

Amazon.com 401(k) Plan

Summary Plan Description

January 1, 2016

Introduction

Amazon Corporate LLC ("Plan Sponsor") established the Amazon.com 401(k) Plan ("Plan") effective November 1, 1996. The Plan is maintained for the exclusive benefit of you and other eligible employees for the purpose of saving and investing on a tax-advantaged basis.

To become a Participant in the Plan, you must meet the Plan's eligibility requirements. Once you become a Participant, you may elect to reduce your annual taxable income by deferring a portion of your Compensation into the Plan as Elective Deferrals. In addition, the Employer may make contributions to the Plan. You may invest your Elective Deferrals and other contributions in the Plan's various investment options. The Plan's Trustee will maintain an Account for you under the Plan. Your Account will be adjusted to reflect contributions, withdrawals, gains, and losses on each business day the New York Stock Exchange is open for trading. The benefit that you will receive under the Plan will be determined by the Elective Deferrals and other contributions that are made to the Plan on your behalf and the investment gains and losses on those Elective Deferrals and contributions. The percentage of your Account to which you will be entitled when you terminate employment is based on the Plan's vesting schedule. These features are explained further in the following pages.

The actual Plan is a legal document that has been written in the manner required by the Internal Revenue Service ("IRS") and is referred to as the "Plan document." This document is called a Summary Plan Description ("SPD"). This SPD explains and summarizes the important features of the Plan document as in effect on January 1, 2016 and applies to eligible employees employed by the Employer and certain Related Employers (other than Zappos.com, Inc. ("Zappos")) on or after that date. If your employment with the Employer and such Related Employers terminated prior to January 1, 2016, portions of this SPD may not apply to you. Generally, your rights to benefits are governed by the terms of the Plan as in effect at the time your employment terminates. If you are (or have been) employed by Zappos, this SPD does not apply to any benefits under the Plan you may accrue (or may have accrued) during your Zappos employment; for such benefits, you should instead refer to the SPD for Zappos employees.

Please keep in mind that this SPD is only a summary of the principal features of the Plan document. Although every effort has been made to make this SPD as complete and accurate as possible, it is not a substitute for the Plan document itself. The detailed provisions of the Plan document, not this SPD, govern the administration of the Plan and the actual rights and benefits to which you are, or may become, entitled. Accordingly, in the case of any conflict between this SPD and the terms of the Plan document, the Plan document will control.

If at any time you have specific questions about the Plan as it applies to you, please bring them to the attention of the Plan Administrator, whose address and telephone number appear in Section 8 of this SPD. You may also examine the Plan document itself by making arrangements with the Plan Administrator.

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SECTION ONE DEFINITIONS

The following definitions are used in the text of this SPD. These words and phrases are capitalized throughout the SPD for ease of reference.

- 1.1 **Account** means one or more contribution accounts established and maintained for you that are made up of all contributions made by you or on your behalf.
- 1.2 **Catch-Up Contributions** means additional Elective Deferrals not to exceed the applicable dollar limit for a given year (as further described in Section 3.1(d)), made under the Plan by Participants who attain age 50 before the close of the calendar year.
- 1.3 **Code** means the Internal Revenue Code of 1986, as amended.
- 1.4 **Company Stock** means the common stock of Amazon.com, Inc., a Delaware corporation, which is traded on NASDAQ.
- 1.5 **Company Stock Fund** means an investment fund that is designed to invest exclusively in Company Stock. The Company Stock Fund is an available investment option only for Matching Contributions.
- 1.6 **Compensation** means the earnings paid to you by the Employer that are taken into account for purposes of the Plan and that are described further in Section 3.2.
- 1.7 **Disability or Disabled** means the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment must be supported by medical evidence. The Plan Administrator will determine whether you satisfy the definition of Disability.
- 1.8 **Elective Deferrals** means the money you put into the Plan as Pre-tax Contributions and/or Roth (after-tax) Contributions (both terms as defined in Section 3.1(a)). Your total Elective Deferrals (combined Pre-tax Contributions and Roth Contributions) cannot exceed the applicable individual dollar limit for a given year as described in Section 3.1(d). Pre-tax Contributions and Roth Contributions (and their respective earnings) are credited to separate accounts under your Account.
- 1.9 **Eligibility Computation Period** means the 12-consecutive-month period beginning on your hire date. Succeeding 12-consecutive-month periods are measured by reference to each anniversary of the first day of the Plan Year that includes the first anniversary of your employment date (or reemployment date following an Eligibility Computation Period in which you complete 500 hours of service or less).
- 1.10 **Employee** means any person employed by the Employer or a Related Employer.
- 1.11 **Employer** means the Plan Sponsor and the Participating Employers.
- 1.12 **ERISA** means the Employee Retirement Income Security Act of 1974, as amended.
- 1.13 **Highly Compensated Employee** means any Employee who (a) was a greater than 5% owner at any time during the current year or the preceding year or (b) had compensation from the Employer and Related Employers in excess of \$120,000 during 2015 for purposes of the 2016 Plan Year and was in the top-paid group of Employees. The compensation threshold may be adjusted in future years for changes in the cost-of-living index.
- 1.14 **Matching Contribution** means a contribution made by the Employer to the Plan on your behalf that is based on your Elective Deferrals (but not your Catch-up Contributions).

