

# **MICHAELS STORES, INC.**

Team Member  
Employee Assistance Program  
Summary Plan Description



Aetna Resources For Living<sup>SM</sup>

## 1. Plan Highlights

This document describes the Michaels Stores Inc. Team Member Employee Assistance Program (EAP) benefit provided by Aetna Resources for Living (RFL). Services are available to Team Members, eligible dependents and household members. The Michaels EAP Plan offers confidential and voluntary assessment, short- term counseling, wellness coaching and referrals. EAP services are not to be a substitute for short-term or long-term behavioral health needs.

Michaels maintains the Michaels Stores, Inc Team Member Health and Welfare Plan (Plan) to provide health benefits to its eligible Team Members, and their eligible spouses and eligible dependents. Benefits of the Team Member Assistance Program are provided as part of this Plan under an EAP service agreement entered into between Michaels and Aetna Resources for Living (RFL), (EAP Company).

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| <b>Unlimited, 24-Hour Telephonic Access</b> | You have unlimited, toll-free telephonic access to EAP dedicated staff, 24 hours per day.   |
| <b>Ready Clinician Access</b>               | After a brief screening, you will be given ready telephonic access to licensed behavioral health professionals.   |
| <b>Counseling Sessions</b>                  | <p>You, all members of your household, and your adult children up to the age of 26 can each receive up to the designated # of face to face counseling sessions that have no direct cost to you i.e., no copays or deductibles.</p> <p>If counseling beyond the pre-determined number is needed, Aetna Resources For Living will facilitate additional counseling sessions through your medical benefits plan, when available.</p> <p>3 sessions of face to face counseling are included in your program. You can access these 3 counseling sessions once per year for any one issue. There is no limit to the number of issues.</p> |
| <b>Comprehensive Provider Network</b>       | Aetna Resources For Living has a nationwide provider network for the counseling sessions described above, that is subject to the same credentialing standards applied to all participating Aetna network providers and includes psychologists, social workers, marriage and family therapists, etc.   |
| <b>Interactive Web Resources</b>            | <p>You have direct access to a full range of Web-based tools and resources, such as easy-to-find information, self-assessments and more, on a variety of relevant topics.</p> <p>Your home page quickly displays your EAP choices, so you can start getting the help you need.</p>  |
| <b>Work Life Services</b>                   | <p>You and your household members can access a wide range of services including consultation, information, education and referral services in connection with, in part:</p> <ul style="list-style-type: none"><li>- child care</li><li>- elder care</li><li>- care for people with disabilities</li><li>- caregiver support</li><li>- urgent/daily living needs</li><li>- adoption</li><li>- school/college planning</li><li>- convenience/personal services</li><li>- parenting</li><li>- pet care</li><li>- special needs</li><li>- summer care</li><li>- temporary back-up care</li></ul>  |

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| <b>Legal Services</b>          | <p><b>You get:</b></p> <ul style="list-style-type: none"> <li>- 1/2 hour free consultation with selected plan attorney for an unlimited number of new legal topics (each plan year) related to: <ul style="list-style-type: none"> <li>o General law (excluding employment law)</li> <li>o Mediation Services</li> <li>o Special Needs, including emergency matters</li> <li>o Document preparation</li> </ul> </li> <li>- A discount of 25% off the hourly rate charged by the plan attorney for any legal services not covered and/or beyond the 1/2 hour initial consultations referenced above</li> <li>- Services available during regular business hours (9 am to 8 pm EST Monday - Friday)</li> <li>- All initial consultations (and discounted consultations) must be for legal matters related to the employee and eligible household members</li> </ul> |
| <b>Financial Services</b>      | <p><b>You get:</b></p> <ul style="list-style-type: none"> <li>- 1/2 hour free consultation on an unlimited number of new financial counseling topics each plan year</li> <li>- Topics include Budgeting, Credit, Debt, Retirement, College Funding, Buying vs. Leasing, Mortgages/Refinancing, Financial Planning, Tax Questions &amp; Preparation, IRS Matters, Tax Levies &amp; Garnishments, Consumer Credit Counseling, Community Services</li> <li>- A discount of 25% off the tax preparation services</li> <li>- Services available during regular business hours (9 am to 8 pm EST Monday - Friday)</li> <li>- All initial consultations and discounted services must be for financial matters related to the employee and eligible household members</li> </ul>  |
| <b>Identity Theft Services</b> | <p><b>You get:</b></p> <ul style="list-style-type: none"> <li>- One hour telephonic fraud resolution consultation</li> <li>- Coaching and direction on prevention and restoring credit for victims of ID Theft</li> <li>- Free Identity Theft Emergency Response Kit for victims of ID Theft</li> </ul>   |
| <b>Discounts</b>               | <p>Web service that enables you to take advantage of hundreds of pre-negotiated discounts on brand-name products and services, including categories such as computers &amp; electronics, theme parks, movie tickets, local attractions, travel, gifts, apparel, child and elder care, flowers, jewelry, fitness centers and more. Benefit may also include access to on-line coupons in your neighborhood.</p>  |
| <b>Who is Eligible?</b>        | <p>Full Time Employees<br/>Eligible Dependents<br/>Household Members</p>  |

