



Benefit Summary for the Employees of
Oak Harbor Freight Lines, Inc.



Effective Date: January 1, 2019 Through December 31, 2019

This memorandum has been prepared to help you review the key factors that are associated with our benefit plans. This memorandum does not provide all of the contractual provisions, limitations or exclusions included in our policies and should be considered only as a summary of our current benefits. If any differences exist between this summary and the official contracts, the contracts shall prevail. 20101110

Your Benefits Plan

Oak Harbor Freight Lines is pleased to offer a comprehensive benefits program to our valued employees.

In the following pages, you will learn more about the benefits Oak Harbor Freight Lines offers. You will also see how choosing the right combination of benefits can help protect you and your family's health and future.

| Benefit | Carrier |
|---|----------------------------|
| Medical Insurance Prescription Drug | RGA Envision Rx |
| Health Savings Account | HSA Bank |
| Dental and Vision Insurance | RGA |
| Base and Voluntary Life and AD&D, Voluntary Short Term Disability (Group) | Unum |
| Flexible Spending Accounts | Navia Benefit Solutions |
| Employee Assistance Program – EAP | Wellspring Family Services |
| Voluntary Accident, Critical Illness and Hospital Insurance (Individual) | Unum |
| 401(k) | Paradigm |

Eligibility

All Regular Employees working at least 80 hours per month are eligible for benefits first of the month following 60 days. All applicable enrollment forms must be completed before your coverage begins.

Children are eligible for benefits up to age 26 regardless of dependent, student or marital status.

Legal Spouses are also eligible for benefits.

When Can you Enroll?

You can sign up for Benefits at any of the following times:

- After completing initial eligibility period
- During the annual open enrollment period
- Within 31 days of a qualified family-status change

If you do not enroll at the above times, you must wait for the next annual open enrollment period.

Making Changes

Generally, you can only change your benefit elections during the annual open enrollment period. However, you may be able to change some of your benefit elections upon the occurrence of certain change in status events, provided you properly notify your Employer. These changes in status events may include:

- Your marriage
- Your divorce or legal separation
- Birth or adoption of an eligible child
- Death of your spouse or covered child
- Change in your spouse's work status that affects his or her benefits
- Change in your work status that affects your benefits
- Change in residence or work site that affects your eligibility for coverage
- Change in your child's eligibility for benefits
- Receiving Qualified Medical Child Support Order (QMCSO)

If you have a family status change, you must timely notify your HR Department and complete the necessary forms. For more information refer to your benefits booklet.

Medical Plans - RGA

Oak Harbor Freight Lines offers the choice between 2 medical plans provided by RGA (Regence Group Administrators) (RGA). You can choose from a PPO Plan or a Qualified High Deductible Health Plan with a Health Savings Account. The level of benefits you receive is dependent upon your choice of an in-network or out-of-network provider. Significantly higher benefits will be received when you obtain care from an in-network provider in the RGA Preferred Provider Network. Please see your Booklet or Carrier Benefit Summary for more information.

| In-Network | PPO Plan | Qualified High Deductible Health Plan with HSA |
|--|---|--|
| Calendar Year Deductible | | |
| Per Person | \$500 | \$1,500 |
| Maximum Per Family | \$1,500 | \$3,000 Aggregate* |
| Calendar Year Out-of-Pocket Maximum | | |
| | (Includes copays and deductible) | (Includes deductible) |
| Per Person | \$2,500 | \$3,500 |
| Maximum Per Family | \$7,500 | \$7,000 Aggregate* (Individual Capped at \$6,850) |
| Preventive Care | | |
| Office Visit, Well-Child Care, Immunizations, routine screenings | 100% (deductible waived) | 100% (deductible waived) |
| Professional | | |
| Office Visit | Preferred: \$25 copay (deductible waived) Participating: 60% | Preferred: 80%; Participating: 60% |
| Coinsurance | Preferred: 80%; Participating: 60% | Preferred: 80%; Participating: 60% |
| Inpatient Professional Services | Preferred: 80%; Participating: 60% | Preferred: 80%; Participating: 60% |
| Hospital/Facility/Mental Health | | |
| Inpatient, Outpatient Care and Facility Charges (non-hospital) | Preferred: 80%; Participating: \$250 copay per admit, then 60% | Preferred: 80%; Participating: 60% |
| Outpatient Mental Health | Preferred: \$25 copay (deductible waived) Participating: 60% | Preferred: 80%; Participating: 60% |
| Rehabilitation (Outpatient) | | |
| Physical, Occupational, Speech Therapy | 80% | 80% |
| Massage Therapy – up to 24 visits per calendar year | 80% | 80% |
| Other Services | | |
| Acupuncture | Preferred: \$25 copay (deductible waived) Participating: 60% | Preferred: 80%; Participating: 60% |
| Diagnostic X-Ray and Lab Tests | Preferred: 100% (deductible waived) Participating: 60% | Preferred: 80%; Participating: 60% |
| Emergency Room | \$150 copay (waived if admitted), then 80% | 80% |
| Spinal Manipulations – up to 30 visits per calendar year | 80% | Preferred: 80%; Participating: 60% |
| Out-of-Network Benefits | | |
| Calendar Year Deductible | \$500 | \$1,500 |
| Calendar Year Deductible Family | \$1,500 | \$3,000 Aggregate* |
| Coinsurance | 60% | 60% |
| Calendar Year Out-of-Pocket Max Per Person | \$5,000 | \$3,500 |
| Calendar Year Out-of-Pocket Max Family | \$15,000 | \$7,000 Aggregate* (Individual Capped at \$6,850) |
| Professional Care Office Visit | 60% | 60% |
| Preventive Care | 60% | 60% |
| Emergency Room | \$150 copay, then 80% | 80% |