- 1.15 **Participant** means an Employee who has met the eligibility requirements, has entered into the Plan, and has become eligible to make or receive a contribution to his or her Account.
- 1.16 **Participating Employer** means all Related Employers other than those listed in Appendix A of this SPD, as of the date specified therein and as may be updated from time to time.
- 1.17 **Plan** means the Amazon.com 401(k) Plan. The Plan is governed by the Plan document, a legal document containing various technical and detailed provisions. The Plan Administrator has a copy of the Plan document.
- 1.18 **Plan Administrator** means the Plan Sponsor's Investment and Administrative Committee. The Plan Administrator is responsible for the day-to-day administration and management of the Plan. The Plan Administrator has the discretionary authority to (a) determine whether and to what extent Participants and beneficiaries are entitled to Plan benefits and (b) construe the Plan terms. The Plan Administrator will be deemed to have properly exercised such discretionary authority unless the Plan Administrator has abused its discretion by acting arbitrarily and capriciously. To ensure efficient and sound operation and management of the Plan, the Plan Administrator has the discretionary authority to appoint other persons as may be necessary to act on its behalf or assist in performing its responsibilities.
- 1.19 **Plan Sponsor** means Amazon Corporate LLC.
- 1.20 **Plan Year** means the calendar year.
- 1.21 **ODRO or Qualified Domestic Relations Order** means a court order issued under state domestic relations law and approved by the Plan Administrator, relating to divorce, legal separation, or custody or support proceedings, that awards all or a portion of your benefit under the Plan to an alternate payee and as further described in Section 6.6.
- 1.22 **Related Employer** means an employer that is a member of the controlled group of corporations that includes the Plan Sponsor.
- 1.23 **Trustee** means the person(s) or entity(ies) appointed by the Plan Sponsor and who agrees (or agree) to serve as trustee of the trust established pursuant to the Plan. The current Trustee is named in Section 8.

SECTION TWO ELIGIBILITY AND PARTICIPATION

2.1 ELIGIBLE CLASSES OF EMPLOYEES

You will generally be allowed to become a Participant in the Plan after having satisfied the age and service requirements described below. Even if you satisfy the eligibility criteria, however, you are not eligible to become a Participant in the Plan if you are:

- classified by the Employer as (a) regularly scheduled to work less than 30 hours per week, (b) temporary, intern or seasonal, or (c) in-house temporary staffing; however, even if you are so classified, you will still be allowed to become a Participant in the Plan if you complete 1,000 or more hours of service during your Eligibility Computation Period;
- not on the U.S. payroll of the Employer;
- an Employee of a Related Employer that is not participating in the Plan (as listed in Appendix A);
- an Employee of a Related Employer who is eligible to participate in a plan, separate from the Plan, that is maintained by the Related Employer and intended to be qualified under Code Section 401(a);
- an Employee who is a nonresident alien with no U.S.-source earned income from the Employer or a Related Employer;
- classified as other than an Employee of the Employer or a Related Employer (including an individual performing services for the Employer but paid by a temporary or other staffing agency) at the time you perform services for the Employer or a Related Employer, even if it is later determined that you were an Employee of the Employer or a Related Employer during such period;
- an Employee who is included in a unit of employees covered by a collective bargaining agreement;

- a leased employee;
- an Employee who would be a leased employee if you were not a common law employee of the Employer or a Related Employer; or
- a greater than 5% owner of Amazon.com, Inc. (within the meaning of Code Section 416) for purposes of Matching Contributions only.

2.2 AGE AND SERVICE REQUIREMENTS

If you are an eligible Employee as described above and you are a full-time employee, you will become a Participant in the Plan on the later of your hire date or the date you attain age 18.

If you are an eligible Employee as described above and you are a part-time employee scheduled to work less than 30 hours per week or you are classified as "temporary," "intern," "seasonal," or "in-house temporary staffing," you will become eligible to participate in the Plan on the later of the date you attain age 18 or the end of the Eligibility Computation Period during which you first complete at least 1,000 hours of service. Your Eligibility Computation Period is the 12-month period beginning on your hire date (or rehire date following a break in service). Subsequent Eligibility Computation Periods are based on the Plan Year, starting with the Plan Year that begins in your first Eligibility Computation Period. You will have a break in service if you have less than 501 hours of service in your Eligibility Computation Period.

Examples: Sally is over age 18 and is hired as a part-time employee on June 5, 2015 and is scheduled to work less than 30 hours per week. Sally completes at least 1,000 hours of service by June 4, 2016. She is therefore eligible for the Plan on June 5, 2016. Ed is over age 18 and is also hired as a part-time employee (scheduled to work less than 30 hours per week) on June 5, 2015, but Ed only completes 800 hours of service by June 4, 2016. However, during the Plan Year beginning January 1, 2016 and ending December 31, 2016, Ed completes at least 1,000 hours of service. Ed is eligible for the Plan on January 1, 2017.

2.3 HOW HOURS OF SERVICE ARE COUNTED

Your hours of service for eligibility and vesting purposes are generally counted on the basis of the actual number of hours you work or for which you are entitled to Compensation. In calculating your hours of service, you will receive credit for (a) each hour for which you are directly or indirectly paid, or entitled to payment, for the performance of duties for the Employer or a Related Employer, (b) each hour for which you are directly or indirectly paid, or entitled to payment, by the Employer or a Related Employer on account of a period of time during which you do not perform duties for the Employer or a Related Employer due to vacation, holiday, illness, incapacity, Disability, layoff, jury duty, military duty or leave of absence (provided that no more than 501 hours will be counted for any single continuous period during which no duties are performed), and (c) each hour for which back pay is agreed to by the Employer or a Related Employer.

2.4 WHEN YOU MAY PARTICIPATE IN THE PLAN

You will become a Participant in the Plan on the date that you meet the eligibility requirements described above.

SECTION THREE PLAN FUNDING AND ADMINISTRATION

3.1 PLAN CONTRIBUTION SOURCES, ALLOCATIONS AND LIMITATIONS

(a) Elective Deferrals

Elective Deferrals are amounts that you elect to contribute to the Plan rather than receive as cash Compensation. These contributions are made by payroll deduction. You may elect to have amounts withheld from your Compensation as Pre-tax Contributions or as Roth (after-tax) Contributions. The combined percentage of your Pre-tax Contributions and Roth Contributions may not exceed 90% of your Compensation.

Pre-tax Contributions. Pre-tax Contributions are Elective Deferrals that you irrevocably designate as Pre-tax Contributions when you make your Elective Deferral election. Pre-tax Contributions are not subject to federal (and,

in most cases, state) income tax until they are distributed to you. They are, however, subject to social security taxes. Later, when the Plan distributes the Pre-tax Contributions and earnings to you, you will pay the income taxes on those Pre-tax Contributions and earnings. Therefore, federal (and in most cases, state) income taxes on the Pre-tax Contributions and earnings are only postponed. Eventually, you will have to pay income taxes on these amounts.

