

A Summary of Your Benefits

May 1, 2010

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A SUMMARY OF YOUR BENEFITS

Flexible, tailored and responsive.

This, quite simply, is what Lakeside's benefits program is all about. **Flexible** because of the many options it has to match your lifestyle. **Tailored** because it lets you choose the combination of benefits that best meets your individual or family needs. And **responsive** because it offers the kinds of important protection that only a comprehensive program like Lakeside's can provide.

Under Lakeside's benefits program, you have choices in these "flexible" benefits areas:

- Health Care
- Prescription Drug Card
- Health Risk Appraisal/Wellness Program
- Dental Care
- Benefits Waiver Payment
- Flexible Spending Account
- Supplemental Life Insurance
- Supplemental Accidental Death & Dismemberment Insurance
- Supplemental Vision Insurance
- Profit Incentive Program
- 401(k) Plan

Other benefits are provided automatically by Lakeside:

- Basic Life Insurance
- Short-Term Disability Benefits
- Long-Term Disability Benefits
- Profit Sharing Plan
- Vacations and Holidays
- Employee Assistance Program
- Other benefits such as retirement plan fund transfers, educational assistance program, travel accident insurance, a scholarship program, accelerated life and retiree benefits, identity theft insurance, a change of control program, an employee assistance program, Dan Blitz military leave program, direct deposit, anniversary awards, bereavement leave, smoking and weight management reimbursement, adoption assistance, wellness programs and more are available to our people.

Following is a brief overview of your Lakeside benefits package. Take a good look at it and contact Human Resources if you have questions or comments.

COORDINATED HEALTH CARE

Lakeside's *Coordinated Health Care Program* is an important response to today's complicated and often confusing medical system. We understand that medical care often involves an extensive network of physicians and facilities that can be extremely frustrating to patients, families and even doctors. Going to the wrong specialists, not knowing what questions to ask, duplication of services, billing errors, claims improperly processed, critical information not getting from one provider to the next are just a few of the many obstacles that we face each and every time we attempt to self-navigate through this complicated system.

Coordinated Health Care was established by Lakeside to provide you, your families and your physicians with information, guidance and assistance in navigating through this extremely difficult network. By helping direct you to the most effective and efficient healthcare resources and by providing the support and information necessary to make sound medical and financial decisions, we hope to maximize your medical outcomes as well as providing a more satisfying healthcare experience for everyone involved.

The key features of Lakeside's *Coordinated Health Care* is a professional staff of *Care Coordinators* who are available to assist you, your family, your physicians, and their office staff. The *Coordinators* are available through a toll-free customer services line at **1-866-360-7933**. *Care Coordinators* can answer questions about available providers, referrals and pre-certifications, plan eligibility, your enrollment records, coverage and benefit determinations, and claims submitted by you and your providers. The *Care Coordinators* will assist you in obtaining these answers and getting the solution you need.

Care Coordinators are available weekdays from 7:30a.m. to 7:30 p.m. CST. At other times, you may leave a confidential, detailed message on the *Care Coordinator's* voice mail and your request will be processed and/or responded to early the next business day.

Many questions may also be answered at the program website at:
www.LakesideFoodsHealthPlan.com

We encourage everyone at Lakeside to take an active part in your health care experience and contact your *Health Care Coordinator* today.

HEALTH CARE PLAN

The health care plan provides protection against major expenses and some routine expenses. You share the cost for these through deductibles, copayments and premium costs.

You pay an annual deductible before benefits are paid. Then, the plan pays 80% of most medical charges if you are treated by a Lakeside network provider. If you are treated by a provider who is not in the Lakeside network, the plan will pay 70% of eligible charges. In addition, you will be responsible for any charges above the reasonable and customary amount.

Once you pay an annual dollar amount, the plan pays the rest of your covered expenses for the year. Finally, the plan pays up to a lifetime maximum of \$2,000,000 in benefits for you and each of your covered dependents.

You can choose from three health care plan options. Each covers the same types of medical services. The only difference is the portion of the costs (the deductible and maximum out-of-pocket amounts) you decide to pay. You may also choose no coverage at all.

An orientation will be scheduled for all newly hired full/part-time employees. It is very important for employees to complete the necessary forms and return them to Human Resources prior to your eligibility date in order to receive these benefits. Failure to do so will delay your benefit effective date plus jeopardize potential eligibility.

The \$250 Plan (monthly premiums for full-time people participating in the Health Risk Appraisals and Wellness Program are \$84 for a single and \$218 for a family plan .)	
In Network: Deductible of \$250 per individual or \$750 per family. Including the deductible and an 80/20 copay to \$10,000, you spend no more than \$2,250 individually or \$4,500 for your family each year.	Out of Network: Deductible of \$250 per individual or \$750 per family. Including the deductible and a 70/30 copay to \$10,000, you spend no more than \$3,250 individually or \$6,500 for your family each year.
The \$500 Plan (monthly premiums for full-time people participating in the Health Risk Appraisals and Wellness Program are \$48 for a single and \$124 for a family plan .)	
In Network: Deductible of \$500 per individual or \$1,500 per family. Including the deductible and an 80/20 copay to \$12,000, you spend no more than \$2,900 individually or \$5,800 for your family each year.	Out of Network: Deductible of \$500 per individual or \$1,500 per family. Including the deductible and a 70/30 copay to \$12,000, you spend no more than \$4,100 individually or \$8,200 for your family each year.
The \$1000 Plan (monthly premiums for full-time people participating in the Health Risk Appraisals and Wellness Program are \$22 for a single and \$58 for a family plan .)	
In Network: Deductible of \$1000 per individual or \$3,000 per family. Including the deductible and an 80/20 copay to \$13,000, you spend no more than \$3,600 individually or \$7,200 for your family each year.	Out of Network: Deductible of \$1000 per individual or \$3,000 per family. Including the deductible and a 70/30 copay to \$13,000, you spend no more than \$4,900 individually or \$9,800 for your family each year.

