


AIR LIQUIDE
EXTEND HEALTH
Transition Guide

 Review the
Transition Guide

 Attend an Information
Session or Conference Call

 Prepare to Enroll
through Extend Health
by December 31

ExtendHealth[®]
A Towers Watson company



Effective January 1, 2014, Air Liquide will offer a new way for Medicare-eligible retirees (or retirees over the age of 65) and dependents to access medical and prescription drug coverage. The plan you currently have is no longer being offered by Air Liquide; however, through this new program, you'll have more flexibility to choose the Medicare plan that best fits your needs and budget. This new program will replace the company-sponsored retiree medical plan currently available to Medicare-eligible retirees and dependents.

To offer this new program, we've partnered with Extend Health, a company that specializes in helping retirees evaluate and enroll in Medicare insurance.

Please review this brochure to learn more about the new program.

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Information Session

Air Liquide will offer an in-person information session and two conference calls to help you learn more about the new program. See the enclosed invitation for details.

Who is eligible for Medicare?

Generally, you are eligible for Medicare if you or your spouse worked for at least 10 years in Medicare-covered employment and you are 65 years or older and a citizen or permanent resident of the United States. If you aren't yet 65, you might also qualify for Medicare if you have a disability or end-stage renal disease (permanent kidney failure requiring dialysis or a transplant).

What's Changing

COMPANY-SPONSORED PLAN REPLACED BY NEW PROGRAM

Effective January 1, 2014, Air Liquide will replace the current company-sponsored medical and prescription drug benefit plan for Medicare-eligible retirees and dependents with a new program that provides access to a variety of options in the individual Medicare marketplace. The new program will offer retirees more flexibility and choices on how they spend their health care dollars. You'll have access to health coverage through this new program when you become eligible for Medicare.

NEW RETIREE MEDICAL PARTNER — EXTEND HEALTH

We've partnered with Extend Health, a Towers Watson company, to offer this new program. Extend Health is not an insurance company. Extend Health operates the nation's largest private Medicare exchange, which offers thousands of private Medicare plans from more than 85 health insurance carriers. You'll receive personalized services from Extend Health, such as one-on-one counseling to assist with plan selection, enrollment and ongoing customer service support and advocacy.

MORE OPTIONS

Through Extend Health's services, retirees will have access to a greater choice of plans in the Medicare marketplace, including Medicare Supplements, Medicare Advantage plans and Part D prescription plans. Extend Health will help participants choose and enroll in coverage from a selection of plans administered by the largest and most popular national and regional insurance companies, including United Healthcare, Aetna, CIGNA, Humana and Blue Cross Blue Shield plans. You have the option to select one plan for yourself and a different plan for your Medicare-eligible spouse, if desired.

DENTAL AND VISION COVERAGE

In addition to Medicare plans, you'll now have the option of enrolling in an individual dental and/or vision plan at rates similar to group rates through Extend Health.

PAYING FOR COVERAGE

Going forward, you'll pay the full premium directly to the insurance carrier. If you have money in a Health Savings Account (HSA), you can use these funds to pay for your medical plan premiums and out-of-pocket expenses.

If your medical premium is currently deducted from your monthly pension check, these deductions will stop, and you will begin to pay premiums directly to the insurance carrier you choose. CONEXIS will no longer collect medical premiums on your behalf for the insurance carrier.

If your dependent is not Medicare eligible, the cost for his or her coverage will continue to be deducted from your pension check until age 65 unless otherwise directed or changed.



Paying for Coverage

CURRENT PROCESS

YOU



AIR LIQUIDE



INSURANCE CARRIER

Pay your portion of the premium through a deduction from your pension check

Pays the full premium directly to the insurance carrier

NEW PROCESS

YOU



INSURANCE CARRIER

Pay the full premium to the insurance carrier

RETIREE LIFE INSURANCE

Beginning December 31, 2016, Air Liquide will eliminate company-paid retiree life insurance. Plan participants will have the opportunity to continue coverage through the plan's portability or conversion options.