Roth Contributions. Roth Contributions are Elective Deferrals that you irrevocably designate as Roth Contributions when you make your Elective Deferral election. Roth Contributions are deducted from your Compensation after the imposition of federal (and state, if applicable) income and social security taxes. Roth Contributions and, in most cases, earnings on Roth Contributions are not subject to federal (and, in most cases, state) income taxes when distributed to you. However, for the earnings to be distributed tax-free, there must be a "qualified distribution" from your Roth Contribution Account.

A distribution from your Roth Contribution Account is a "qualified distribution" only if it occurs after (i) your attainment of age 59½, (ii) your disability (as defined by the Code), or (iii) your death. In addition, the distribution must occur after the five-taxable-year period beginning with the first taxable year in which you made Roth Contributions to the Plan (or to a prior employer's qualified plan if such amount was rolled over into this Plan). It is not necessary to make a Roth Contribution in each of the five years. For example, if you make a Roth Contribution to the Plan on December 15, 2014, the five-taxable-year period will end on December 31, 2018.

To begin making Elective Deferrals, you have the following options:

- Contact Vanguard at 1-800-523-1188 or
- Log on to www.vanguard.com.

Examples: How Elective Deferrals will affect your pay. Assume your Compensation each pay period is \$1,000:

- If you elect to make Pre-tax Contributions equal to 5% of your Compensation, the Employer will pay you \$950 as gross taxable income and deposit 5% of your Compensation (\$50) into the Plan each pay period. Although your \$50 Pre-tax Contribution is subject to social security taxes, such Pre-tax Contribution and any related earnings are not subject to income tax until you later withdraw them from the Plan.
- If you elect to make Roth Contributions equal to 5% of your Compensation, the Employer will pay you \$950 and deposit 5% of your Compensation (\$50) into the Plan each pay period. You will have gross taxable income of \$1,000 because the \$50 Roth Contribution is taxed when contributed. Your Roth Contributions are not subject to income tax when distributed from the Plan. In addition, if you meet the requirements for a "qualified distribution" (described above), you will not be taxed on any earnings on your Roth Contributions when you later withdraw the earnings from the Plan.
- If you elect to make Pre-tax Contributions equal to 5% of your Compensation and Roth Contributions equal to 5% of your Compensation, the Employer will pay you \$900 and deposit 10% of your Compensation (\$100) into the Plan each pay period. For the reasons described in the above examples, you will have gross taxable income for such pay period of \$950.

Elective Deferrals (other than Catch-up Contributions) you contribute to the Plan as Pre-tax Contributions and/or Roth Contributions are eligible for Matching Contributions described in Section 3.1(f).

(b) Automatic Contribution Arrangement for Certain Employees Prior to April 1, 2013

The automatic contribution arrangement provisions are set forth in Appendix B of this SPD and do not apply to any eligible Employee on and after April 1, 2013. However, an eligible Employee who was automatically enrolled under the provisions set forth in Appendix B shall continue to be automatically enrolled until such eligible Employee makes an affirmative election in the manner described in Appendix B or is no longer an eligible Employee, whichever occurs first.

(c) Saver's Credit for Eligible Savers

Depending on your income level, you may be entitled to a tax credit, called the "saver's credit" based on your Elective Deferrals. Please refer to Appendix D of this SPD, as may be updated from time to time, for additional details regarding the saver's credit.

(d) Limits on Elective Deferrals

In addition to the Plan's percentage limit on your Elective Deferrals described above, federal tax laws limit the amount of Elective Deferrals that you may make. Specifically, federal tax law places two annual limits on the amount you may defer into a 401(k) plan: an individual limit and an average limit.

Individual Limits. Federal tax law limits the amount of Elective Deferrals you may contribute to the Plan during each of your tax years (generally, a calendar year). This limit is \$18,000 for 2016 and may be adjusted in future years for changes in the cost-of-living index. This limit applies to all Elective Deferrals you make during your tax year to the Plan as well as any other deferral plans maintained by your present or former employers.

If you are age 50 or older at any time during the calendar year, you may make additional Elective Deferrals called Catch-up Contributions in excess of the \$18,000 limit (as adjusted) explained above. You may contribute an additional \$6,000 in 2016 as Catch-up Contributions. This amount may be adjusted in future years for changes in the cost-of-living index. Once your Elective Deferrals for the calendar year exceed the individual or average limits, subsequent Elective Deferrals will be treated as Catch-up Contributions as they are deferred, provided they do not exceed the applicable limit for Catch-up Contributions for the calendar year.

If you defer more than you are allowed to defer in a calendar year, you must submit a written request for the return of the excess to the Plan Administrator no later than the following April 1.

The excess amount and any earnings you may have received on the excess amount must be taken out of the Plan and distributed to you by April 15 of the year following the year the money went into the Plan. Such excess amount and earnings will first be taken from your unmatched Elective Deferrals and/or Catch-up Contributions, as applicable, and then from your matched Elective Deferrals. The taxable portion of the excess amount will be reported on Form 1099-R and will be taxable income for the year in which you put the excess into the Plan. Earnings on the excess amount will be taxable in the year distributed. If such amount is not removed by April 15, the Plan Administrator will be unable to distribute it to you until the rest of your vested Account balance is distributed to you, and you may end up paying tax on the excess twice, once currently and once when the excess amount is finally distributed to you.

Average Limits. Federal tax law defines a group of employees known as Highly Compensated Employees. Highly Compensated Employees making Elective Deferrals under the Plan may be limited in the amount of their Compensation that they may defer based on the average percent of Compensation deferred by the non-highly compensated group of Employees during the current Plan Year. If these limits apply to you, your future Elective Deferrals may be reduced or your past Elective Deferrals may be returned to you (or, if you are age 50 or older, recharacterized as Catch-up Contributions to the extent possible) if the Plan Administrator determines that such action is necessary for the Plan to meet the required rules. The Plan Administrator will give you additional information if these limits apply to you.

