MCWANE, INC.
HUMAN RESOURCES POLICIES

THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT

Purpose

To comply fully with the Consolidated Omnibus Budget Reconciliation Act, as amended ("COBRA").

Scope

This Policy applies to all team members of McWane, Inc. and its divisions and subsidiaries ("McWane" or "Company").

Policy Statement

All McWane-sponsored "group health plans" (as defined by COBRA) must follow COBRA's detailed rules to enable covered team members and their covered family members who would otherwise lose their group health insurance coverage to continue such coverage (at their own expense) for a prescribed period of time for certain qualifying events.

COBRA's rules regarding how continuation coverage must be offered and provided, how team members and their families may elect continuation coverage and what circumstances justify terminating coverage are very detailed. You will receive a detailed notice describing these rules in the event that you or a covered family member becomes eligible for COBRA coverage. Team members should consult their local Human Resources Manager for further information or to learn whether a specific plan is covered by COBRA as a "group health plan" and the specifics of such coverage.

Team members who are responsible for administering the Company's COBRA Policy and who fail to comply with COBRA's requirements may be subject to disciplinary action, which may include termination of employment. Violations of COBRA may also result in civil monetary penalties.

Questions

Questions regarding this Policy should be directed to your local Human Resources representative.

McWane reserves the right to modify, amend, supplement or replace this Policy at any time with or without prior notice.