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**CareKits**

Five educational kits are available to you at no charge. Items are subject to change. Call and ask for the:

**Pregnancy CareKit:** Expecting? This kit includes practical and personal care items for parents-to-be, as well as educational materials about furnishings and equipment for babies, tax considerations for family "additions," family medical leave and more.

**New Baby CareKit:** Now that you're a parent, you've got lots of new responsibilities. This kit includes educational materials and a variety of items that may include a photo frame, one-piece bodysuit, bibs and nightlight to help you as you care for your new baby.

**Child Safety CareKit:** As children grow, they find unique ways of getting into trouble! This CareKit contains information on managing safety issues for toddlers and young children. Also included are safety-related items such as a nightlight, safety latches or outlet covers.

**Active Adult CareKit:** Health and safety are primary concerns in our adult years. This kit is perfect for yourself or someone in your household who is tackling new challenges. Some of the items included are a first aid kit, flashlight and other household items.

**Elder CareKit:** If you're caring (or expecting to provide care) for an elderly relative or friend, you'll appreciate the educational materials in this kit including data sheets on home safety, managing medications and nutrition for elders. Additional kit

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**EAP Exclusions: The following services are outside the scope of the EAP:**

- Court ordered treatment or therapy, or any treatment or therapy ordered as a condition of parole, probation, custody, or visitation evaluations, or paid for by Workers' Compensation.
- Formal psychological evaluations which normally involve psychological testing and result in a written report.
- Diagnostic testing and/or treatment.
- Visits with psychiatrist, including medication management.
- Prescription medications.
- Services for remedial education.
- Inpatient, residential treatment, partial hospitalizations, intensive outpatient.
- Ongoing counseling for a chronic diagnosis that requires long term care.
- Biofeedback.
- Hypnotherapy.
- Aversion therapy.
- Examination and diagnostic services required to meet employment, licensing, insurance coverage, travel needs.
- Services with a non-contracted EAP provider.
- Fitness for duty evaluations.
- Legal representation in court, preparation of legal documents, or advice in the areas of taxes, patents, or immigration, except as otherwise described in this document.
- Investment advice (nor does plan loan money or pay bills).

*Aetna is not a provider of health care financial, legal or work life services and, therefore, cannot guarantee any results or outcomes. All participating providers are independent contractors and are neither agents nor employees of Aetna. The availability of any particular provider cannot be guaranteed and is subject to change. All EAP calls are confidential, except as required by law (e.g., when a person's emotional condition is a threat to himself/herself or others, or there is suspected abuse of a minor child, and in some areas, spousal or elder abuse).*

## **2. Eligibility**

As an active full-time Team Member, you, your legal spouse and your dependents are eligible to use the EAP beginning on your first day of active employment—regardless of whether you are enrolled in Michaels medical plan. Enrollment is automatic and no payroll contribution will be required from you. Michaels pays the cost of coverage. In accordance with federal law, the company may also provide coverage to alternate recipients, such as children, who are covered under a qualified medical child support order issued by a court or state agency of competent jurisdiction.