Through either option — portability or conversion — you can continue your life insurance coverage. Portability allows you to continue your company-provided retiree life insurance coverage at group rates. The rates are based on your age and, therefore, change with your age.

If you choose to convert your retiree life insurance to an individual whole life policy, rates are set by your age at conversion and do not change. Whole life policies build cash value from which you can take loans or receive a cash refund if you surrender the policy.

You'll receive more information from MetLife on this change and the process for porting or converting your retiree life insurance coverage in the coming months.

To speak with a MetLife representative who can answer questions about portability, call 1-888-252-3607.

To be connected with a MetLife representative who can answer questions about conversion, call 1-877-275-6387.



How the Transition to Extend Health Will Work

Extend Health will help you enroll in an individual plan using a three-step approach.

1 EDUCATION

Shortly after you receive this information, you'll receive an *Enrollment Guide* from Extend Health containing instructions on how to evaluate and enroll in the plan that's best for you. This *Enrollment Guide* will include information about your health plan options, worksheets to help you evaluate which type of plan will offer the coverage you need, and information about how to schedule your personalized call with a licensed benefit advisor. In addition, Air Liquide and Extend Health will conduct an in-person information session in Houston. We encourage you and your spouse to attend the session if you live in the Houston area. There will also be two phone conferences available for retirees and dependents in other areas of the country.

2 EVALUATION

On the Extend Health website (www.extendhealth.com/airliquide), you will be able to review the options available to you before speaking with a benefit advisor and use the online decision support tools. (Note: AARP Medicare Supplement plans are not listed on the website. You can find out more information regarding the AARP Medicare Supplement plans during your call with your licensed benefit advisor.) During your dedicated appointment with a benefit advisor, you'll learn how to use your health care, including any prescription drugs you take, the medical providers you see, and the type of care that you need. You'll learn which type of Medicare plan is best for you based on your specific lifestyle and health care requirements. Your benefit advisor will offer you choices using this data to help you determine which option makes sense for you.

3 ENROLLMENT

Your benefit advisor will expedite the enrollment process and help you apply for and enroll in the Medicare plan you select. During the dedicated enrollment period (now through December 31), your benefit advisor will help you make an informed decision. Applications are submitted electronically by the benefit advisor to your insurance company, so there is no paperwork to fill out and you aren't required to submit your elections online.

Tips for Your Benefit Advisor Call

- Call to speak with a benefit advisor as indicated in your *Enrollment Guide* packet or call to make an appointment at another time.
- Use the questions and checklist in the *Enrollment Guide* to help you prepare for your call.
- Set aside enough time to complete the enrollment process during the call. Depending on the amount of information, education and understanding needed to make your selection, a call can take up to an hour. If both you and your spouse are enrolling, you should allow up to two hours for the call.
- If you have someone, such as a caregiver or third party advisor, who helps you make your health care decisions, your benefit advisor can connect them during your call.

Retirees or Dependents Not Eligible for Medicare

If you or your dependents are not Medicare eligible, you can continue coverage under the Air Liquide retiree medical plan for non-Medicare-eligible retirees and dependents. However, all Medicare-eligible retirees and dependents will move to Extend Health on January 1, 2014.

After You've Enrolled

- You'll receive an enrollment confirmation letter.
- You'll begin receiving information from the insurance carrier you've chosen, including new ID cards. Your ID cards may take six to eight weeks to arrive after you enroll.
- Effective January 1, 2014, medical plan premiums will no longer be deducted from your pension check. You'll pay your insurance premium directly to your insurance provider (e.g., Aetna, Cigna, etc.).
- You'll continue to receive communications, such as newsletters and emails, from Extend Health throughout the year. If you need assistance with a claim, you can contact Extend Health for support and assistance.
- Each year you'll receive a reminder from Extend Health announcing the open enrollment period for the new program year. If you decide to change to another medical plan, you'll enroll through Extend Health by contacting a benefit advisor.



