

Rio Vista Development Company LP DBA The Garland Hotel Determination of Full-Time Employees under the Rio Vista Development Company LP DBA The Garland Hotel Health & Welfare Plan (the "Plan")

The following procedures apply for determining eligibility for group health benefits under the Plan.

All Full-Time Employees and their dependents must be offered participation in the group health benefits offered under the Plan.

1. Full-Time Employees

Full-Time Employee and FTE are defined as:

- A. An Employees scheduled or otherwise expected to work at least 30 hours per week or 130 hours per calendar month.
- B. A variable-hour, seasonal, and part-time Employee who works at least 30 hours per week during the Initial Measurement Period.
 - a. A variable-hour Employee is an Employee whose status as a FTE cannot be determined at the Employee's start date because the Employee's hours are variable or otherwise uncertain.
 - b. A seasonal Employee is an Employee who is hired into a position for which the customary annual employment period is six months or less and which begins at approximately the same time of each calendar year.
 - c. A part-time Employee is an Employee reasonably expected to be employed on average less than 30 hours of service per week during the Initial Measurement Period.

An Employee will remain a "variable-hour Employee," "seasonal Employee," or "part-time" Employee, as applicable, during the Initial Measurement Period unless the Employee experiences a change in employment status in which the Employee is expected to work at least 30 hours per week or 130 hours per calendar month.

2. Initial Eligibility Determination

A. FTE

An Employee who is scheduled to work at least 30 hours per week upon their date of hire is an FTE for purposes of the group health benefits under the Plan.

B. All Other Employees (Variable-Hour, Seasonal, Part-Time)

An Employee who, upon their date of hire, is not expected to work at least 30 hours per week on average is an FTE only if they work at least 30 hours per week on average during their Initial Measurement Period. The Initial Measurement Period is 11 months. An Employee's Initial Measurement Period will begin on the Employee's date of hire.

If the Employee works at least on average 30 hours per week during their Initial Measurement Period, the Employee will be an FTE for their Initial Stability Period. The Initial Stability Period is 12 months.

3. Ongoing Eligibility Determination

A. Look-Back Measurement Method

An Employee's status as an FTE will be determined by counting the Employee's hours of service during the Standard Measurement Period. The Standard Measurement Period is 12 months beginning on November 1 and ending on October 31.

If the Employee works 30 hours per week on average during the Standard Measurement Period, the Employee is an FTE for the duration of the Standard Stability Period. The Standard Stability Period is 12 months, beginning on January 1 and ending on December 31.

If an Employee is an FTE during the Standard Measurement Period, they will be eligible for group health benefits under the Plan during the entire Standard Stability Period. The Employee will remain eligible for group health benefits during the entire Standard Stability Period, regardless of the Employee's actual number of hours of service during the Stability Period, as long as he or she remains an Employee of the Company. Similarly, if an Employee is not an FTE during the Standard Measurement Period, he will not be eligible for group health benefits during the entire Standard Stability Period. The Look-Back Measurement Method will be used for all Employees.

4. Re-Hired Employees

An Employee is treated as a new Employee for purposes of this policy if they incur a Break in Service. If the Employee is treated as a new Employee, they will begin a new Standard Measurement Period based on their start date. If the Employee is not treated as a new Employee, their standard measurement period will continue uninterrupted.

A Break in Service is a period of 13 or more consecutive weeks (26 weeks if the Company is an educational organization) during which the Employee is not credited with an hour of service. If the Employee had not been employed for at least 13 weeks prior to the onset of a cessation in hours of service, the Employee will incur a Break in Service if the number of weeks during which the Employee is credited with hours of service is fewer than the number of weeks that they are not credited with an hour of service. An Employee who does not work any hours of service for a period of four consecutive weeks or fewer will not be treated as a new Employee.

An Employee who was enrolled in group health benefits coverage under the Plan on the date of their termination of employment may resume participation in the group health benefits under the Plan on Date of Rehire if the Employee has not had a Break in Service, provided that the Stability Period on the date of reemployment is the same as the Stability Period in effect on the date of the individual's prior termination of employment. If reemployment begins during a new Stability Period, participation in the group health benefits under the Plan will begin Date of Rehire if, based on the applicable Measurement Period, the individual is an FTE on the date of reemployment.

If the Employee is reemployed after a Break in Service, eligibility to become a participant in the group health benefits under the Plan will be based on the individual's status on the date of rehire.

If the Employee had not satisfied any applicable waiting period prior to his termination of employment, upon rehire, the waiting period will be reduced by the period of prior employment.