***Aggregate:** If more than one person is covered on the Qualified High Deductible Health Plan, the family deductible will need to be satisfied before services are covered for that individual. In addition, the family out-of-pocket maximum will also apply for services obtained by that covered individual.

- Deductible applies, unless indicated otherwise.

Health Savings Account (HSA) – For those enrolled on the High Deductible Health Plan (HDHP)

When you are enrolled in a Qualified High Deductible Health Plan (QHDHP) and meet the eligibility requirements, the IRS allows you to open and contribute to an HSA Account.

What is a Health Saving Account?

An HSA is a tax-sheltered bank account that you own for the purpose of paying eligible health care expenses for you and/or your eligible dependents for current or future healthcare expenses. The Health Savings Account (HSA) is yours to keep, even if you change jobs or medical plans. There is no “use it or lose it” rule; your balance carries over year to year.

- Oak Harbor Freight Lines will contribute \$800 for employee only coverage and \$1,600 for employee and any qualified dependents. The annual maximum contributions as set by the US Treasury & IRS for 2019 are \$3,500 for self only coverage and \$7,000 for family coverage. The amount contributed by OHFL would need to be subtracted from the maximums leaving \$2,700 Individual & \$5,400 Family that an employee can voluntarily contribute on a tax-free basis. If you are age 55 and over, you may contribute an extra \$1,000 catch up contribution

The High Deductible Health Plan is administered by Regence Group Administrators and the Health Savings Account is administered by HSA Bank.

To be an eligible individual and qualify for an HSA, you must meet the following requirements:

- You must be enrolled in a Qualified High Deductible Health Plan (QHDHP)
- You must not be covered by another non-QHDHP health plan, such as a spouse’s PPO plan
- You are not enrolled in Medicare
- You are not in the TRICARE or TRICARE for Life military benefits program.
- You have not received Veterans Administration (VA) benefits within the past three months
- You are not claimed as a dependent on another person’s tax return
- You are not covered by a traditional health care flexible spending account (FSA). This includes your spouse’s FSA. (Enrollment in a limited purpose health care FSA is allowed).

How do I get reimbursed for my eligible expenses?

The easiest way to use your HSA dollars is by using your HSA Debit Card at the time you incur an eligible expense. Or you can withdraw money from an ATM. But keep your receipts! You must be able to prove that you were reimbursing yourself for an eligible expense in the event that you are audited. If you use your HSA funds for non-eligible expenses, you will be charged a 20% penalty tax (if under age 65) as well as federal income taxes.

PRE-AUTHORIZATION REQUIREMENTS

Pre-authorizations are required for inpatient medical facility admissions and outpatient surgeries. If you do not obtain a pre-authorization, you will be subject to a \$250 penalty on the facility charges and the penalty will not apply to the out of pocket maximum.

OUT OF AREA BENEFITS

Individuals on either of the Regence Group Administrators Medical Plans are able to receive the In-Network level of benefits while traveling or living outside of the Regence BlueShield service area through the BlueCard Program. In order to utilize this benefit when outside the service area and in need of health care, call 1-800-810-BLUE (2583) from within the United States. You can find providers and hospitals on the Internet at www.bcbs.com

The BlueCard Program will recognize Preferred (PPO) Providers within the Blue Cross / Blue Shield networks nationwide. You will be eligible for the In-Network benefit level while traveling or residing outside of Washington State. However, if you obtain care from a Non-PPO Provider, the claim will be processed at the Out-of-Network level, and you may also be responsible for any charges above the UCR or allowable amounts as well as the applicable coinsurance and deductible.