The premiums listed above are based on people receiving the \$50 to \$100 per month discount for participating in Lakeside’s health risk/biometric assessments, wellness coaching and disease management programs.

IN-NETWORK PROVIDERS (PPO’s)

Each Lakeside location has its own network of medical providers that offer the very best prices and care for your medical treatment. You may access your list of available providers by calling a Lakeside Care Coordinator at our toll free customer service line at 1-866-360-7933 or go on-line at www.LakesideFoodsHealthPlan.com.

PRESCRIPTION DRUG PROGRAM

In addition to the comprehensive health insurance coverage available to you, Lakeside also provides a prescription drug card that you pay a percentage of the total cost up to a maximum of \$100 per script and a maximum annual out-of-pocket expense of \$1000 per year per member.

The percentage that you pay at the time of purchase is:

Generic Drugs.....	10%
Preferred Drugs.....	20%
Non-Preferred Drugs.....	25%

*Diabetes insulin/materials, asthmatic inhalers/medication, generic statins are paid at 100%

This Rx card also allows for three month supply of mail order drugs.

SPECIAL HEALTH INSURANCE SITUATIONS

Given the high cost of health insurance, people not covered under Lakeside's plan can frequently find themselves in an untenable situation: unable to find coverage at all or unable to afford the coverage for which they qualify. Lakeside is able to provide assistance to people in these types of situations. This includes:

- Long-term health insurance. These plans are for individuals who find themselves ineligible for or without access to group insurance. More and more people are finding themselves in the category because of temporary or new life situations. For example:
 - Young adults who are still students but who are no longer eligible under their parents' Lakeside plan, and
 - High school graduates who work part-time but who are no longer students, and therefore, not eligible to continue on their parents' plan.
- Short-term health insurance. These programs can fill time gaps of 6 months or less. This coverage is designed for people who are between jobs or laid off, or for newly hired people who need insurance while they undergo a waiting period before their new group coverage begins.
- Supplemental health insurance. Anyone who is eligible for Medicare can purchase supplemental insurance to help fill in the gaps left by Medicare.

If you are interested in finding health insurance for yourself or a family member, please contact Joan Wertel at Aon Consulting (1-800-437-0555, ext. 6201) or your Human Resources Manager.

DENTAL PLAN

Your dental plan covers a wide range of dental services. For all except routine, preventive procedures, you share the cost.

As with the medical plan, your deductible and copayments are key plan features, and charges will not exceed reasonable and customary if you are treated by a Lakeside network provider. There are no penalties for going to out-of-network providers, but they may charge above reasonable and customary and you are responsible for that amount. A listing of network providers in your area can be obtained by accessing the web page www.LakesideFoodsHealthPlan.com or by calling 1-866-360-7933.

Reasonable and customary charges for preventive services are covered at 100%, which include semi-annual cleanings plus annual x-rays and oral cancer screenings. Beyond that, you pay the first \$50 in covered reasonable and customary charges each plan year for restorative, reconstructive, or orthodontic services before benefits will be paid. The \$50 deductible applies separately to the first three family members.

After you pay the \$50 deductible, the plan pays:

- 80% of covered charges for restorative services such as extractions, fillings, root canal therapy, and treatment of gum disease; and
- 50% of covered charges for reconstructive services such as inlays, crowns, implants, gold fillings, caps, dentures, and bridgework.

These expenses are covered up to \$1,200 a year per person. The plan also pays 50% of covered charges for orthodontia, up to \$2,000 over the course of treatment.

Monthly premiums for a full-time person are \$7 for a single and \$14 for a family plan.

BENEFITS WAIVER PAYMENT

If you decide not to take Lakeside's health and/or dental insurance and are covered by other health and /or dental insurance plans, you will receive an amount added to each of your regular paychecks. This recognizes that you have voluntarily agreed to skip or waive a very important Lakeside benefit in which you have the opportunity to participate. Annual waiver amounts are as follows:

	Family	Single
Full-Time People		
Health Amount	\$1000	\$300
Dental Amount	\$140	\$50
Part-Time People		
Health Amount	\$250	\$120
Dental Amount	\$40	\$15

These waivers can be received as either cash or deposited in your 401(k) plan. Married people who both work at Lakeside are eligible to receive health care coverage and a single waiver amount.

You may participate in the health and dental benefits after waiving them only if you notify Lakeside within 30 days of a qualifying event, as defined by the IRS. Such events include: birth, death, adoption, divorce/legal separation, or an involuntary loss of other insurance. A change in other insurance coverage on premiums or reduction in benefits does not qualify as an IRS event and will not allow you to return to Lakeside's Plan.

FLEXIBLE SPENDING ACCOUNT

The Flexible Spending Account allows you to be reimbursed tax free for health care and dependent care expenses. You decide how much to deposit in your account for these expenses, then you are reimbursed from your account when you have eligible expenses during the year. You can deposit up to an annual maximum amount of \$2,500 for health care and \$5,000 for dependant care expenses. Eligible health care expenses include medical, dental, vision, hearing care services, and assistance for the handicapped. Eligible dependent care includes care for children under 13 who qualify as dependents on your federal income tax form and other dependents who are physically or mentally incapable of caring for themselves.

When you have an eligible expense, you pay the bill and keep a detailed receipt. (The Explanation of Benefits from our insurance company is a good one.) Then you submit a claim (\$50 minimum) to the plan administrator for reimbursement from your account. Eligible expenses can be reimbursed for claims incurred in the plan year and 2 ½ months after the plan year ends. In Lakeside's case, this date is July 15th.

Because of tax savings made available through the Flexible Spending Account, the IRS requires that you forfeit any amounts that remain in your account at the end of the year.