Eligibility for this program ends for all family members after you leave the company, upon termination or exhaustion of COBRA coverage or when the Plan is amended or terminated. Coverage under this Plan may continue during periods of approved personal leave.

## **3. Program Cost**

The program is free to you and to your dependents. Michaels provides the Plan, and no contributions will be required from you.

If you are referred to a provider outside the EAP Plan, you are responsible for the cost of those services. However, the cost of the visits outside the EAP may be covered by your medical plan or by a healthcare spending account under which you have elected to participate.

## **4. Confidentiality**

Your calls and any counseling services are completely confidential to the maximum degree permitted by law. Participation in the program is voluntary.

## **5. Access to Services**

Team Members, eligible dependents and household members can initiate service by visiting [www.resourcesforliving.com](http://www.resourcesforliving.com) (Username: Michaels; Password: 8002835645) or calling the EAP 24 hours a day, seven days a week at **1-800-283-5645 (TTY 711)**.

## **6. Covered Services**

Michaels Plan provides access to a range of professional services to help you address a variety of issues that can negatively affect your well-being.

### **6.1. Common Issues Addressed by EAP:**

- Stress Management
- Anxiety
- Depression
- Parenting Problems
- Grief and loss
- Marital Problems
- Relationship Issues
- Substance Abuse
- Short-Term Solution Focused Counseling

- Legal and Financial Services
- Child and Eldercare Services

## **6.2. Professional Counseling**

When accessing services, you will be connected to an experienced, Masters-level counselor. The EAP counselor will confidentially consult with you over the telephone and help you find solutions and resources. The clinician may refer you to an EAP network provider for up to three (3) counseling sessions per benefit period per problem episode, support groups or community services. Counseling sessions can be delivered via face-to-face, telephonically, or by televideo.

Many callers have issues that cannot be resolved through short-term EAP counseling and in those situations, the EAP counselor will work with the caller to develop an appropriate treatment plan that could include referral to a counselor for face-to-face visits, referral to a provider through the Team Member's mental health benefits or referral to a community resource. These services are not covered under the Plan.

Face-to-face sessions are delivered by a local EAP network provider in your community who specializes in your area of need. Local counselors include licensed/certified private counselors in the fields of psychology, marital and family practice, and clinical social workers, all at the master's level or above.

### **6.2.1. Children**

When authorizing individual sessions for younger children, our clinical team looks very closely at those cases because of the complex interplay of physical maturity and psychological developmental. Often EAP support for the parents is the best way to positively impact children. Parent services could include EAP counseling for parents to help with parenting concerns and new skills and/or referral to resources such as specialty treatment and educations resources.

In some instances, we do find that the pediatrician or behavioral health care are the more appropriate resources rather than the EAP for individual care as many children 12 years or younger do not possess the cognitive maturity to effectively utilize a "talk therapy" intervention, and therefore need the specialty services of an experienced child therapist rather than an EAP generalist. In these situations, the EAP Counselor can guide and support the parent to find the best resources to meet the needs of your child.

## **6.3. Financial Support**

Financial concerns can be overwhelming and leave you feeling stressed and at times, powerless. Take control of your financial future with advice from one of our financial experts. We will provide information and options on issues such as:

- Credit/debt management
- Budgeting
- Bankruptcy
- Financial aspects of separation/divorce
- Mortgages and refinancing

- Income tax planning
- Retirement planning
- College funding

Through consultation with financial professional you'll find the answers to your question along with the tools and resources you need to build a bright financial future.

#### **6.4. Worklife Services**

Our Worklife Specialists will work with you to address your specific concern or question. Let us help you do the research on locations, availability, fees, and more for a wide range of services for your family.