(e) Changing Your Elective Deferral Percentages

To change the amount of your Elective Deferrals or discontinue making Elective Deferrals, log on to www.vanguard.com or call Vanguard at 1-800-523-1188.

(f) Matching Contributions

Matching Contributions are Employer contributions that are contributed to the Plan based on your Elective Deferrals and your Compensation (described in Section 3.2). The Employer will make Matching Contributions to the Plan

each pay period equal to 50% of your Elective Deferrals that do not exceed 4% of your Compensation for such pay period (i.e., a maximum match of 2% of your Compensation). At the end of the Plan Year, the Employer will recalculate the Matching Contributions for the Plan Year, based on your match-eligible Elective Deferrals and Compensation for the entire Plan Year. If this amount is greater than the amount of the Matching Contributions already contributed to your Account, an additional Matching Contribution equal to the difference will be made for you. Your "match-eligible contributions" are your Elective Deferrals (but not your Catch-up Contributions) made to the Plan for the Plan Year that do not exceed 4% of your Compensation for that Plan Year. To share in the additional year-end Matching Contribution, you must be employed by the Employer on the last day of the Plan Year.

Highly Compensated Employees receiving Matching Contributions are limited in the amount of Matching Contributions that they may receive based on the average Matching Contribution (as a percentage of Compensation) received by the non-highly compensated group of Employees during the current Plan Year. If these limits apply to you, past Matching Contributions may be distributed or forfeited if the Plan Administrator determines that such action is necessary for the Plan to meet the required rules. The Plan Sponsor will give you additional information if these limits apply to you.

(g) Rollover Contributions

Subject to the Plan Administrator's approval, you may make eligible rollover contributions to the Plan from a qualified plan described in Code Section 401(a) or 403(a), or from a Code Section 403(b) plan, regardless of whether you have become a Participant in the Plan, unless you are part of an excluded class of Employees. You may also elect a direct rollover of any designated Roth account from a prior employer's qualified plan or Code Section 403(b) plan. Rollover contributions of Roth amounts will be accounted for separately from other rollover contributions. Rollovers of after-tax amounts (except for designated Roth amounts) and rollovers from a Code Section 457(b) plan or an individual retirement account ("IRA") are not permitted. You are 100% vested in your rollover contributions at all times and may withdraw them from the Plan at any time.

(h) Annual Additions Limitation

Federal tax law limits the annual amount that may be allocated to your Account (including your Elective Deferrals and Matching Contributions, but not counting Catch-up Contributions). For 2016, the limit is the lesser of \$53,000 or 100% of your compensation. This limit may be adjusted in future years for changes in the cost-of-living index.

(i) Benefits Under USERRA

The Plan is operated in compliance with the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended ("USERRA"). Under the provisions of USERRA, if you return to work from a qualified military leave, you may be permitted to "make up" Elective Deferrals and Catch-up Contributions that you could have otherwise made during the period of qualified military service. If you make up your missed Elective Deferrals, you will also be entitled to receive any missed Matching Contributions.

For purposes of determining your make-up contributions, you will be treated as having earned Compensation during your military leave at the rate you would have earned had you been actively at work with the Employer during your period of uniformed service or, if the determination of such rate is not reasonably certain, on the basis of your average rate of Compensation during the 12-month period immediately preceding such period (or, if shorter, your actual period of employment with the Employer immediately preceding such period). You have a limited time (three times your period of military service, but not more than five years) to make up your missed Elective Deferrals and qualify for the Matching Contributions.

Upon returning from qualified military service within the specified time frame, as outlined under USERRA, your period of military service counts for all purposes under the Plan. You will not be treated as having had a break in service; therefore, there is no waiting period to resume participation in the Plan.

Employees covered under USERRA include all members of the "uniformed services" who serve voluntarily or involuntarily, including those in the reserves, as well as any other individuals designated by the President of the United States. The uniformed services include the Army, Navy, Marine Corps, Air Force, Coast Guard and Public Health Service Commissioned Corps, and the reserve components of each of these services.

To discuss the procedure for making up missed contributions following a military leave, please contact the Plan Administrator.

3.2 COMPENSATION

Compensation for purposes of determining the allocation of Elective Deferrals and Matching Contributions under the Plan generally means your Plan Year base pay, *plus* performance-based pay, and does not include stock-based compensation. (If you are employed by Zappos for all or any portion of the Plan Year, any compensation that is paid to you by Zappos will be included for purposes of determining your Elective Deferrals and related Matching Contributions under the provisions of the Plan that relate to Zappos employees, not the provisions stated in this SPD.)

Specifically, Compensation means your Plan Year W-2 compensation:

- including salary reduction contributions you make to the Plan, a cafeteria plan, or a qualified transportation fringe benefit plan;
- including pre-partum, maternity and parental leave payments that are paid through the Employer's payroll (including retroactive adjustments for such payments); and
- excluding reimbursements and other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, welfare benefits (including short-term and long-term disability income), all non-performance-based bonuses (including relocation bonuses, referral bonuses and signing bonuses), and all stock-based compensation (including amounts realized from restricted stock units that either become freely transferable or are no longer subject to a substantial risk of forfeiture and amounts realized from the exercise of stock options).

If you receive payments from the Employer within the later of 2½ months after your severance from employment or the end of the Plan Year in which your severance occurs and such amounts would have been included in the definition of Compensation if they were paid prior to your severance, then such payments will be included in Compensation if they are:

- regular pay including overtime or shift differentials for services you performed prior to severance if such amounts would have been paid prior to severance if your employment with the Employer had continued;
- unused accrued sick, vacation or other leave that you are entitled to cash out but only if you would have been able to use the leave if your employment with the Employer had continued; or
- payments pursuant to a nonqualified unfunded deferred compensation plan, but only if the payments would have been paid to you at the same time if your employment with the Employer had continued and only to the extent the payments are taxable.

If you are in qualified military service, Compensation also includes payments you receive from the Employer by reason of your qualified military service to the extent these payments do not exceed the amount you would have received if you had continued to perform services for the Employer rather than entering qualified military service.