LIFE INSURANCE

Lakeside-paid life insurance coverage is one times your annualized pay for yourself. In addition, your spouse receives coverage of \$5,000 and each of your children from 6 months to age 19 (age 25 if a full-time student) is covered for \$2,500. This benefit is payable in the event of the insured person's death.

In addition, you receive Lakeside-paid accidental death and dismemberment insurance (AD&D) equal to the amount of your Lakeside-paid life insurance. This benefit is payable if you die as the result of an accident. Partial benefits are payable for loss of hands, feet or eyes 180 days after the injury.

You can choose to add to your Lakeside-paid life and AD&D insurance by purchasing supplemental insurance through payroll deductions. Premiums are based on the coverage and your age.

You may purchase supplemental life insurance for yourself and your spouse up to 3 times your annualized pay, and for each child up to \$10,000. You may also purchase supplemental AD&D insurance for yourself up to 10 times your annualized pay (up to a maximum of \$300,000) and up to one-half of your AD&D coverage for your spouse.

When you travel on company business, Lakeside provides additional life insurance coverage of \$200,000 if you die as the result of an accident. Partial payment will be made for specified losses of hands, feet or eyes if they occur within one year of the accident. You are automatically covered by this additional protection without any waiting period. Unless you specify differently, the beneficiary is the same as the beneficiary on your Lakeside-paid life insurance.

VISION INSURANCE

Lakeside Foods believes that it is very important that people take good care of their vision and strongly encourage regular eye examinations that may prevent or detect serious health conditions such as glaucoma, cataracts and diabetes. For this reason and as a part of the Company medical insurance plan, Lakeside will waive the deductible and co-insurance and pay 100% of the cost for your annual eye examinations. People of all ages and even those with very good vision, are encouraged to visit your eye doctor each year for an annual check-up.

For those individuals needing more than the annual eye examinations, a supplemental vision program is available that provides additional coverage for corrective vision materials such as eye glasses and contact lenses. The specific coverages and costs are available in your Human Resources office.

DISABILITY BENEFITS

Income is a real need in the event you become disabled, whether it is for a short or long period of time.

Hourly people are covered automatically by Lakeside's Short-Term Disability Plan on the first of the month following one month of employment. They receive 2/3 of their weekly earnings up to a maximum of 26 weeks per year or per disability. Benefits begin after a 24 consecutive working hour absence from work due to sickness and on the first day of an accident or hospitalization.

The benefit amount for Salaried people is 100% of salary continuation during the first 2 months of disability and 2/3 salary continuation during the next 4 months, up to a maximum of 6 months.

When Short-Term Disability benefits end, Lakeside-paid Long-Term Disability benefits begin, provided you meet eligibility requirements. Under this plan, you are provided coverage for a long term illness or accident. You have coverage for a specified period of time when you cannot return to your occupation (as shown in your certificate). After that, you will then be covered to age 65 if you cannot work at any job for which you are qualified or may become reasonably qualified through training, education or experience.

If your disability qualifies, you will receive up to 60% of your monthly earnings to the maximum benefit allowed. If eligible, you may receive benefits from Social Security or Workers' Compensation and these benefits would reduce your Long Term Disability benefit. Lakeside's Long-Term Disability Plan pays an amount to bring your total benefit level up to 60% of your monthly earnings when disabled. You will be taxed on any payments you receive from this plan because you did not pay the premiums.

Regardless of the amount you receive from the other sources listed in your certificate, you will receive at least the greater of \$100 or 10% of your gross benefit per month.

PROFIT INCENTIVE PROGRAM

Lakeside Foods provides the opportunity for those employees not covered by a collective bargaining agreement to participate in a Profit Incentive Program. This program enables you to voluntarily give up 2% of your fiscal yearly pay with the opportunity of receiving it back plus an additional 3% at the end of the year, if the company earns a profit. If the company profits are insufficient to pay the entire incentive amount, your lump sum payment will be prorated so that every dollar that can be paid to you under the program will be paid.

Participation in the Profit Incentive Program in voluntary and elections are made every May 1st.

PROFIT SHARING PLAN

You will enter the Plan on the May 1 or November 1 after completing one year of employment, with 1,000 hours.

Lakeside contributions are determined annually based on profits. Your share of the Lakeside contribution is based on your pay while you are in the plan. You must be employed on April 30 and have worked at least 1,000 hours during the preceding 12 months to share in Lakeside's contribution for the year unless your Lakeside employment ends due to disability, death or retirement at age 62.

Lakeside's contribution is deposited to an account in your name within the Profit Sharing Plan. Your account can be invested as you elect. You have 14 individual funds of specific types to choose from, plus 4 lifestage funds which are pre-blended asset allocation funds. Following is a brief summary of each fund:

INDIVIDUAL FUNDS

American Funds New World

Fund seeks long-term capital appreciation. The fund normally invests in stocks and bonds issued by companies that are either based in countries that have developing economies and/or markets, or do a significant portion of their business in these countries.

It is expected to have a good deal of volatility, as these countries tend to have less stable economies, governments, and currencies.

American Funds EuroPacific Growth

Fund seeks long-term growth of capital. The fund normally invests at least 80% of assets in common stock of issuers located in Europe and the Pacific Basin. It may also hold cash or money market instruments.

Dodge & Cox International Fund

Fund seeks long-term growth of capital by investing in common stocks of companies located around the world. A portion of the portfolio includes stocks of companies located in emerging and less developed markets, which carry a higher degree of risk (and a higher potential for returns) than companies located in highly developed economies. It is appropriate for investors with longer time horizons who can accept a good deal of volatility over short periods of time.

Goldman Sachs Satellite Strategies Fund

Fund seeks long-term capital appreciation. The fund is a “fund of funds” managed by Goldman Sachs, and it invests in international and emerging markets stocks, commodities, international real estate, and high yield and foreign bonds. These investments tend to be quite volatile, but they often move in different cycles than the U.S. stock market, providing an additional opportunity for diversification.