Worklife Services are available to you through:

- Consultations over the telephone
- In-person consultations (through referral)

Our Worklife Specialists can provide information on the following:

- Daycare centers and after-school programs
- Schools, educational services, and special needs programs
- Parenting classes
- Emergency home care services
- Seniors' accommodations/nursing homes
- Caregiver support groups
- Rehabilitation and home support programs
- Palliative care
- Outreach and transportation services
- Adoption and multiple birth services

#### **6.5. Legal Support**

Not sure where to turn when you have legal questions? Take the first step by getting expert, confidential consultation that will help provide information and clarification concerning how the law applies to a specific situation. Our service can help with issues like the ones below:

- Family law
- Identify theft and Integrated ID recovery
- Landlord and tenant issues
- Separation and divorce
- Summons, warrants and subpoenas
- Custody and child support
- Wills and estate planning
- Will preparation
- Consumer protection

You have access to a 30 minute in office or telephonic consultation with an attorney per issue per year. Thereafter, the Plan qualifies you for a 25% discount on referral services. There is no limit on the number of issues for which you access the 30-minute consultation.

## **7. Services Not Provided**

The EAP does not provide services in the following situations:

- the individual's condition is high-risk or requires urgent care, including but not limited to presenting a risk of harm to self or others, and advanced-stage alcohol or drug usage (such individuals will be directed to call 9-1-1 or to otherwise seek care outside the EAP)
- the individual's condition has been diagnosed or the individual is already receiving care or treatment for a condition the Counseling might otherwise treat

The EAP does not provide services to the following individuals:

- under five years of age in any instance
- under 13 years of age without parental permission and engagement
- between 13 and 18 years of age without parental permission or a statement of emancipation

## **8. Exclusions**

The Plan excludes the following services:

- Counseling services beyond the allowed number of sessions covered by the EAP benefit.
- Court ordered treatment or therapy, or any treatment or therapy ordered as a condition of parole, probation, custody, or visitation evaluations, or paid for by Workers' Compensation.
- Formal psychological evaluations which normally involve psychological testing and result in a written report.
- Diagnostic testing and/or treatment.
- Visits with psychiatrist, including medication management.
- Prescription medications.
- Services for remedial education.
- Inpatient, residential treatment, partial hospitalizations, intensive outpatient.
- Ongoing counseling for a chronic diagnosis that requires long term care.
- Biofeedback.
- Hypnotherapy.
- Aversion therapy.
- Examination and diagnostic services required to meet employment, licensing, insurance coverage, travel needs.
- Services with a non-contracted EAP provider.
- Fitness for duty evaluations.
- Legal representation in court, preparation of legal documents, or advice in the areas of taxes, patents, or immigration, except as otherwise described in this document.
- Investment advice (nor does plan loan money or pay bills).
- Services or supplies not recommended by the EAP clinician
- Services or supplies covered under the medical plan's mental health or substance abuse benefit such as long-term counseling (beyond the 3 sessions covered under this Plan) for chronic conditions
- Services or supplies for inpatient, partial day or day hospital treatment
- Services or supplies for residential care
- Experimental or investigational services
- Legal Consultation for issues related to an employer-Team Member dispute or government agency



## **9. Complaints**

If you have a complaint or dispute about Aetna Resources for Living (RFL)'s services or counselors, you may call the same toll-free number you use to access your EAP services. Within 1-2 business days of receiving your complaint, we will conduct a quality review, and we will submit it for resolution to the appropriate department. You will be provided with a summary of the quality review and any resolution plans by telephone or email at your request.

## **10. Definitions**

### **10.1. Team Member Assistance Program (EAP)**

A plan of benefits which helps assess and resolve personal or family problems, including mental health, substance abuse, gambling addiction, marital problems, parenting problems, emotional problems or financial pressures.

### **10.2. Emergency**

Provision of immediate behavioral health services when the lack of the treatment could reasonably be expected to result in the patient harming self and/or other persons.

### **10.3. EAP Counselor**

A master's-level clinician employed by Aetna Resources for Living (RFL) who provides telephonic assessment, triage, and referral based on your presenting issue.

### **10.4. Counseling**

The EAP counseling services is a short term-solution focused model that provides assessment and brief intervention for Team Members and family members. Our counseling services cover family, couples and individual modalities. EAP counselors focus on identifying issues or major concerns, problem-solving, and provide support to help develop strategies to address personal goals.