Compensation in excess of the annual compensation limit set by the IRS (\$265,000 for 2016) is not recognized by the Plan for purposes of calculating Matching Contributions; however, you may make Elective Deferrals (including Roth Contributions) that respect to Compensation which exceeds the annual compensation limit provided all Elective Deferrals made to the Plan in any given Plan Year satisfy all of the Plan's applicable limits.

Compensation includes only amounts paid to you from the time you become eligible to participate in the Plan and while you are an eligible Employee of the Employer.

Compensation generally does not include amounts paid to you while you are not performing any services for the Employer, but some exceptions apply.

3.3 PLAN ADMINISTRATION

All contributions made to the Plan on your behalf are placed in a trust fund established to hold contributions for the benefit of all Participants. The Plan's Trustee will establish and maintain an Account for you and each other Participant. Your Account will be used to track your share in the total trust fund.

3.4 SELF-DIRECTION OF INVESTMENTS

(a) Self-Direction in General

You are permitted to direct the investment of the contributions made to the Plan on your behalf among the investment options available under the Plan as communicated to you from time to time by the Plan Administrator, in such manner and subject to such other rules as the Plan Administrator may establish. Your investment direction will remain in effect for your contributions in the future until changed by you. You will be responsible for any expenses resulting from your direction and for any investment losses in your Account. Refer to Section 3.4(b) for additional information.

Except with respect to Matching Contributions, if you do not direct the investment of any of your contributions, you will be deemed to have directed that such contributions be allocated to the Plan's qualified default investment fund, which is the ***Vanguard Target Retirement Trust I*** with the target date closest to the year in which you will reach age 65.

Your Matching Contributions will be initially allocated in accordance with your direction. If you have not directed such allocation, your Matching Contributions will be allocated as follows:

- If you enrolled in the Plan prior to October 28, 2015, Matching Contributions made to your Account will be allocated 50% to the Company Stock Fund and 50% to the qualified default investment fund.
- If you enrolled in the Plan on or after October 28, 2015 using the Plan's Enroll Now elections, Matching Contributions made to your Account will be allocated 100% to the qualified default investment fund.

You may, at any time, exchange money into or out of all investment options available in the Plan, including the qualified default investment fund, except that only Matching Contributions may be allocated into and out of the Company Stock Fund (subject to Amazon's Insider Trading Policy).

Under Amazon's Insider Trading Policy, you are responsible for complying with restrictions on transactions while in possession of material non-public information, trading window restrictions and preclearance procedures (if applicable) for any transactions involving the Company Stock Fund. Amazon's Insider Trading Policy can be found at <http://inside.amazon.com>. (You must be on the Amazon network to access this policy.) Please note that the Company Stock Fund is an available investment option only for Matching Contributions.

The Plan's Trustee exercises voting, tender and similar rights with respect to the shares of mutual funds held in your Account under the Plan.

You are allowed to vote Company Stock that is credited to your Account on any matter put to the vote of shareholders. Company Stock for which timely voting instructions are not received from Participants will be voted in accordance with the applicable terms of the trust agreement, except to the extent necessary to comply with applicable law. You will be provided with instructions on how to cast your vote, and your voting instructions will be held in confidence.

You are allowed to direct whether Company Stock that is credited to your Account should be held or sold in any tender offer made for Company Stock. The Trustee will interpret a Participant's silence as to whether or not to offer for sale shares of Company Stock in accordance with the trust agreement, except where not offering for sale such

shares of Company Stock would be inconsistent with applicable law. Tender offer materials provided to Participants will specifically inform Participants of how, in accordance with the applicable terms of the trust agreement, the Trustee shall interpret a Participant's silence as to whether or not to tender the Participant's shares of Company Stock. If there is a tender offer, you will be provided further instructions on how to direct your tender decision. Your directions will be held in confidence, except to the extent necessary to comply with applicable law.

(b) Additional Information About the Investment Options Available in the Plan

When you are eligible to participate in the Plan, you will be provided with specific information about the investment options available in the Plan, including an explanation of their investment objectives and policies, risk and return characteristics, past and current investment performance (net of expenses), operating expenses, and the type and diversification of assets that make up the portfolio of each fund. You may also request to receive ongoing updates of this information in the form of prospectuses and shareholder reports, where applicable, for each of the investment options that you have selected for the investment of your Plan contributions. For more detailed information concerning any investment option, go to www.vanguard.com or call Vanguard at 1-800-523-1188.

Vanguard provides associates to answer investment-related questions from 8:30 a.m. to 9:00 p.m. Eastern time (5:30 a.m. to 6:00 p.m. Pacific time) Monday through Friday. These associates can help you understand available investment options and basic investment planning concepts. Additionally, the associates are able to execute transactions such as fund exchanges and contribution allocation changes.

If you prefer the flexibility and convenience of an automated network, the Vanguard VOICE Network is available 24 hours a day, 7 days a week to accommodate and confirm your transactions. (You must use a touch-tone telephone and the personal identification number ("PIN") provided to you upon enrollment to access the Vanguard VOICE Network.) During normal business hours, you may transfer directly to a Vanguard associate should you wish to discuss Plan or investment-related questions.

Additionally, if you have Internet access, Vanguard's website at www.vanguard.com allows you to tap into a variety of investment information from retirement plan guidance to specific fund information to tax-planning tips.

(c) The Importance of Diversifying Your Savings

To help achieve financial security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments in your Account can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

The Company Stock Fund is not a diversified investment. This means greater volatility and therefore greater risk. You should carefully and periodically evaluate the amount of your Account invested in the Company Stock Fund. You want to ensure that the amount of your investment in this fund, or any fund, does not exceed the percentage of your overall savings that is appropriate for your situation. You should consult with your financial advisor if you have any questions.

In deciding how to invest your Account, you should consider all of your assets, including any savings outside the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your savings will meet your goals.

(d) How to Change Investment Directions

The general rule is that you may change your investment directions with respect to your future Plan contributions or existing Account balances at any time as long as you act in accordance with the applicable investment fund prospectus.