What's Next

October 30, 2013

Extend Health Enrollment Guide Mails

You'll receive the *Enrollment Guide* in your mail. It outlines the actions you need to take through the end of 2013 to access and enroll in coverage using the Extend Health service.

**November 1, 2013 –
December 31, 2013**

Enrollment Period

Schedule an appointment with an Extend Health benefit advisor to enroll by phone. You can also access the extensive online tools available on www.extendhealth.com/airliquide.

November 15, 2013

In-Person Information Session

You can attend an in-person information session in Houston or join a conference call to learn more about the new program and to ask questions. See the enclosed letter and invitation for details.

December 2, 2013

Phone Conference Information Session

You can attend a phone conference information session to learn more about the new program and to ask questions. See conference call information in the enclosed letter.

December 31, 2013

Coverage Under the Current Air Liquide Plan Ends

Coverage under the current Air Liquide medical and prescription plan ends.

January 1, 2014

New Coverage Becomes Effective

Your coverage under the new plan you elected through Extend Health will be effective.





Frequently Asked Questions

Inside the Enrollment Guide, you'll find information on how to contact Extend Health with questions (online or by phone). In the meantime, we've provided the following answers to frequently asked questions.

ENROLLING

Who is eligible to enroll in health coverage through Extend Health?

Medicare-eligible retirees and Medicare-eligible dependents who are currently enrolled in the Air Liquide medical plan are eligible to enroll through Extend Health.

Can I add new dependents to my coverage?

No. Like the rules of our current Air Liquide retiree health program, the coverage through Extend Health will not allow you to add any new dependents to your coverage.

Can I enroll my spouse in the program if he/she isn't eligible for Medicare yet?

No. The plans available through Extend Health are for Medicare-eligible individuals only. If your spouse is currently covered under the Air Liquide medical plan, that coverage will continue. Once your spouse reaches age 65, or otherwise becomes eligible for Medicare, he or she will be offered coverage through Extend Health (assuming you remain enrolled).

I'm retired but not yet 65. What happens to my coverage?

You can remain in the Air Liquide medical plan until you reach age 65 or become Medicare eligible. At that time, you'll be offered coverage under the new program with Extend Health. If your spouse is Medicare eligible, he or she will move to the new program with Extend Health effective January 1, 2014.

If I'm age 65 or older or Medicare eligible, can I choose to remain in the Air Liquide medical plan I have now?

No. The Air Liquide Medicare-eligible retiree medical plan will end on **December 31, 2013**. Air Liquide has partnered with Extend Health to help you in your plan selection. You must select an individual Medicare plan by December 31, 2013, to have coverage on January 1, 2014, and avoid a lapse in coverage.

What if I have a medical claim between now and January 1?

Any claims for services completed through December 31 must be filed to your current carrier within one year of the date of the service.

Can I choose not to enroll in a plan through Extend Health?

You can choose not to enroll in a plan through Extend Health, but you'll no longer have coverage under the current Air Liquide medical plan after December 31, 2013.

If I enroll through Extend Health during this enrollment period but later decide to drop my coverage, can I re-enroll later?

You can enroll in a plan through Extend Health at any time in the future during the annual coordinated election period (open enrollment period), October 15 through December 7, or any time during the year if you have a qualifying event. There may also be restrictions and/or penalties if you drop coverage and seek to re-enroll in a Medicare coverage option at a later date.

Can I change plans through Extend Health next year?

You can choose a different health plan offered through Extend Health during the annual enrollment period in future years. After your first enrollment period, changes to your Medicare coverage may be subject to underwriting — meaning you can be rated or denied based on your pre-existing medical conditions. If you wish to change your 2014 Individual Medicare plan selection in the future, Extend Health will assist you with the underwriting requirements, help you understand your options and select a plan that meets your needs. You will not be “guaranteed issue” at this time. See the next question for details.

What does “guaranteed issue” mean?

In general, if you enroll during the initial enrollment period, you’re guaranteed coverage by one of the plans available in your area, regardless of your current medical conditions. This is referred to as “guaranteed issue.” This means, during your first enrollment period, if you’re eligible to enroll in a Medicare supplemental plan, you cannot be turned down for coverage based on your medical history or pre-existing conditions.