### **10.5. Network Provider**

A provider is a licensed behavioral health professional who has entered into a contractual arrangement with Aetna Resources for Living (RFL) to provide counseling to members. EAP Network Providers include, but are not limited to: social workers, licensed professional counselors, marriage and family therapists, master's level psychiatric nurses and psychologists.

### **10.6. Plan Administration**

Michaels is the Plan Administrator. As the Plan Administrator, Michaels is responsible for satisfying certain legal requirements under ERISA with respect to the Plan (for example, distributing SPDs and filing an annual report about the Plan with the government).

### **10.7. Routine Care**

Any covered services for an injury or illness where no risk indicators are present.

## 10.8. Urgent Care

Any covered services for an injury or illness where at least one risk indicator is present, but is of a less serious nature than those services required for an emergency, and where services:

- 1) are required to prevent a serious deterioration in the member's health; and
- 2) cannot reasonably be delayed without an escalation of symptoms.

## 11. Claims and Appeals Procedures

Claimants are entitled to full and fair review of any claims made under the EAP. The procedures described in this section are intended to comply with applicable regulations by providing reasonable procedures governing the filing of claims for EAP benefits, notification of benefit decisions, and appeal of adverse benefit determinations.

**Type of Claims.** All EAP Claims submitted by you are considered pre-service claims because the EAP specifically conditions receipt of the benefit, in whole or in part, on receiving approval in advance of obtaining the care. No urgent care claims can arise under the EAP because the EAP Services specifically exclude urgent care services.

**How to File a Claim for Benefits.** A Claim for EAP benefits is made when a Claimant submits a written Claim Form to Aetna Resources for Living (RFL) at:

Aetna Resources for Living (RFL) US Inc.  
Aetna EAP Claims  
P.O. Box 981259  
El Paso, TX 79998-1259

**Claim forms.** Claim forms may be obtained by contacting Aetna Resources for Living (RFL) at the address above. A Claim Form will be treated as received by the EAP (a) on the date it is hand-delivered to Aetna Resources for Living (RFL) at the address indicated above; or (b) on the date that it is deposited in the U.S. Mail for first-class delivery in a properly stamped envelope addressed to Aetna Resources for Living (RFL) at the above address. The postmark on any such envelope will be proof of the date of mailing. Unless otherwise indicated, when used in these claims procedures, the term "day" means a calendar day. Any questions about these claims procedures may be directed to Aetna Resources for Living (RFL) at the above address.

**Designating an Authorized Representative.** An authorized representative may act on behalf of a Claimant with respect to a Claim or appeal under these claims procedures. No person (including a treating health care professional) will be recognized as an authorized representative until the EAP receives an Appointment of Authorized Representative form signed by the Claimant.

An Appointment of Authorized Representative form may be obtained from and completed forms must be submitted to Aetna Resources for Living (RFL) at the address above. Once an authorized representative is appointed, the EAP shall direct all information, notification, etc. regarding the Claim to the authorized representative. The Claimant shall be copied on all notifications regarding decisions, unless the Claimant provides specific written direction

otherwise. Where appropriate, references in these claims procedures to Claimant include the Claimant's authorized representative.

**Incorrectly Filed Claims.** These claims procedures do not apply to any request for benefits that is not made in accordance with these claims procedures, except that the Claimant shall be notified as soon as possible but no later than 5 days following receipt by the EAP of the incorrectly filed claim. The notice shall explain that the request is not a Claim and describe the proper procedures for filing a Claim. The notice may be oral unless written notice is specifically requested by the Claimant.

**Incomplete Claims.** If any information needed to process a claim is missing, the claim shall be treated as an incomplete claim. If a claim is incomplete, the EAP may deny the claim or may take an extension of time, as described below. If the EAP takes an extension of time, the extension notice shall include a description of the missing information and shall specify a period, of no less than 45 days, within which the necessary information must be provided. The timeframe for deciding the Claim shall be suspended from the date the extension notice is received by the Claimant until the date the missing necessary information is provided to the EAP. If the requested information is provided, the EAP shall decide the Claim within the extended period specified in the extension notice. If the requested information is not provided within the time specified, the Claim may be decided without that information.