Nurse Line

The Nurse Line is available to all employees and their family members enrolled in our Medical Insurance Plans at no cost through RGA. It is designed to help you better utilize the healthcare system. You can rely on confidential services dedicated to helping you better understand your insurance plan, find in-network providers, search for less expensive providers and coordinate your care.

Call the nurse advice line at 800-807-1370 and get fast, expert advice.

Prescription Drugs – EnvisionRx

Below is a brief overview of what you can expect to pay for a prescription drug, depending on which category it falls under. To find out what category your specific medication falls under, please go to www.envisionrx.com and register using your personal information.

If you have a Maintenance Drug, one you take every day, week or month. You may be able to save money at your pharmacy by using their generic discount programs or taking an over-the-counter alternative. EnvisionMail is also a great way to save money on your prescriptions!

Mandatory Mail Order! Maintenance medications will only be filled three times at a Retail pharmacy. After the third refill, the prescription must be filled via the Mail Order Program Prescription Program or the prescription will not be covered by the Plan.

PPO Plan

| Benefit * | Retail Pharmacy | Envision Mail Order Pharmacy |
|---------------------------|-----------------|------------------------------|
| Generic Drugs | \$10 copay | \$20 copay |
| Preferred Brand Drugs | \$35 copay | \$70 copay |
| Non-Preferred Brand Drugs | \$60 copay | \$120 copay |
| Maximum Day Supply | Up to 34 Days | Up to 90 Days |

Qualified High Deductible Health Plan with HSA

| Benefit * | Retail Pharmacy | Envision Mail Order Pharmacy |
|--------------------|------------------------------|------------------------------|
| Preventive | 100% (deductible waived) | 100% (deductible waived) |
| Generic Drugs | 80% after medical deductible | 80% after medical deductible |
| Brand Name Drugs | | |
| Maximum Day Supply | Up to 34 Days | Up to 90 Days |

*Both medical plans require using the generic prescription product whenever available. If the prescription is filled with a name brand prescription at the request of either the physician or the member, then the applicable copay (PPO Plan only) plus the difference between the ingredient cost of the generic drug and the brand name drug will be charged.

Dental Plans - Regence Group Administrators, Inc. (RGA)

Benefit eligible employees and their dependents may enroll in the Dental Plan through RGA. Covered employees and their family members have the option to see any licensed provider, but are payable at the preferred level if you see a Preferred or Participating Provider. To find a provider visit www.accessrga.com

| Benefits | |
|--|---------|
| Annual Benefit Maximum | \$2,000 |
| Annual Deductible | |
| Individual | \$25 |
| Family | \$75 |
| Deductible waived for Preventive? | Yes |
| Preventive Care | 100% |
| Basic and Restorative Care | 80% |
| Major and Prosthetics | 50% |
| Orthodontia (Children up to age 19) | |
| Benefits | 50% |
| Lifetime Benefit Maximum | \$1,000 |

VOLUNTARY PRE-AUTHORIZATION

In the event you need to have dental work estimated to cost \$300 or more, we recommend you have your dentist submit it to RGA for pre-authorization. RGA will review the intended treatment plan and let your dentist know how much of the bill they will cover. We recommend this to avoid any billing surprises.

Vision Plan - Regence Group Administrators, Inc. (RGA)

Benefit eligible employees and their dependents may enroll in the Vision Plan through RGA. Covered employees and their family members have the option to see any licensed provider.

| Benefits | |
|-------------------------------|--|
| Routine Eye Examination | 100% up to \$60, Every Calendar Year |
| Lenses & Frames | |
| -Single | 100% up to \$120 |
| -Bifocal | 100% up to \$138 |
| -Trifocal | 100% up to \$150 |
| -Lenticular | 100% up to \$192 |
| | Every Calendar Year |
| Contact Lenses | |
| -Medically Necessary | 100% up to \$360 Lifetime Maximum |
| -In lieu of Lenses and Frames | 100% up to \$120, Every Calendar Year |

Life and AD&D Insurance - UNUM

Oak Harbor Freight Lines provides Life and AD&D insurance to all benefit eligible employees at no cost. Please be sure to select a beneficiary. Your beneficiary may be updated at any time.

| Benefit Amount | |
|--------------------------|---|
| Benefit Amount | \$15,000 |
| Accidental Death Benefit | In the event of an accidental death, the benefit may double. Please see your booklet for further details. |
| Dismemberment | In the event of an accidental dismemberment, a benefit is provided up to a scheduled amount corresponding to the loss. Please see your booklet for further details. |

Voluntary Life and AD&D Insurance - UNUM

Oak Harbor Freight Lines provides Voluntary Life and AD&D insurance to all benefit eligible employees paid by employees via payroll deductions.

