

IMPORTANT NOTICE

(PLEASE READ THOROUGHLY)

for Employees of Offshore Energy Services, Inc.

Regarding Your Rights Concerning Pre-Existing Condition Exclusions and Special Enrollment Provisions under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) is a federal law that provides for many important changes in your health plan concerning pre-existing conditions, enrollment in the Plan, and the portability and availability of coverage.

Two significant areas of change are pre-existing condition exclusions and enrollment provisions. A preexisting condition is any physical or mental condition (regardless of the cause of the condition) for which medical advice, diagnosis, care or treatment was recommended or received within the 6-month period (unless your Plan states otherwise) ending on your enrollment date. Your enrollment date is the first day of coverage or, if there is a waiting period, the first day of the waiting period. Under the law, a pre-existing condition exclusion period may not be imposed on any enrollee under age 19 and may not be longer than 12 months (18 months for a late enrollee, but *only* if your Plan allows late enrollees). Furthermore, the pre-existing period imposed by the Plan will be reduced or eliminated by prior, creditable health coverage you had, provided you did not have a break in coverage of 63 days or more immediately prior to your enrollment in this Plan. You are entitled to a certificate of creditable coverage from your prior health plan that will show evidence of any coverage under that plan. If necessary, your Plan Administrator will assist you in obtaining a certificate from your prior plan. This notice makes no determination as to whether you or your dependents have a pre-existing condition. However, if you are now in a pre-existing period and you have any prior creditable coverage, it is important that you submit a certificate of creditable coverage to your Plan Administrator. It may reduce your pre-existing period. Failure to timely submit a valid certificate or other acceptable documentation of creditable coverage may result in the denial of claims related to a pre-existing condition. **Note:** For plan years beginning on or after January 1, 2014, there are limitations on plans imposing preexisting condition exclusions. Pursuant to the Patient Protection and Affordable Care Act, such exclusions will become prohibited beginning on the first day of the plan year that occurs on or after January 1, 2014. Due to this change, certificates of creditable coverage will be phased out and no longer issued beginning December 31, 2014.

Another provision significantly affects enrollment. For example, if you decline enrollment for yourself or your dependents because of other health insurance coverage, such as your spouse's group health plan, you "may" in the future be able to enroll yourself or your dependents in this plan, provided that you request enrollment within 30 days after your other coverage ends, and you meet certain other important conditions described in the Summary Plan Description. Termination of other coverage must also meet certain qualifying reasons such as exhaustion of COBRA or state law continuation rights, loss of eligibility for other coverage due to legal separation, divorce, death, termination of employment or reduction in hours, or because employer contributions for other coverage cease.

Also, if you acquire a new dependent as a result of marriage, birth, adoption, or placement for adoption, you "may" be able to enroll yourself, your spouse, and your newly acquired dependents, provided you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption, and you meet certain other important conditions described in the Summary Plan Description.

If you have any questions concerning this notice please contact your Plan Administrator.

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(PLEASE READ THOROUGHLY)

for Employees of Offshore Energy Services, Inc.

Regarding Your Rights Concerning Special Enrollment Period under the Health Insurance Portability and Accountability Act of 1996 (IDPAA)

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing towards you or your dependents' other coverage). However, you must request enrollment within 30 days after you or your dependents' other coverage ends (or after the employer stops contributing towards the other coverage).

If you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

In addition, if you and your dependent are covered under Medicaid or a state children's health insurance program and you lose eligibility for such coverage, you may request coverage for yourself and your dependent child, and you may be able to enroll yourself and your dependent in this Plan if you request enrollment within 60 days of losing such coverage.

To request special enrollment or obtain more information, contact:

Name: Karla Norris

Title: IT/Insurance Manager

Phone Number: 337-837-1024