	80%
6 Years or more years	100%

Loans:

- Are permitted on employee deferrals and vested employer contributions.
- Only one loan is permitted at any time.
- Minimum loan amount is \$1,000.00
- Maximum loan amount is 50% of vested balance up to \$50,000.00
- Repayment period: 5 year maximum. (Unless for purchase of primary residence, then 10 years)
- Loans will be permitted for the following reasons:
 - Medical expenses for the employee or qualified dependents (not covered by Insurance Carrier)
 - Funeral expenses for immediate family members
 - Purchase of an automobile for the employee or a qualified dependent
 - Purchase of a primary residence
 - To prevent eviction or foreclosure
 - Improvement of primary residence
 - Education expenses for an employee or a qualified dependent

Fund Allocations:

To change the allocation of deferrals into specific funds, contact **Wells Fargo**

- **at: 1-800-377-9188** or on the website at <http://www.wellsfargo.com/401K> former funds to HYDAC 401(k) plan.

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PAID TIME OFF (PTO) DAYS

- ❑ All Schroeder Industries LLC Regular employees are eligible to earn accruing PTO upon completion of 90 calendar days from their hire date.
- ❑ All Schroeder Industries LLC Regular employees are eligible to *request* the use of accrued PTO upon completion of 6 months of employment.
- ❑ When hired on or before the 15th of the month, a full month's accrual will be credited. When hired on or after the 16th of the month, credit will not be given for that month.
- ❑ All Schroeder Industries LLC Regular employees can request to borrow PTO days, to a limit of 50% of your annual allotment to a maximum of 10 days, which may have not yet been granted.

As of January 1, 2011:

Regular Employees will earn PTO as follows:

Years of Service	Paid Time Off Maximums
New Hire	Prorated after 90 calendar days at .83 days per month
Beginning January 1st for Year 1	10 days (.83 days per month)
Beginning January 1 st for Year 2	10 days (.83 days per month)
Beginning January 1 st for Year 3	20 days (1.67 days per month)
Beginning January 1 st Year 6	25 days (2.08 days per month)

PAID HOLIDAYS –

- **There are 9 paid holidays per year.**

To be eligible for holiday pay, you must be regularly scheduled to work on the day on which the holiday falls, and must work your regularly scheduled working days immediately preceding and following the holiday.

- New Year's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day
- ½ Day for Christmas Eve
- ½ Day for New Year's Eve

As its discretion, the Company may identify additional mandatory days off for all employees. The annual entitlement of Paid Time Off days will automatically be reduced by the number of mandatory days added to the Holiday schedule.

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TUITION REIMBURSEMENT

- After (I) one year of employment - Reimbursement is as follows: For a grade of "A" or "B" = 100%; "C" = 75% to a maximum of \$2000 per year. Review other guidelines as applicable.

STEEL TOE SAFETY SHOES

- Company reimburses employees for the purchase of one pair of safety shoes to a maximum of \$70.00 per rolling year.

SAFETY PRESCRIPTION EYE WEAR

- Company offers plan with nationally recognized Wal-mart Vision care stores to employees for the purchase of one pair of safety eye wear every two years. Policy applicable to Leetsdale and Out-of-Area Sales Personnel.

FLEX TIME

- Flexible work schedules are available to employees depending upon the department, position and supervisory approval.

COMPANY AND/OR EMPLOYEE SHARED COST BENEFITS

HEALTH CARE and MEDICAL BENEFITS

- Eligibility for insurance occurs on the first day of the month following your hire date.
- Life Status Changes include:
 - Adoption or Birth of a child
 - Marriage, Divorce or Legal Separation
 - Dependent loses coverage under another plan
 - Dependent becomes eligible for coverage under another plan
 - United Healthcare Members-Employee must notify UHC within 30 days after the life status change in order to be covered as applicable. Contact the HR Department **immediately** for a Medical Change Form.
- **Contact Information:**
 - **Medical (Company 80%, Employee 20% paid)-**
 - **All Full-time Employees at Leetsdale and Cumberland**
 - United Healthcare Customer Service
 - 1-888-887-4114
 - www.myuhc.com
 - **Dental (Company 80%, Employee 20% paid) –**
 - Eligible for insurance on the 1st of the month following their hire date (eff 8/1/08).
 - **All Full-time Employees at Leetsdale and Cumberland**
 - Delta Dental

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- 1-800-932-0783
- www.deltadentalins.com

- **Vision (Employee 100% paid)-**
- Eligible for insurance on the 1st of the month following their hire date (eff 9/1/08).
- **All Full-time Employees at Leetsdale and Cumberland**
 - Fashion Focus
 - 1-800-223-4795
 - www.highmarkblueshield.com

- **Personal Short Term Disability Protection (Employee 100% paid)-**
- **All Full-time Employees at Leetsdale and Cumberland**
 - AFLAC
 - Leetsdale: 412-826-1840; Cumberland: 610-433-5297
 - www.aflac.com

- **Short Term Disability (Company 100% paid)-**
- **All Full-time Employees at Leetsdale and Cumberland**
 - MetLife
 - See Human Resources Department for details

- **Life Insurance (Company 100% paid)-**
- **All Full-time Employees at Leetsdale and Cumberland**
 - MetLife
 - See Human Resources Department for details

- **Flexible Spending Account Plan (FSA)**
- **All Full-time Employees at Leetsdale and Cumberland**
 - Effective January 1, 2007
 - www.flexdirect.adp.com

- **Hydac Technology Corporation 401(k)**
- **All Full-time Employees at Leetsdale and Cumberland**
 - Effective January 1, 2007
 - www.wellsfargo.com/401k
 - 1-800-377-9188

- Please see the HR Department for plan specific details.

Please contact the HR Department with Benefit Questions at 724-318-1100 anytime .