You may make a change in investment directions by:

- accessing Vanguard's website at www.vanguard.com (the Plan number is 093958);
- calling the 24-hour Vanguard VOICE Network, using a touch-tone telephone and the PIN provided to you, by dialing 1-800-523-1188; or
- calling Vanguard at 1-800-523-1188 between 8:30 a.m. and 9:00 p.m. Eastern time (5:30 a.m. and 6:00 p.m. Pacific time) Monday through Friday.

The transfer of existing balances will be made the same day if you call or initiate the transaction before 4:00 p.m. Eastern time (1:00 p.m. Pacific time), except that trades of the Company Stock Fund must be submitted by 1:00 p.m. Eastern time (10:00 a.m. Pacific time) in order to receive that day's closing price. Vanguard will provide you a confirmation of any change you make in your investment directions.

(e) Keeping Track of Your Account Under the Plan

Vanguard will provide you with written or electronic quarterly statements showing the total amounts credited to your Account under the Plan as of the end of each calendar quarter. These statements will reflect all Plan activities, including contributions, earnings, investment exchanges, and distributions occurring within your Account during the most recent calendar quarter. As mentioned previously, you may also call Vanguard to discuss Plan or investment-related questions or you may access Vanguard's website.

(f) Responsibility of Investment Losses

The Plan is intended to comply with ERISA Section 404(c) and the regulations thereunder. If the Plan complies with ERISA Section 404(c), then the fiduciaries of the Plan, including the Plan Sponsor, the Plan Administrator and the Trustee, will be relieved of any legal liability for any losses that are the direct and necessary result of the investment directions that you give. Because the Plan allows and encourages you to direct your investments and to have access to all pertinent information concerning your investments, the fiduciaries of the Plan will be relieved of liability for the results of your investment decisions, as provided under ERISA Section 404(c).

When you direct investments, your Account is segregated for purposes of determining the earnings and losses on these investments. Your Account does not share in the investment performance of other Participants who have directed their own investments.

You should remember that the amount of your benefits under the Plan will depend in part on your choice of investments. Investment gains as well as losses can occur. There are no guarantees of performance. The Plan Sponsor, the Plan Administrator, the Trustee, and any of their representatives will not provide investment advice or insure or otherwise guarantee the value or performance of any investment you choose.

(g) Fees Associated With the Plan

The Plan permits the payment of Plan-related expenses from Plan assets. The expenses paid using the Plan's assets will generally be allocated among the accounts of all Participants in the Plan. These expenses will be allocated either on a pro rata basis based on the value of account balances or as an equal dollar amount based on the number of Participants in the Plan. The method of allocating the expenses depends on the nature of the expenses themselves. For example, certain investment expenses are based on the total value of the assets in the Plan. These expenses typically would be allocated based on the account balance of each Participant. For example, on a pro rata basis, if

the Plan pays \$1,000 in expenses and your Account balance constitutes 0.5% of all the account balances of all Participants, your Account would be charged \$5 (\$1,000 x 0.5%) of the expenses.

However, there are certain expenses that will be paid just from your Account. These are expenses that are specifically incurred by or attributable to you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court order mandates that a portion of your Account be paid to your ex-spouse. These additional expenses will be paid directly from your Account (and not the accounts of other Participants) because they are directly attributable to your benefit under the Plan.

The Plan Sponsor may, from time to time, change the manner in which expenses are allocated. As of January 1, 2016, the Plan Sponsor will pay the majority of the Plan-related fees and expenses. However, you will be charged as follows:

- \$40 for the initiation of a loan if you log on to www.vanguard.com or call the 24-hour Vanguard VOICE Network at 1-800-523-1188 to initiate the loan; or \$90 for the initiation of a loan if you call Vanguard at 1-800-523-1188 and speak to an associate to initiate the loan;
- \$25 annual maintenance fee for as long as your loan remains outstanding; and
- \$35 per year for the administration of your Account (\$8.75 deducted each quarter) if you are a terminated Employee with an Account balance under the Plan.

The above fees are subject to change. When you are eligible to participate in the Plan and annually and quarterly thereafter, you will be provided information about the fees associated with the Plan and your Account.

SECTION FOUR DISTRIBUTION OF BENEFITS AND VESTING

4.1 BENEFIT DISTRIBUTION EVENTS

(a) Distribution Events

Although you may withdraw your rollover contributions at any time, certain events must occur before you may withdraw your other contributions from the Plan. Generally, benefits may be withdrawn upon:

- termination of employment;
- becoming Disabled (as defined in Section 1.7);
- attaining age 59½;
- death;
- incurring a financial hardship;
- meeting the requirements for a qualified reservist distribution; and
- termination of the Plan.

(b) Hardship Distributions

Generally, the only financial needs that meet the financial hardship requirements are:

- expenses for (or necessary to obtain) medical care that would be deductible under Code Section 213(d) incurred by you, your spouse or dependents;
- purchase of your principal residence;
- payment of tuition, related educational fees and room and board expenses for up to the next 12 months of post-secondary education for you, your spouse, children or dependents;
- prevention of eviction from your home or foreclosure upon your principal residence;
- funeral or burial expenses of your deceased parent, spouse, children or dependents; and
- payments to repair damage to your principal residence that qualify for the casualty loss deduction under Code Section 165.

Call Vanguard at 1-800-523-1188 between 8:30 a.m. and 9:00 p.m. Eastern time (5:30 a.m. and 6:00 p.m. Pacific time) Monday through Friday to determine if your situation meets the financial hardship requirements under the Plan. A hardship distribution cannot exceed the amount of your immediate and heavy financial need (including amounts necessary to pay federal, state and local income taxes and any penalties reasonably anticipated to result from the hardship distribution), and you must have obtained all other available distributions and all nontaxable loans from all plans maintained by the Employer and Related Employers prior to qualifying for a hardship distribution. You must also exhaust any available Company Stock awards prior to obtaining a hardship distribution. Hardship distributions may be subject to a 10% penalty tax if received before you reach age 59½. You must elect whether a hardship distribution will be taken from your Roth Contributions or other Accounts. If taken from other Accounts, the hardship distribution will be taken pro rata from your vested Matching Contribution and Pre-tax Contribution Accounts, provided that earnings on your Elective Deferrals may not be distributed.