Please be sure to select a beneficiary. Your beneficiary may be updated at any time.

| Benefit Amount | |
|-------------------------|--|
| Employee | Up to \$500,000 in \$10,000 increments not to exceed 5 times your earnings. |
| Spouse | Up to \$500,000 in \$5,000 increments, not to exceed employee amount |
| Child(ren) | Birth to 6 months: \$1,000 6 months to age 19, or 26 if full-time student: Up to \$10,000 in \$2,000 increments |
| Guarantee Issue Amount* | |
| | Employee: \$150,000; Spouse \$25,000; Child(ren): \$10,000 |

GUARANTEE ISSUE – VOLUNTARY LIFE INSURANCE

All employees have a one-time opportunity to enroll up to certain limits without providing health information. These are referred to as “Guarantee Issue” limits. However, if you do not enroll when initially eligible, you will be required to provide evidence of “good health” for any amount elected.

SPECIAL OFFER FOR 2019 OPEN ENROLLMENT ONLY

If you have not been previously declined, and you and your eligible dependents enroll during this enrollment period, you may apply for any amount of coverage up to \$150,000 for yourself and any amount of coverage up to \$25,000 for your spouse, without answering any medical questions.

If you want coverage over the amount you are guaranteed, you will need to provide answers to health questions. In addition, if you and your eligible dependents do not enroll during this enrollment period, you will have to wait for a future annual enrollment period to apply — and then you will need to answer health questions for the entire amount of coverage you apply for.

Voluntary Short Term Disability Insurance - UNUM

Oak Harbor Freight Lines provides the opportunity for you to purchase Voluntary Short Term Disability through payroll deduction. Deductions will be taken out on a post-tax basis.

| | |
|----------------|---|
| Waiting Period | Benefits begin after a 14-day elimination (waiting) period of disability from the day your disabling condition occurs |
| Benefit | 60% of your weekly income, up to a maximum benefit of \$2,000 per week |
| Duration | Up to a maximum of 24 weeks |

PLEASE NOTE: In the event of a disability claim, payments received under this plan would not be considered taxable income.

Navia Benefit Solutions - Flexible Spending Accounts

Healthcare Expense Account

The health account allows you to fund your out-of-pocket medical, dental and vision expenses, such as copays and deductibles, with pre-tax dollars. By paying for out-of-pocket eligible expenses with pre-tax dollars, you will save a minimum of \$.23 per dollar because you do not pay Federal Income Tax or FICA tax on your contributions. Oak Harbor Freight Lines allows a voluntary contribution of up to **\$2,650** per plan year into your healthcare expense account.

Dependent Care Account

This account allows you to fund the costs of dependent care on a pre-tax basis. The care must be provided by a dependent care center or by an individual who can provide a name, address, and taxpayer identification number. You may contribute up to a maximum of **\$5,000** each tax year, per household. Although you may not take the childcare tax credit if you choose this option, you may save more depending on your income level.

What Are The Risks Of FSAs?

FSAs should only be considered for anticipated expenses. You should be conservative when estimating the amount to contribute to each account. If you overestimate your expenses and have money left in the account at the end of the year, it will be forfeited. For a small percentage of participants, Social Security retirement benefits may be affected by participating in FSAs. Participation in this plan reduces your W-2 income, on which retirement benefits are based.

NOTE: If you are enrolled in the Qualified High Deductible Health Plan with an HSA, you can participate in a "limited purpose" FSA for Healthcare. You can use the FSA account for eligible post deductible expenses, medical, dental & vision expenses only.

All claims must be submitted within 90 days after the Plan Year ends.

Employee Assistance Program

All employees and their household members may access our Employee Assistance Program (EAP) through Wellspring Family Service. Please be assured that the services provided to you through our EAP are completely confidential. The names of individuals who seek services through the EAP will not be shared with Oak Harbor Freight Lines.