T. Rowe Price Mid-Cap Growth

Fund seeks long-term growth of capital. The fund normally invests at least 80% of assets in mid-cap stocks with above-average growth potential. The advisor seeks companies that offer proven products or services; have an above-average historical record of earnings growth; have the potential for sustaining growth; operate in industries experiencing increasing demand or are reasonably valued. While most assets will be invested in U.S. common stock, other securities may also be purchased, including foreign stocks, futures and options, in keeping with the fund’s objective.

Wasatch Core Growth

Fund seeks capital appreciation. The fund focuses on companies offering superior growth potential, and seeks to purchase stocks at prices that appear undervalued relative to the company’s five-year projected earnings growth rate. The fund generally holds fewer than 50 stocks, and completely avoids some industry segments like utilities, energy, durables and staples.

Perkins Small Cap Value

The Perkins Small Cap Value Fund seeks capital appreciation by investing primarily in common stocks of small companies the Advisor believes are undervalued. The Fund is appropriate for investors with a long-term investment horizon who are willing to accept greater short-term changes in value for the potential of a higher long-term return. Small company equities require a longer investment period because their higher historical returns relative to equities of larger companies have been accompanied by greater fluctuations.

Vanguard Mid-Cap Index Fund

The Vanguard Mid-Cap Index Fund seeks to track the investment performance of the MSCI U.S. Mid-Cap 450 Index, a broadly diversified index of the stocks of medium-size U.S. companies. It attempts to replicate the index by investing in the same stocks that make up the index, holding each stock in about the same proportion as its weighting in the index. The Fund is appropriate for investors with a longer investment horizon because it is expected to have significant price fluctuations over short periods of time.

Harbor Capital Appreciation

Fund seeks long-term growth of capital; dividend income is secondary. The fund normally invests at least 65% of assets in equity securities of established companies, typically those with market capitalizations of at least \$1 billion. To select securities, the advisor seeks companies exhibiting superior sales growth, high returns on equity, strong balance sheets, excellent management capability, strong R&D, and unique marketing competence. The fund may also invest in short-term obligations and foreign securities in the form of depositary receipts.

Vanguard 500 Index Fund

The Vanguard 500 Index Fund seeks to track, as closely as possible, the investment performance of the S&P 500 Index by investing in each of the Index's 500 stocks according to each stock's weighting in the Index. The Portfolio is appropriate for investors with a long-term investment horizon. Stocks require a long investment period because their higher returns relative to other types of investments have been accompanied by greater price fluctuations. The S&P 500 Index is an unmanaged index of stocks of 500 major corporations.

Goldman Sachs Mid-Cap Value Fund

The fund seeks capital appreciation. The fund normally invests primarily in stocks of mid-sized companies comparable with the size range of the Russell Midcap Value index. Up to 20% of assets may be invested in larger or smaller companies than typically fall into that size range. In addition, up to 25% of assets may be invested in foreign stocks and in fixed-income securities such as government, corporate and bank loans.

Dodge & Cox Stock

Fund seeks long-term growth of principal and income; current income is a secondary consideration. The fund intends to remain fully invested in equities with at least 65% of assets in common stocks. It may invest in preferred stocks and convertibles. The fund may invest up to 20% of assets in American Depositary Receipts. Management seeks companies with financial strength and a sound economic background.

Associated Short Term Bond

Assets of this fund will be invested primarily in U.S. Treasury notes, government agencies, and high quality corporate bonds, with an average maturity of less than five years. Investors in this fund may experience low volatility of principal caused by changes in the interest rates.

Money Market

The objective of the Money Market Fund is to provide safety of principal. Assets will be invested in short maturity Treasury bills and repurchase agreements. The investment return will vary with changes in short-term interest rates. Goldman Sachs Asset Management serves as the investment advisor for this fund.

ASSET ALLOCATION FUNDS

Associated Growth LifeStage

The fund is structured to achieve growth of capital through investment in a broadly diversified portfolio of common stocks. The portfolio will emphasize large-cap stocks but will also include mid-cap, small-cap and foreign stocks. The target asset allocation is 100% equities. The objective is long-term growth and current income is incidental to the primary focus. Investors may experience volatility of principal caused by changes in stock price.

Associated Growth Balanced LifeStage

The fund is designed to seek both long-term growth of capital and a modest amount of income and stability through a mixture of stocks and bonds. A larger emphasis is placed on the pursuit of capital growth through investments in stock. The equity component will consist of a diversified portfolio of stocks with an emphasis on large company stocks but will also include smaller allocations to mid and small sized stocks as well as foreign stocks. The remainder of the portfolio will primarily consist of investment grade, high quality bonds. It is expected that this segment of the portfolio will maintain a focus on a short- to intermediate-term maturity profile. The target allocation is 65% equities and 35% fixed income.

Associated Balanced LifeStage

The fund is designed to put equal emphasis on the pursuit of capital growth through investments in stocks along with the stability and income generation provided by fixed income securities. Approximately ½ of the portfolio will primarily consist of investment grade, high quality bonds. It is expected that this segment of the portfolio will maintain a focus on a short- to intermediate-term maturity profile. The remaining half of the portfolio will consist of a diversified mix of stocks with an emphasis on large company stocks but will include smaller portions of small and mid stocks as well as foreign stocks. The target asset allocation is 50% equities and 50% fixed income.

Associated Conservative Balanced LifeStage

The fund is designed to emphasize stability of principal and income through investments in fixed income securities with a smaller emphasis on the pursuit of capital growth through investment in stocks. The majority of the portfolio will primarily consist of investment grade, high quality bonds. It is expected that this part of the portfolio will maintain a focus on a short- to intermediate-term maturity profile. The remainder of the portfolio will consist of large company stocks encompassing a broad array of sectors and industries. The target asset allocation is 35% equities and 65% fixed income.