**Claim Administration.** In its consideration of a Claim, Aetna Resources for Living (RFL) will consult the EAP plan document/summary plan description, and all other documents that may have a bearing on the interpretation of the EAP or benefit, including past interpretations or claims of the same general type and applicable guidance from the Internal Revenue Service, the Department of Labor, or other governmental or private publications or authorities that may assist in interpreting language or administrative procedures of the EAP. Aetna Resources for Living (RFL)'s decisions are ministerial in nature and do not involve or require discretionary authority; such authority rests solely with the Plan Administrator/Named Fiduciary.

**Adverse Benefit Determination.** A decision on a Claim is "adverse" if it is (a) a denial, reduction, or termination of; or (b) a failure to provide or make payment (in whole or in part) for, an EAP benefit.

**Standard Timeframes for Deciding Initial Benefit Claims.** The EAP shall decide an initial pre-service claim within a reasonable time appropriate to the medical circumstances, but no later than 15 days after receipt of the Claim.

**Extensions of Time.** Despite the specified timeframes, nothing prevents the Claimant from voluntarily agreeing to extend the above timeframes. In addition, if the EAP is not able to decide a claim within the above timeframes due to matters beyond its control, one 15-day extension of the applicable timeframe is permitted, provided that the Claimant is notified in writing prior to the expiration of the initial timeframe applicable to the Claim. The extension notice shall include a description of the matters beyond the EAP's control that justify the extension and the date by which a decision is expected.

**Notification of Initial Benefit Decision by EAP.** Written notification of the EAP's decision on a Claim shall be provided to the Claimant whether or not the decision is adverse.

**Notification of Adverse Benefit Decision.** Written notification shall be provided to the Claimant of the EAP's adverse decision on a Claim. The information set forth in the notice will be provided in a manner calculated to be understood by the Claimant, and will include the content required by ERISA's claims procedures.

**How to File an Appeal.** A Claimant has a right to appeal an adverse benefit determination under these claims procedures. An appeal of an adverse benefit determination is filed when a Claimant submits a written Request for Review form (available from Aetna Resources for Living (RFL)) to Aetna Resources for Living (RFL) at the address above. A Request for Review form will be treated as received by the EAP (a) on the date it is hand-delivered to Aetna Resources for Living (RFL) at the indicated address; or (b) on the date that it is deposited in the U.S. Mail for first-class delivery in a properly stamped envelope containing the indicated name and address. The postmark on any such envelope will be proof of the date of mailing.

**Appeal Deadline.** The appeal of an adverse benefit determination must be filed within 180 days following the Claimant's receipt of the notification of adverse benefit decision. Failure to comply with this important deadline will cause the Claimant to forfeit any right to any further review of an adverse decision under these procedures or in a court of law.

**How Appeals Will Be Decided.** The appeal of an adverse benefit determination will be reviewed and decided by Employer, as Named Fiduciary under the EAP. The person who reviews and decides an appeal will be a different individual than the person who made the initial benefit decision and will not be a subordinate of the person who made the initial benefit decision. The review by Employer will take into account all information submitted by the Claimant, whether or not presented or available at the initial benefit decision. Employer will give no deference to the initial benefit decision.

**Consultation with Expert.** In the case of a Claim denied on the grounds of a medical judgment, Employer will consult with a health professional with appropriate training and experience. The health care professional who is consulted on appeal will not be the same individual who was consulted, if any, regarding the initial benefit decision or a subordinate of that individual.

**Access to Relevant Information.** A Claimant shall, on request and free of charge, be given reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's Claim for benefits.

**Timeframes for Deciding Appeals.** Employer shall decide the appeal of a claim within a reasonable time appropriate to the circumstances, but no later than thirty (30) days after receipt by the EAP of the Request for Review form.