When you need help with work, home, personal or family issues, the EAP is here at no charge to you. The purpose of an EAP is to talk with the individual to define their problem, suggest short-term problem-solving steps and refer to other community resources if necessary. You are also provided with 3 in-person visits per year with a counselor per issue at no cost to you. The EAP can assist you with the following types of issues;

- Aging/Caregiving Issues & Referral
- Depression
- Parenting Support
- Marital and Family Conflicts
- Job Stress
- Anxiety
- Alcohol and Drug Abuse
- Grief and Loss

Wellspring Family Services is available 24 hours a day at:

www.wellspringeap.org and 800-553-7798

Username: Oak Harbor Freight Lines

Voluntary Accident, Critical Illness and Hospital Insurance – Unum

Oak Harbor Freight Lines offers you the opportunity to purchase supplemental benefits through Unum to complement their overall benefit plan offerings. Premiums will be deducted through payroll. Voluntary Benefits include Accident, Critical Illness and Hospital insurance.

Accident Insurance can pay you money for covered accidental injuries and their treatment.

Critical Illness Insurance can pay you a lump-sum benefit at the first diagnosis of a covered illness.

Hospital insurance helps cope with the financial impacts of a hospitalization. You can receive benefits when you are admitted to the hospital for a covered accident, illness or childbirth. The money is paid directly to you – not to a hospital or care provider.

Please refer to the flyers posted on www.oakharborbenefits.com for additional information.

401(k) Plan – Paradigm

Save for retirement through the Oak Harbor Freight Lines 401(k) Plan. Employees, age 21 or older are eligible to participate in the Company 401(k) plan.

The maximum contribution for 2019 is \$19,000 or \$25,000 if you are age 50+ during the 2019 calendar year. These dollar limits may be changed periodically by IRS.

Matching Contributions

The employer match on the 401(k) contribution varies by your contribution. For example, if you contribute 4% of your wages, you will be matched 2%, providing a 6% contribution to your 401(k) account and if you contribute 10% of your wages, you will be matched 5%, providing a 15% contribution to your 401(k) account.

Vesting

You are always 100% vested in contributions you make to the plan. All company matching contributions will adhere to the following vesting schedule based on Years of Service:

| | |
|-------------------|------|
| Less than 2 years | 0% |
| 2 – 3 years | 20% |
| 3 – 4 years | 40% |
| 4 – 5 years | 60% |
| 5 – 6 years | 80% |
| 6 or more years | 100% |

For example, if you left the company after two years, you would receive the full value of your employee contributions, plus 20% of the value of your company matching account.

For questions or assistance with your 401(k) account, please contact Cammie Hembree or Jaime Dellachiarra at 800-527-4560.

For investment advice, please contact Scott McKnight at 800-527-4560 ext. 100.

Benefits Cost

Medical, Dental & Vision: Employee Only Coverage – Employee pays 1% of gross monthly wages towards premiums.

Medical, Dental & Vision: Employee & Any Dependent Coverage – Employee pays 2% of gross monthly wages towards premiums.

Employees and their spouses enrolled in the medical plan receive an annual bonus of \$50 each for completing their preventive exam and biometrics screenings by December 31, 2019.

Contact Information

| Carrier | Plan | Website | Phone Number |
|--|---|--|--------------|
| RGA <i>Group # 020189</i> | Medical, Dental and Vision | Medical, Dental & Vision www.accessrga.com | 866-738-3924 |
| HSA Bank | (For those enrolled in the High Deductible Health Plan with an HSA) | www.hsabank.com | 800-357-6246 |
| Envision Rx | Prescription Drug | www.envisionrx.com | 800-361-4542 |
| UNUM <i>Life #617170 STD #617856 Vol Life #617857</i> | Life/AD&D and Short Term Disability | www.unum.com | 800-421-0344 |
| Navia Benefit Solutions #OHF | Flexible Spending Accounts | www.naviabenefits.com | 800-669-3539 |
| Wellspring Family Services | Employee Assistance Program | www.wellspringeap.org Username: oak harbor freight lines | 800-553-7798 |
| Unum | Voluntary Accident, Critical Illness and Hospital | www.unum.com | 800-635-5597 |
| 401(k) | Paradigm | www.ascensus.com | 800-527-4560 |

Benefit Resource Center

The Benefit Resource Center is designed to provide you with a responsive, consistent, hands-on approach to benefit inquiries. Benefit Specialists are available to research and solve elevated claims, unresolved eligibility problems, and any other benefit issues with which you might need assistance. The Benefit Specialists are experienced professionals and their primary responsibility is to assist you.

The Specialists in the Benefit Resource Center are available Monday through Friday 6:00 AM to 6:00 PM (Pacific Time). If you need assistance outside of regular business hours, please leave a message and one of the Benefit Specialists will promptly return your call or e-mail message by the end of the following business day.

Phone: (866) 4ourBRC (468-7272); Fax: (877) 678-5840
Email: brcwest@usi.com

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