Do I need to enroll in prescription coverage?

It’s recommended that you choose a Medicare Advantage plan that includes prescription coverage or enroll in a separate Part D prescription plan.

What happens if I don’t enroll in prescription coverage?

Once the Air Liquide retiree medical coverage ends, you’ll no longer have creditable coverage. You’ll have 63 days from the date the plan terminates on December 31, 2013, to obtain prescription coverage or potentially pay a Medicare Part D penalty. This could result in significantly higher premiums if you decide to enroll in Medicare Part D later.

GENERAL

What is a “Medicare supplemental” plan?

A Medicare supplemental plan is a plan that fills the gaps in your Medicare Part A and Part B coverage. These are called Medigap (also known as Medicare Supplement) plans. When you receive your Enrollment Guide, it will describe the different types of Medicare plans for which you are eligible.

What is a “Medicare Advantage” plan?

A Medicare Advantage Plan (like an HMO or PPO) is another way to get your Medicare coverage. If you join a Medicare Advantage Plan, you still have Medicare. You’ll get your Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) coverage from the Medicare Advantage Plan, not traditional Medicare. Medicare Advantage Plans, sometimes called “Part C” or “MA” Plans, are offered by private companies approved by Medicare.

What is the difference between individual coverage and group coverage?

When you have individual coverage, the policy is between you and the insurance carrier. When you have group coverage, your plan's sponsor (Air Liquide) contracts with the insurance carrier to provide the same coverage to a certain group (Air Liquide retirees). The plan sponsor negotiates the rates, levels of coverage and service with the insurance carrier.

Can my retiree benefits be changed in the future?

Yes. As it has in the past, Air Liquide reserves the right to make changes to its retiree benefit plans and program. After evaluating the current program, Air Liquide has decided to change benefits to offer the Extend Health program. Similarly, in the future, the company may decide to make additional changes.

If I will be in the middle of treatment or have a procedure scheduled when the transition occurs on January 1, what should I do?

Before your next treatment or scheduled procedure following enrollment, contact an Extend Health benefit advisor for assistance. Your benefit advisor can help you determine if your current doctor is in the new plan's network and how the treatment or procedure will be covered. You should also alert your doctor to the change in your plan and provide a copy of your new ID card when it arrives.

Should I get my prescriptions refilled before my current Air Liquide medical coverage ends?

It's a good idea to fill any prescriptions with refills available before your Air Liquide medical coverage ends on December 31. While you can copy your Enrollment Confirmation Letter to prove coverage under your new plan until your

ID cards arrive, having newly filled medications on hand will keep you from running out before your new coverage is set up. To refill prescriptions through the mail-order service, you should submit your request no later than December 15, 2013, to ensure there is enough time to process it before December 31.

How will I know how much and when to pay premiums on my new coverage?

Your Extend Health benefit advisor will discuss the monthly premiums with you. In addition, the insurance carrier you choose will mail you information about your monthly premium once you enroll. Depending on your plan, you may have the option of setting up an automatic payment from your checking or savings account.

Do I need Internet access to learn about my options or to enroll?

No. Your Extend Health benefit advisor will walk you through your options and complete the enrollment process by phone. However, if you have Internet access, you might find the informational tools available on the Extend Health website (www.extendhealth.com/airliquide) helpful.



Important Disclosure

- Air Liquide provides retiree benefits to participants through the Air Liquide Medical Plan for Retirees (the “Plan”).
- This announcement is not a guarantee that you will receive any particular retiree health benefit under the Plan or any other plan or program maintained by Air Liquide.
- While Air Liquide currently intends to continue the benefits described in this summary, the company, acting through its Board of Directors or other authorized delegate, has reserved the right to further change or terminate the Plan at any time for any reason. There is no guarantee that the Plan will be maintained in its current form.
- This summary constitutes a “Summary of Material Modifications” for purposes of notifying you of changes to the Plan. You should keep this summary for your records.