A more thorough description of these investment funds is available from Associated Trust Company or your Human Resources Manager. In addition, fund sheets of each investment

option are available on line, using the directions listed below to access your account. All funds are listed in the investment information section. Just click on the fund to access the fund sheet.

You may invest in multiples of 1% and may use as many of the funds as you wish. You can obtain information relating to your account and change how your account is invested on any business day through an automated telephone system or the internet. Just dial 1-800-456-7271 and follow the instructions, or go to www.associatedbank.com and click on "Access My Account...Retirement Plan". You will need to enter your social security number or user ID and personal identification number (PIN) to access your account through either the telephone or Internet systems. If you have forgotten your PIN, the Internet system will allow you to reset your PIN and then access your account by clicking on "forgot PIN" from the log on screen and answering some security questions.

You may withdraw your account balance when you leave Lakeside or when you reach age 59½. Your entire account balance is paid to your beneficiary if you die. If you leave Lakeside before retirement, you receive the "vested" portion of your account. You earn ownership (or vesting) in Lakeside's contributions at the following rate:

Years During Which You Worked at Least 1000 Hours	Percentage of Account Value You Will Receive
After 1 Year	0%
After 2 Years	20%
After 3 "	40%
After 4 "	60%
After 5 "	80%
After 6 "	100%

After six (6) years in which you work at least 1000 hours, you are fully vested. In addition, you are fully vested if you retire at age 62, or later, or become disabled or die while being employed by Lakeside.

Note: People employed by Lakeside prior to May 1, 1997 entered the Plan on the May 1 or November 1 after completing two (2) years of employment and are fully vested in all Lakeside contributions into their account.

401(K) PLAN

This plan is intended to be a means of saving for your retirement over the long term. As there are generally significant penalties for withdrawals prior to age 59½, you should consider using other Lakeside programs or your own plan for short-term savings.

You will become eligible to participate in Lakeside's 401(k) Plan on the first of the month following one month of employment.

The plan has an automatic enrollment provision for all full and part-time permanent employees hired after June 1, 2010. If you are a new employee, you should complete an Enrollment/Investment Election Form. On this form, you will need to indicate what percent of pay you would like to have withheld from your check as a 401(k) deferral (including 0%). You may choose to contribute any amount of your pay to the plan, up to the IRS limits. If you do not complete the form, you will automatically be enrolled in the plan, and 4% of your gross pay will be deposited to your account in the Lakeside 401(k) plan each payday. Additionally, if you do not make a fund selection on the form, your contributions will be invested in the Associated Balanced Lifestage Fund.

These deposits are deducted from your paycheck before federal and state income taxes are determined ("pre-tax" contributions). In this case, your taxable income is reduced and you pay less income tax. For that reason, your spendable income could be greater than if you saved the same amount outside the Plan on an after-tax basis. Keep in mind that these deposits are tax deferred-not tax free. You postpone paying taxes in your savings until you withdraw your funds. Since this frequently occurs in retirement when your income may be lower, your taxes upon withdrawal may also be lower.

An alternative is the Roth 401(k) deduction. Your contributions are deducted from your paycheck *after* income taxes are calculated. Although you receive no tax benefit at the time of contribution, there could be special tax benefits when you eventually withdraw the money. Providing that at least five years have passed since you began making Roth 401(k) contributions and you are at least 59-1/2 (or died or became disabled), your entire withdrawal from this account is tax-free. In other words, you never pay income tax on the earnings which accumulate in this account.

Another incentive to voluntarily save through the Plan is the Lakeside match. This match is available only to people eligible to participate in the Profit Sharing Plan. Lakeside adds 35 cents for every \$1 you save (up to the first 4% of your pay). That is an immediate 35% return on your savings! You must be employed on April 30 and have worked at least 1,000 hours during the preceding 12 months to share in Lakeside's matching contribution, unless your Lakeside employment ends due to disability, death or retirement at age 62. The matching contribution is calculated based on the total of your pre-tax and Roth 401(k) contributions for the year, and will not exceed 1.4% of your gross pay.

A few more things to keep in mind regarding your deposits to Lakeside's 401(k) Plan:

1. There are limits to how much you can save. Internal Revenue Service rules require that Lakeside maintain a balance of contribution levels among people at all pay levels. If these limits affect the amount you can save, you will be informed as soon as possible.
2. Benefits based on your gross pay are not reduced. Social Security benefits and profit sharing contributions will still be based on your regular gross pay, including the amount of any deposits you make.

You are always 100% vested in your own 401(k) deposits and any investment income on that balance. You become vested in Lakeside's matching contributions in accordance with the same vesting schedule as applies to Lakeside's profit sharing contributions. Your vested 401(k)

balance is eligible to be withdrawn when you leave Lakeside or reach age 59½. In the event of your death, your account is paid to your beneficiary.

Your 401(k) contributions (pre-tax and Roth) are invested in the same manner as you elected for your profit sharing account.

The 401(k) Plan is intended to help you build savings for the future. For that reason, withdrawals while you are working at Lakeside generally are not allowed. But, Lakeside recognizes you may have important financial demands before you retire. Therefore, withdrawals are permitted for certain financial hardships. Specifically, due to IRS restrictions, the Plan permits you to withdraw up to 100% of your 401(k) deposits before age 59½ only in the following conditions: you have an immediate and heavy financial need due to medical expenses for you or a member of your immediate family, you are buying or preventing eviction from your principal residence, you are financing a college education for yourself or a dependent, you must pay for funeral expenses for a spouse or dependent, or you must make necessary repairs to your home due to a catastrophic event (flood, tornado, fire, etc.) which are not covered by insurance. The law requires that all hardship withdrawals are subject to applicable Federal and State taxes. There may also be penalty taxes assessed by the Federal and State Governments if you are under age 59½. In addition, people who make hardship withdrawals from their 401(k) plan must suspend future contributions for the next 6 months.