Your Elective Deferrals, including Catch-up Contributions, under the Plan and similar contributions to any other plans maintained by the Employer or a Related Employer will be suspended for six months after receipt of a hardship distribution. Upon expiration of the six-month suspension period, your Elective Deferral elections in effect immediately prior to the suspension will be automatically reinstated (unless you change or revoke the election).

(c) Qualified Reservist Distribution

If you (i) are a reservist or national guardsman, (ii) were or are called to active duty after September 11, 2001, and (iii) were or are called to duty for at least 180 days or for an indefinite period, you may take a distribution of your Elective Deferrals under the Plan while you are on active duty, regardless of your age. You must elect whether to take the distribution from your Pre-tax Contribution or Roth Contribution Account. The 10% premature distribution penalty tax, normally applicable to Plan distributions made before you reach age 59½, will not apply to the distribution. You also may repay the distribution to an IRA, without limiting amounts you otherwise could contribute to the IRA, provided you make the repayment within two years following your completion of active duty.

For more information about qualified reservist distributions, call Vanguard at 1-800-523-1188 between 8:30 a.m. and 9:00 p.m. Eastern time (5:30 a.m. and 6:00 p.m. Pacific time) Monday through Friday.

4.2 DISTRIBUTION OF BENEFITS

(a) Form of Payment

Payments from the Plan that are eligible rollover distributions may be taken in two ways. You may have all or any portion of your eligible rollover distribution either (i) paid in a direct rollover to an IRA or another employer plan (except that lump sum distributions to nonspouse beneficiaries may only be directly rolled into an "inherited IRA") or (ii) paid to you in a lump sum payment. If you choose to have your Plan benefits paid to you, you will receive only 80% of the payment, because the Trustee is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes. Payments from the Plan that are not eligible rollover distributions will be paid in a lump sum.

Your benefit will be paid in cash. However, to the extent your Account is invested in Company Stock, you can elect to receive a distribution in whole shares of stock, with cash for any fractional shares.

Vanguard will give you more information about your options at the time you request your payout from the Plan. That information will, among other things, define an eligible rollover distribution.

(b) Timing of Benefit Payments

If the value of your vested Account is \$1,000 or less as of any determination date following your termination of employment and, after receiving all required notices, you do not affirmatively elect a distribution, you will receive a lump sum distribution of the balance of your vested Account, less 20% withheld for federal income tax, as soon as practicable following such determination date.

If the value of your vested Account (including rollover contributions) is more than \$5,000 as of the determination date following termination of employment, your funds will be left in the Plan until you submit a request to Vanguard for payment. In any event, you must commence receiving your Plan benefits by April 1 following the later of (i) the year in which you attain age 70½ or (ii) the year in which you terminate employment with the Employer and Related Employers. However, if you are a 5% owner (as defined by the Code) in the year in which you attain age 70½, you must commence receiving your Plan benefits by April 1 following the year in which you attain age 70½ whether or not you are still employed by the Employer or a Related Employer. Vanguard will provide you with more information and the proper request forms.

If the value of your vested Account (including rollover contributions) is more than \$1,000 and does not exceed \$5,000 as of the determination date following your termination of employment and, after receiving all required notices, you do not affirmatively elect a distribution, your vested Account balance will be rolled over to an IRA that the Plan Administrator will establish for you at Vanguard. Vanguard will charge your IRA for any applicable expenses associated with the establishment and maintenance of the IRA and with the investments of the IRA. You will be given more information regarding the IRA at the time of distribution, including information about any associated fees or expenses.

(c) Taxation of Benefit Payments

Except for qualified distributions of Roth Contributions, payments that you receive from the Plan generally are subject to ordinary federal income tax (and state tax, if applicable) in the calendar year in which you receive the distribution. However, payment of income tax can be deferred if the distribution is eligible for rollover and you timely roll over the distribution to an IRA (other than a Roth IRA) or another eligible employer plan. (Rollovers of pre-tax amounts to Roth IRAs are subject to immediate taxation as described below.) A rollover can be accomplished in either of two ways: (i) you can take a distribution and deposit it in an IRA or another eligible employer plan within 60 days after the distribution or (ii) you can request a direct rollover to an IRA or another eligible employer plan. The taxable portion of your distribution that is eligible for rollover but that you do not roll directly into an IRA or another eligible employer plan must have 20% of the taxable portion of the distribution withheld for federal income tax. This means that if you take your distribution in cash and then wish to roll it over, you will need to use your own funds to cover the amount that has been withheld for federal income tax (which will be reported to the IRS and credited against your tax liability).

If you directly roll over a pre-tax distribution to a Roth IRA, the taxable portion of the distribution is subject to taxation for the taxable year in which the distribution occurs.

You will not pay income taxes on any Roth Contributions you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. You will, however, pay tax on the earnings on your Roth Contributions if the distribution is not a "qualified distribution" (described below) or if you do not timely roll over the distribution to a Roth IRA or to another eligible employer plan that will accept the rollover. In addition, there may be a 10% excise tax on any earnings that are distributed if the distribution is not a qualified distribution.

A distribution from a Roth Contribution Account is considered a "qualified distribution" if (i) such distribution is made on or after the date on which you attain age 59½, die or become disabled (as defined in the Code) and (ii) any amounts distributed or paid from a Roth Contribution Account have been held in such Account for five taxable years. When counting the five taxable years, year one starts on the first day of the taxable year in which you first made Roth Contributions to the Plan and ends when five consecutive taxable years have passed. If you made a direct rollover from a designated Roth account under another plan to this Plan, the five-taxable-year period begins on the first day of the taxable year in which you made designated Roth deferral contributions to the other plan, if earlier. For example, if you make a Roth Contribution to the Plan on December 15, 2014, the five-taxable-year period will end on December 31, 2018.

