

AMENDMENT #7 TO:

Rehabilitation Center of Sheboygan, Inc.

Employer Identification Number: 39-1030350

Plan Number: 501

Group Number: 0080135

DOL-PWBA

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BENEFITS PLAN AMENDMENT

IT IS UNDERSTOOD AND AGREED THAT:

The first paragraph on the second page of the Plan is amended to read as follows:

It is the intention of the Employer to hereby establish a program of benefits constituting an "Employee Welfare Benefit Plan" under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code of 1986, and any amendments thereto.

The following information is added to the Plan, after the Plan Description Information section:

STATEMENT OF ERISA RIGHTS

PARTICIPANT RIGHTS

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As a *covered person* in this Employee Health and Welfare Benefit Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all *covered persons* will be entitled to:

1. Examine without charge, at the *plan administrator's* office and at other specified locations, such as worksites, all *plan* documents, including insurance contracts and copies of all documents filed by the *plan* with the U.S. Department of Labor, such as detailed annual reports and *plan* descriptions;
2. Obtain copies of all *plan* documents and other *plan* information upon written request to the *plan administrator*. The *plan administrator* may make a reasonable charge for the copies;
3. Receive a summary of the *plan's* annual financial report. The *plan administrator* is required by law to furnish each participating *employee* with a copy of this summary annual report.

ALTERNATE RECIPIENTS

ERISA also creates rights and protections for the children of *covered persons*, by requiring that children of a *covered person*, who are the subject of a Qualified Medical Child Support Order (QMCSO), be considered alternate recipients under the *plan*. Such children, upon the *plan administrator's* determination that the order is a QMCSO, must be provided coverage under the *plan* without regard to dependency requirements like custody, claimed on taxes, 50% support, enrollment periods or other similar limits regarding the eligibility of *dependents*. If a *covered person* does not enroll the child in the *plan*, the *plan* must recognize the alternate recipient's right to enroll or be enrolled by the custodial parent or legal guardian.

An alternate recipient or the custodial parent or legal guardian of the alternate recipient will be considered an *employee* under the *plan* for purposes of reporting and disclosure under ERISA and must receive all necessary information, including a Summary Plan Description, so that the alternate recipient may be enrolled and receive benefits under the *plan*. In addition, any payment made by the *plan* on behalf of the alternate recipient must be made to the alternate recipient or the alternate recipient's custodial parent or legal guardian (payment to the provider on behalf of the alternate recipient is also allowed).

A Qualified Medical Child Support Order is any judgement, decree or order issued by a court of competent jurisdiction pursuant to State domestic relations laws, including community property law, regarding benefits available under this *plan* to a child of a *covered person* or which enforces a law relating to medical child support under the Social Security Act and includes the following:

1. The name and last known mailing address of the *covered person*;
2. The name and address of each alternate recipient;
3. A description of the type of coverage to be provided or the manner in which coverage will be determined for each alternate recipient;
4. The period of time for which coverage is to be provided to each alternate recipient; and
5. Each plan to which the order applies.

A Qualified Medical Child Support Order will not entitle an alternate recipient to any benefits or coverage not already offered by the *plan*.

FIDUCIARY DUTIES

In addition to creating rights for *covered persons* and their children, ERISA imposes duties upon the people who are responsible for the *plan*. The people who operate the *plan*, called "fiduciaries" of the *plan*, have a duty to do so prudently and in the interest of *you* and other *covered persons*. No one, including *your employer* or any other person, may fire or otherwise discriminate against *you* in any way to prevent *you* from obtaining a welfare benefit or exercising *your* rights under ERISA. If a claim for a benefit is denied in whole or in part, *you* must receive a written explanation of the reason for denial. *You* have the right to have the *plan* review and reconsider the claim.

Under ERISA, there are steps *you* can take to enforce the above rights. For instance, if materials are requested from the *plan* and are not received within 30 days, *you* may seek relief through binding arbitration under the rules of the American Arbitration Association. In such a case, the arbitrator may require the *plan administrator* to provide the materials and pay *you* up to \$100 a day until the materials are received, unless the materials were not sent because of reasons beyond the control of the *plan administrator*.

With respect to paying claims for benefits under this *plan*, the *plan administrator* shall have discretion to interpret *plan* terms, make decisions regarding eligibility and resolve factual questions.

If *you* have a claim for benefits which is denied or ignored, in whole or in part, *you* may seek relief through binding arbitration under the rules of the American Arbitration Association. If *your* rights as an alternate recipient through a QMCSO are denied without reason or ignored, *You* may also seek relief through binding arbitration. If it should happen that *plan* fiduciaries misuse the *plan's* money, or if *you* are discriminated against for asserting *your* rights, *you* may seek assistance from the U.S. Department of Labor, or may seek relief through binding arbitration under the rules of the American Arbitration Association.

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If you have any questions about *your plan*, you should contact the *plan administrator*. If you have any questions about this statement or about *your rights* under ERISA, you should contact the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor.

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be duly adopted and effective as of January 1, 1995.

Rehabilitation Center of
Sheboygan, Inc.


(Authorized Representative)

5-14-97
(Date)