In addition to requesting a withdrawal, you may apply to borrow up to 50% of the money you have contributed to your account at any time. The loan must be for a minimum of \$1,000 and you may not have more than three loans outstanding at a time. Normally, the term of a loan may not exceed five years. Loans may be made to pay necessary medical expenses for you or a member of your immediate family, to finance a college education for yourself or a dependent, to pay for funeral expenses for a spouse or dependent, or to buy, prevent eviction from or repair catastrophic damage to your principal residence.

When you have a loan from the Plan, you repay the principal and interest back to your own Plan account. The interest rate will reflect market conditions at the time of your loan. You will make repayments of principal and interest by payroll deductions. The Plan Trustee will assess all loans a \$50 one-time application fee and an annual processing fee of \$50.

Upon leaving Lakeside's employment, you may request a distribution of your vested account balance. If your vested account balance is greater than \$5,000 at that time, you may leave your balance in the Lakeside Plan until you reach age 70-1/2, or until you actually retire (if later), at which time you must begin taking some payments from the plan each year in accordance with IRS rules. If your vested balance is less than \$5,000 when you leave, you may leave your balance in the Lakeside Plan for up to three years. After three years without any work for Lakeside, the Plan Trustee will contact you regarding distribution of your balance, and you will be required to remove it from the Plan.

COLLEGE SAVINGS ACCOUNTS

You can contribute to help fund a child's future college expenses, including tuition, books room and board, and other qualified expenses. Earnings in the account will grow tax-deferred until withdrawn – and then they are taxed at the student's lower tax rate. The amount available for withdrawal from the account will depend on the returns of the investment option you chose. There are also unique estate and gift tax planning benefits which may be especially interesting to grandparents. The plan's savings can be used to pay for expenses at any eligible school of higher education, including vocational schools, 2 and 4 year colleges and graduate schools.

The investment income and gains in the account will not be taxed until withdrawn. Amounts withdrawn to pay for qualified higher education expenses will not be subject to federal, Wisconsin and Minnesota income tax. Amounts withdrawn for reasons other than payment of qualified higher education expenses will be subject to an additional 10% federal tax on savings. As a special incentive to participate, Wisconsin offers a tax deduction up to the first \$3000 deposited into an account each year. Minnesota offers a matching grant depending upon income.

Please contact your Human Resources Manager if you are interested in knowing more about this program.

VACATIONS

Because time away from work is important in providing the opportunity for rest, recreation, and personal activities, Lakeside grants annual, paid vacations to full-time and part-time people. The established vacation year is the Lakeside fiscal year, May 1 through April 30. You earn vacation time based on your years of service. A year of service is based on the number of May 1 - April 30 periods you have worked. You must be on the payroll on April 30 to earn paid vacation for the following May 1 - April 30 period.

The vacation to which you are entitled depends on your years of service as follows:

<u>Years of Service</u>	<u>Vacation* Days</u>	<u>Years of Service</u>	<u>Vacation Days</u>
1	0 - 10 (Prorated)	11	17
2	10	12	18
3	11	13	19
4	11	14	20
5	12	15	20
6	13	16	21
7	14	17	22
8	15	18	23
9	15	19	24
10	16	20	25

*Vacation is based on an 8 hour day.

New hires earn vacation according to the schedule below during the year in which they are initially hired. They earn vacation based on their month of hire. They may take earned vacation beginning the following May 1. As of May 1, they are considered to have achieved one year of service, regardless of time worked.

<u>Month of Hire</u>	<u>Vacation Days Earned as of May 1</u>	<u>Month of Hire</u>	<u>Vacation Days Earned as of May 1</u>
May	10	November	6
June	10	December	5
July	10	January	4
August	9	February	3
September	8	March	2
October	7	April	1

Part-time people who work at least twenty hours per week are entitled to vacation on pro-rata basis. You should submit your vacation plans to your supervisor for approval. Lakeside reserves the right to designate when some or all vacation will be taken. Lakeside is responsible for ensuring adequate staffing levels and will resolve vacation scheduling conflicts in a fair and equitable manner. People who are entitled to a vacation of ten days or less may take their full vacation at once. Those who are entitled to a vacation of more than ten days normally may only take a maximum of two weeks consecutively, with the balance to be taken separately as full weeks or individual days.

You can carry over a maximum of five days from one fiscal year to the next. You may also trade up to five days of vacation for health/dental insurance premiums or a deposit into your 401(k) account. If a holiday falls within your vacation period, you will be granted an alternate day of vacation at a later date.

HOLIDAYS

Lakeside observes eight paid holidays. Holidays are based on an 8 hour day. They vary at each Lakeside location because of variations in local community practices, customs and business requirements. A schedule of the holidays observed at your location is posted each year.

All full and part-time people are eligible to receive holiday pay, provided they work their regularly scheduled hours the workday preceding and the workday following the holiday. Approved vacation, personal days, medical leave, jury and witness duty, and funeral leaves of absence are considered an extension of the holiday. In these cases, holiday pay will be granted provided you work the scheduled hours preceding and following the time off.

PERSONAL DAYS

In addition to vacation and holidays, Lakeside also provides four personal days. Personal days are based on an 8 hour day. They may be used as either additional vacation or time required to attend to unexpected personal/ family situations.

You must obtain advance approval from your supervisor in order for you to receive pay for your personal days. Please give your supervisor as much notice as possible. If used as additional vacation, you should schedule your personal day in the same manner you schedule vacation days. If used to attend to unforeseen personal/family business, you should contact your supervisor as soon as you become aware of your inability to report to work. Lakeside will be flexible in accommodating requests for personal days. In like manner, you should use your personal days with the spirit in which they are intended.