**Notification of Decision on Appeal.** Written notification of the decision on appeal shall be provided to the Claimant whether or not the decision is adverse.

- **Notification of Adverse Appeal Decision.** The notification provided to the Claimant of an adverse determination on appeal shall include the information required by ERISA claims procedures.

**Judicial Review.** Upon completion of these procedures, the Claimant may request judicial review of the final decision on the Claim. Any action brought by, or on behalf of, a Claimant for EAP benefits must be filed not later than 24 months after you knew or reasonably should have known of the facts behind your claim or, if earlier, within six months after completion of the EAP's internal claims procedures.

## **12. Important Notices**

### **12.1. Power and Authority of EAP Company**

The EAP program is fully insured. Benefits are provided under an EAP contract entered into between MICHAELS USA and Aetna Resources for Living (RFL). Claims for benefits are sent to Aetna Resources for Living (RFL). Aetna Resources for Living (RFL), not MICHAELS is responsible for determining and paying claims.

Aetna Resources for Living (RFL) is the Named Fiduciary for benefit claims and is responsible for:

- determining eligibility for a benefit and the amount of any benefits payable under the program; and
- providing the claims procedures to be followed and the claims forms to be used by eligible individuals pursuant to the program.
- Aetna Resources for Living (RFL) also has the authority to require eligible individuals to furnish it with such information as it determines is necessary for the proper administration of the program.

### **12.2. Amendment or Termination**

Michaels as Plan Sponsor, has the right to amend or terminate the Plan at any time.

The Plan may be amended or terminated by a written instrument signed by the Michaels representative who is authorized to amend or terminate the Plan and to sign the EAP contract with the EAP Company or other insurers, including amendments to those contracts. Note that the EAP contract, which is how benefits under the program are provided, is not necessarily the same as the Plan. Consequently, termination of the EAP contract does not necessarily terminate the Plan.

### **12.3. Compliance with Code, ERISA, And Other Applicable Laws**

This Plan is intended to be nondiscriminatory under applicable provisions of the Internal Revenue Code of 1986. If the Plan Administrator determines before or during any Plan year that this Plan may fail to satisfy any nondiscrimination requirement imposed by the Code or any limitation on benefits provided to highly compensated individuals, the Plan

Administrator shall take such action as the Plan Administrator deems appropriate, under rules uniformly applicable to similarly situated Covered Team Members, to ensure compliance with such requirements or limitation.

It is intended that this Plan meet all applicable requirements of the Code and ERISA and of all regulations issued thereunder. This Plan shall be construed, operated, and administered accordingly, and in the event of any conflict between any part, clause, or provision of this Plan and the Code and/or ERISA, the provisions of the Code and ERISA shall be deemed controlling, and any conflicting part, clause, or provision of this Plan shall be deemed superseded to the extent of the conflict. In addition, the Plan will comply with the requirements of all other applicable laws.

#### **12.4. Compliance with HIPAA Privacy & Security Standards**

Certain Authorized Individuals of the Employer's workforce perform services in connection with administration of the Plan. To perform these services, it is necessary for these Team Members from time to time to have access to Protected Health Information. "Protected Health Information" shall mean individually identifiable health information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.

See Michaels HIPAA Privacy Notice for more information.

#### **12.5. Mental Health Parity**

Pursuant to the Mental Health Parity and Addiction Equity Act of 2008, this Plan applies its terms uniformly and enforces parity between covered health care benefits and covered mental health and substance disorder benefits relating to financial cost-sharing restrictions and treatment-duration limitations. For further details, please contact Aetna Resources for Living (RFL).

#### **12.6. Newborns' and Mothers' Health Protection Act (NMHPA)**

Notwithstanding any provision of this Plan to the contrary, this Plan shall be operated and maintained in a manner consistent with NMHPA. Federal law requires the following statement be included in the Plan document: Group health plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

#### **12.7. Women's Health and Cancer Rights Act of 1998 (WHCRA)**

Notwithstanding any provision of this Plan to the contrary, this Plan shall be operated and maintained in a manner consistent with WHCRA.