You are eligible for a personal day after the first of the month following one month of employment. During your first year of employment, you will earn one personal day for every fiscal quarter in which you have worked at least one day. Personal days may be taken only after they are earned. The part-time and full-time personal day schedule for new hires is:

<u>Month of Hire</u>	<u>Personal Days Earned</u>
Feb.	1
Nov. - Jan.	2
Aug. - Oct.	3
May - July	4

On May 1 of each year, you will be eligible to take four personal days during the upcoming year. Part-time people who work twenty or more hours per week are eligible to receive personal days on a pro-rata basis. They will receive the same number of days as full-time people, but their pay will be based on their average number of hours worked.

Four personal days may be carried over into the next fiscal year. They are not considered as time worked for overtime purposes.

EMPLOYEE ASSISTANCE PROGRAM

Juggling everyday responsibilities, coping with life's problems and dealing with unexpected crises are part of life. How we handle these challenges can affect our stress level, health, self-esteem, relationships . . . even our job performance.

That's why Lakeside provides the Employee Assistance Program (EAP). It is designed to assist us and our family members with personal concerns that may be affecting our job performance or overall well-being.

The EAP provides assistance and referral to community based resources for a wide range of concerns, including but not limited to: marital, family and other relationships; stress and burnout; alcohol or other drug dependencies; anxiety; depression and other emotional problems; grief and loss; financial and legal problems; and other addictive behaviors such as gambling, eating disorders, etc.

So what happens at the EAP? A counselor listens to your concerns and helps you to identify options or resources to address them. At all points during the process, it is you who makes the decision to follow a recommended course of action.

All of the EAP services are strictly confidential. No one will know about your involvement, unless you tell someone or provide the EAP with written authorization to release information.

EAP services are fully paid by Lakeside. If you are referred to other community resources, your EAP counselor will help you determine if Lakeside's health insurance or other sources will cover the costs involved.

For additional information, or to arrange for a confidential appointment, call 1-866-360-7933. Remember, help is just a phone call away.

OTHER BENEFITS

Adoption

People have interesting discussions on who benefits most when children are adopted. Is it the child who enjoys a home in which he or she is very much wanted and loved? Or is it the parents who experience love and excitement that only children can bring to a home? Needless to say, all are enriched. There can be significant expenses to parents who go through the adoption process. In recognition and appreciation of Lakeside people who choose to adopt children, Lakeside provides reimbursement up to \$5,000 for expenses they incur as a result of the adoption. This payment is made after the arrangements are finalized.

Anniversary Awards

Lakeside appreciates and recognizes the efforts of everyone toward the success of our business. Especially valued are the accomplishments of people who have been with Lakeside for extended periods of time.

To express a special thank you, Lakeside remembers people who have been with the company for 5, 10, 15, 20 and 25 years and beyond with special anniversary awards. Their contributions to our company are known and valued.

Benefits in Retirement

There are two benefits available to people who retire from Lakeside with at least 10 years of service immediately preceding their retirement and have attained age 55 or over. They are life and health insurance.

You will receive a \$5,000 life insurance benefit, paid for by Lakeside. In addition, you may continue coverage under Lakeside's health plan for you and any of your eligible dependents until you turn age 65. Your spouse can continue coverage until he or she reaches age 65 (or remarriage, whichever occurs first). Any dependent children can remain eligible for coverage until they no longer meet the definition of a dependent as shown in the plan. In order to retain coverage under Lakeside's health insurance program, you are required to pay a special rate. This rate is determined in accordance with standard actuarial procedures. The age and sex of the person requesting coverage, together with the cost of Lakeside's plan and

health care services in general affect the rate. This retiree health insurance is expensive, often 125% to 175% of the COBRA rate. However, it does provide health insurance for those who wish to take advantage of it. If you are not eligible for Lakeside's retiree coverage, or wish help researching health insurance for retirees not eligible for Social Security, please contact your Human Resource Manager.

Change of Control Plan

Lakeside takes pride in and plans to continue being independently owned and operated. Yet, in today's changing world, companies sometimes change ownership. Even the possibility of a change in ownership can have an unsettling effect upon people. Therefore, Lakeside adopted a Change of Control Plan.

The plan is intended to provide benefits to you if, within one year following the sale of the company, one of the following events occurs as a result of the sale:

- you lose your Lakeside employment;
- you quit as a result of a significant and adverse change in your job, pay, duties, titles, etc.;
- you are required to relocate to maintain your Lakeside employment.

The benefits you would receive are:

- three months' pay plus one month's pay for each full ten years of your Lakeside employment (This period of time is called the Benefit Period);
- continued Lakeside payment of its portion of health and dental care premiums during the Benefit Period, if you are enrolled in the health care or dental plans;
- continued Lakeside payment of health and dental waiver amounts during the Benefit Period, if you waived the health or dental plans.

In no case will the Benefit Period exceed 18 months.

Generally speaking, a change in control for purposes of this plan means a:

- sale of a majority of Lakeside's stock;
- sale of substantially all of Lakeside's assets; and
- merger in which Lakeside would not be the surviving entity.

This is a summary of the plan only. Certain categories of people may be eligible for different benefits under the plan. Any matter of interpretation will be governed by the plan document.

Again, Lakeside has no present intention of selling its business; the company is NOT "for sale." On the other hand, you can have comfort in knowing that this plan is in place.

Direct Deposit

If you prefer to bank by mail, Lakeside offers a direct deposit option for your convenience. You can have all or part of your pay deposited into your checking and/or saving accounts. This reduces trips to the bank and avoids misplaced checks since your check is automatically deposited in your account at the beginning of each payday. It can also be used as a convenient way to plan for Christmas or those expensive items that we need to save up for. Contact Human Resources if you'd like to have your pay directly deposited in your bank accounts.

Educational Assistance

Lakeside encourages continuing education for everyone. The Educational Assistance Program provides financial assistance to people who desire to broaden their education to improve and better themselves in their present and future position.

To be eligible for educational assistance, you must have one (1) year of service with Lakeside and successfully complete your course work at an accredited school. Also, the course content must have a meaningful relationship to your present position or potential benefit to improved performance and professional development.

Lakeside will reimburse you the tuition cost according to the following schedule: "A" and "B" at 100%, and "C" at 50%. No reimbursement will be made for a grade lower than "C," and 100% of reimbursable costs will be made for passing a "pass-fail" course. For graduate level courses, a reimbursement of 75% of tuition will be made for grades of "A" and "B", and 50% for grades of a "C." In addition, you will receive a reimbursement of 50% of the cost of books if you successfully complete the course with a grade of "C" or better.

All courses must be supported by your Department/General Manager, your Senior Manager, and approved by the Education Committee. In evaluating your request, they will consider such factors as:

- the nature and purpose of the course of study;
- the benefits to be derived by you and Lakeside;
- the cost;
- the appropriateness of the course of study. Will it be completed within a reasonable and realistic time frame in a cost-effective manner?
- your job performance, conduct, and demonstrated ability while at Lakeside.

Dan Blitz Military Leave of Absence

Serving our country is a very honorable and courageous commitment. Lakeside is of course proud of the employees who are members of the United States Reserve Forces. Lakeside will make every effort to accommodate training schedules whenever possible. In addition to that, after one year of employment, the Dan Blitz Military Reserve Appreciation Program will compensate employees the difference between Lakeside's regular earnings and their military

pay for up to one year if called to active duty. During this time, Lakeside will provide health and dental insurance for the employee's family at no cost to the employee.

Identity Theft Benefit

Identity theft is one of the fastest growing illegal acts in the country today, impacting several million people each year. For this reason, Lakeside Foods will provide an identity theft benefit that will protect you and your family members should this crime occur to you. The basic coverage includes reimbursement of lost wages of up to \$1,000 per week for five weeks as a result of missed employment; attorney's fees to abolish legal judgements, credit reports on defending merchant suites; daycare and elder care expenses directly related to the theft; and an appointment for an identity theft professional to provide guidance to the victims throughout the whole ordeal. The total reimbursement for each incident of identity theft is \$25,000 per person.

If you feel you are a victim of identity theft or would like to learn more about this benefit, call **1-800-842-8496** and refer to **policy #104908941** , or see your Human Resource department.

Purchase of Lakeside Products

Every December, you can purchase Lakeside products at discounted prices. It's a great way to stock up on the various items we make at very affordable prices. Each location also conducts regular dent sales throughout the year. In addition, Lakeside offers a variety of Lakeside logoed items for sale at affordable prices throughout the year. They include, jackets, shirts, sweatshirts, caps, etc. See your Human Resources Department for more information.

Routine/Preventative Care

Preventative care is one of the best ways to avoid major medical conditions and lengthy stays in the hospital. To encourage participation in various preventative treatments, Lakeside will waive the deductible and co-insurance and pay 100% for annual in-network routine physical exams, pap smears, HPV's, PSA's, TSH's, colorectal, prostate, and well-baby check ups/immunizations and cover the lab and x-ray up to \$1,000 per year. In-network mammograms and colonoscopies are also covered at 100% and not subject to the lab/x-ray limitations. Out-of-network preventative treatments will be paid at 70% after satisfying deductibles.

Important: All routine procedures mentioned above, except colonoscopies and mammograms, must be coded by the provider as "preventative" in order to be paid at 100%. Diagnostic treatment will be paid according to plan provisions with deductibles and co-insurance applying.

Scholarship Program

The Scholarship Program is one of the ways Lakeside recognizes the accomplishments of the children of Lakeside people. Its purpose is to encourage high school students to further and help finance their education.

Each child of every Lakeside person is eligible to receive a \$2,500 Lakeside scholarship (\$625 per year up to 4 years of study). To receive the scholarship, your child must be:

- a high school graduate;
- a full-time student (as defined by the school) attending an institution that has been accredited or licensed by an appropriate board or agency. Correspondence schools are not eligible under Lakeside's program. Lakeside reserves the sole and exclusive right to determine school eligibility for the purpose of this program;
- under age 25;
- a dependent as defined for income tax purposes.

Contact Human Resources for further information.

Travel Discounts

Lakeside people are able to receive many travel group discounts. Visit the Wisconsin Dells, Noah's Ark, Great America, the Bristol Renaissance Fair, the Milwaukee Zoo, the Minnesota Zoo, the Minnesota Renaissance Festival, and Valley Fair amusement park.

Wellness

It's a way of life. Taking care of ourselves with regular exercise, the proper diet, and a healthy lifestyle is the best way for us to enjoy our lives and those of our family and friends.

Lakeside encourages wellness in a number of ways. Wellness committees that promote wellness at various locations . . . our annual health risk appraisal . . . reduced health insurance premiums for wellness participation . . . incentive prizes earned by exercise and safe living practices . . . annual flu shots . . . our no-smoking work environment . . . 100% reimbursement up to \$500 per year and \$1,500 lifetime for people who participate in smoking cessation programs, . . . 100% reimbursement up to \$500 per year and \$1,500 per lifetime for people who participate in Weight Watchers programs...and a "Fit for Life" program which provides each employee household with the opportunity to receive a 50% reimbursement for fitness equipment expenses and 100% reimbursement for fitness club memberships and/or fitness class fees, up to \$200 per calendar year.

Lakeside wants you and everyone associated with the company to enjoy the gift of good health and well-being. Please feel free to contact our wellness website at www.lakesidefoodshealthplan.com for a wide variety of educational information on medical treatments and conditions, along with numerous tools to help you best achieve your wellness goals.

Important: This summary of benefits is intended to give an over-view of the programs provided by Lakeside Foods to their employees and families. In cases of discrepancies or misinterpretations, the actual Plan documents will prevail.