### **12.8. Genetic Information Nondiscrimination Act of 2008 (GINA)**

Notwithstanding any provision of this Plan to the contrary, this Plan shall be operated and maintained in a manner consistent with GINA.

### **12.9. Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)**

Notwithstanding any provision of this Plan to the contrary, this Plan shall be operated and maintained in a manner consistent with USERRA. The Plan Administrator shall, within the parameters of the law, establish uniform policies by which to provide such continuation coverage required by USERRA.

### **13. Other Employers Participating In The Plan**

Although the Company is the listed Plan Sponsor, the benefits under the Plan provide for the possibility of adoption by affiliated companies. Participants and covered dependents may, upon written request to the Plan Administrator, receive information as to whether a particular Employer is a sponsor and, if so, the address of that Employer.

### **14. ERISA Information**

**Name of Plan:** Michaels Stores, Inc. Health and Welfare Benefit Plan

**Plan Number:** 501

**Plan Year:** July 1 to June 30

**Type of Plan:** The Plan is a group health plan (a type of welfare benefit plan that is subject to the provisions of ERISA).

**Funding Medium and Type of Plan Administration:** The Plan is fully insured. Benefits are provided under an EAP contract entered into between Michaels and Aetna Resources for Living (RFL). Claims for benefits are sent to Aetna Resources for Living (RFL).

Aetna Resources for Living (RFL) (not Michaels) is responsible for paying benefits.

EAP premiums for Team Members and their families are paid by the Plan Sponsor out of its general assets. Any refund, rebate, dividend, experience adjustment, or other similar payment under the plan entered into between Michaels and the EAP Company will be allocated, consistent with the fiduciary obligations imposed by ERISA, to reimburse Michaels for premiums that it has paid.

#### **The EAP Company**

Aetna Resources for Living (RFL) US Inc.  
151 Farmington Avenue  
Hartford, CT 06156

#### **Plan Sponsor and Plan Administrator:**

Michaels Stores, Inc.  
8000 Bent Branch Drive

Irving, TX 75063  
Telephone Number: (972) 409-1300

**Employer Identification Number:** XXXXX

**Agent for Service of Legal Process:**

Michaels Stores, Inc.  
8000 Bent Branch Drive  
Irving, TX 75063

Service of legal process may also be made upon the EAP Company

**Important Disclaimer:** Benefits hereunder are provided solely pursuant to an EAP contract between the Plan Sponsor and the Aetna Resources for Living (RFL). If the terms of this summary document conflict with the terms of the EAP contract, then the terms of the EAP contract will control, unless superseded by applicable law.

**14.1. Summary of Benefits**

The benefits available are summarized in the SPD. Copies of this SPD are available without cost to any Participant in the Team Member assistant program upon request and shall be provided to Participants.

**14.2. ERISA Rights Statement**

As a participant in the EAP you are entitled to certain rights and protections under the Team Member Retirement Income Security Act of 1974 (ERISA). ERISA provides that all EAP participants shall be entitled to:

*Receive Information About Your EAP and Benefits*

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the EAP with the U.S. Department of Labor and available at the Public Disclosure Room of the Team Member Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the EAP, including copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the EAP's annual financial report, if applicable.

*Prudent Actions by Plan Fiduciaries*

In addition to creating rights for EAP participants, ERISA imposes duties upon the people who are responsible for the operation of the EAP. The people who operate the EAP, called "fiduciaries" of the EAP, have a duty to do so prudently and in the interest of you and other



EAP participants and beneficiaries. No one, including your Employer may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

### *Enforce Your Rights*

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the EAP and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court after you have exhausted the EAP's claims procedures. In addition, if you disagree with the EAP's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court. If it should happen that EAP's fiduciaries misuse the EAP's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### *Continue Group Health Plan Coverage*

Continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the EAP as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review the EAP SPD for the rules governing your COBRA continuation coverage rights.

### *Assistance with Your Questions*

If you have any questions about the EAP, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Team Member Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Office of Outreach, Education and Assistance, Team Member Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Team Member Benefits Security Administration.