(d) Early Distribution Penalty

If you receive a distribution before reaching age 59½ that is not timely rolled over into an IRA or an eligible employer plan, you must pay an additional 10% early distribution penalty tax. There are, however, exceptions to the 10% early distribution penalty. For example, the penalty does not apply to distributions on account of your death or disability (as defined by the Code), distributions used to pay deductible medical expenses, distributions made to you after your separation from service after you attain age 55, qualified reservist distributions, distributions made pursuant to a Qualified Domestic Relations Order or distributions of excess deferrals and excess contributions to the Plan. Your tax advisor can assist you in determining whether one of the exceptions applies to your distribution.

(e) Payouts to Your Beneficiaries

Your beneficiary will receive the total value of your vested Account when you die. If you are married, your spouse will automatically be your beneficiary. You can choose another beneficiary by logging on to www.vanguard.com or by calling Vanguard at 1-800-523-1188. If you have a spouse, your spouse must give written consent in the presence of a Plan representative or notary public to your designation of a nonspouse beneficiary.

If you do not have a surviving spouse or if you have no validly designated beneficiary at the time of your death, your vested Account will be paid to your estate.

Payment will be made as soon as practicable following your death and not later than December 31 of the year following the year in which your death occurs. However, if your surviving spouse is your sole beneficiary, your surviving spouse may postpone distribution until December 31 of the year in which you would have attained age 70½.

Please refer to the Special Tax Notice for additional details regarding distributions from the Plan. To view the Special Tax Notice, go to www.vanguard.com, log in to your Plan account and select "Special Tax Notice" from the "Rollover or Plan Termination" screen.

4.3 DETERMINING YOUR VESTED AMOUNT

(a) Amount of Benefit

Whether you receive the full value of your Account depends on the reason you are receiving the distribution and your vested percentage in your contributions. You will at all times be 100% vested in your Elective Deferrals, rollover contributions and Catch-up Contributions, and earnings on those contributions. You become 100% vested in your Matching Contributions and earnings on such contributions upon the occurrence of any of the following events:

- your death, Disability or attainment of age 65 while you are employed by the Employer or a Related Employer;
- the complete discontinuance of contributions to the Plan by the Plan Sponsor; or
- the termination of the Plan by the Plan Sponsor.

Other event-based vesting may also apply under the terms of the Plan document.

Prior to the occurrence of an event that results in 100% vesting, your vested percentage is determined based on your service as follows:

<u>Years of Vesting Service</u>	<u>Vested Percentage</u>
0	0%
1	0%
2	0%
3	100%

(b) Years of Vesting Service

You will be credited with a year of vesting service for each Plan Year in which you complete at least 1,000 hours of service.

All of your years of service with the Employer and any Related Employer count for the purpose of determining your years of vesting service, except years of service before you attain age 18. Years of service with certain predecessor employers may also count for vesting. Contact the Plan Administrator if you need more information about predecessor employer service for vesting.

(c) Matching Contribution Forfeitures

If you are not 100% vested in your Matching Contribution Account when you terminate employment, the amount in your Matching Contribution Account will be forfeited on the earlier of (i) the date you receive a distribution of the vested portion of your Account or (ii) the date you incur five consecutive one-year breaks in service.

Forfeitures will be used to (i) reduce future Matching Contributions, (ii) pay Plan administration expenses, or (iii) restore forfeited accounts, in any order as directed by the Plan Administrator.

If the unvested portion of your Account was forfeited and you return to work for the Employer or a Related Employer before incurring five consecutive one-year breaks in service, the amount that was forfeited may be restored to your Account. Such restoration will occur if you make a written request to the Plan Administrator for the restoration and repay to the Plan the full amount of your earlier distribution (unadjusted for gains or losses) within five years of your rehire date and before you incur five consecutive one-year breaks in service. You will incur a one-year break in service in each Plan Year in which you complete 500 or fewer hours of service.

SECTION FIVE CLAIMS PROCEDURE

5.1 WHAT TO DO TO RECEIVE BENEFITS

You (or your beneficiary in the event of your death) must submit a request to Vanguard to start receiving benefits when you become eligible to receive benefits or when you die.

5.2 HOW TO FILE A CLAIM

If you believe that you have been denied benefits to which you are entitled under the Plan, then you, your beneficiary if you are deceased, or the authorized representative of either you or your beneficiary may file a claim in accordance with the Plan's claims procedures as set forth in Appendix E of this SPD, which also contains other important information regarding your rights under the Plan.

SECTION SIX MISCELLANEOUS

6.1 LOANS

As an active Participant in the Plan, you may be permitted to borrow a portion of your vested Account balance. The loan program adopted by the Plan Sponsor is available on a uniform basis to all parties in interest to the Plan who meet loan qualification requirements.

Please refer to Appendix C of this SPD, as may be updated from time to time, for details about the loan program.

6.2 PLAN AMENDMENT AND TERMINATION

The Plan Sponsor can modify, amend, or terminate the Plan at any time and in any way and for any reason permitted by law (including reducing or eliminating future benefit accruals). Modifications and amendments can be retroactive to the extent permitted by law. However, except to the extent permitted by law, no amendment will (a) authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of the Participants or their beneficiaries or to pay the reasonable costs of administering the Plan and its related trust, (b) cause any reduction in the amount credited to your Account, or (c) cause any part of the Plan assets to revert to the Employer or a Related Employer.

If the Plan Sponsor elects to terminate the Plan or completely discontinues contributions to the Plan, you will become 100% vested in the aggregate value of your Account regardless of whether you were 100% vested under the vesting schedule.

If the Plan terminates, benefits are not insured by the Pension Benefit Guaranty Corporation ("PBGC"). Under the law, PBGC insurance does not cover the type of plans called defined contribution plans. The Plan is a defined contribution plan and, therefore, is not covered.

6.3 EMPLOYMENT RIGHTS

The Plan does not intend to and does not provide any additional rights to employment or constitute a contract for employment.

6.4 TOP-HEAVY PROVISIONS

The Plan will be considered to be top-heavy if the account balances of key Employees exceed 60% of the total account balances of all Participants in the Plan. Key Employees include certain officers and shareholders of the Employer. In the event that the Plan does become top-heavy, certain provisions affecting the minimum Employer contributions and the amount of compensation used in computing Employer contributions become effective. You will be notified of these provisions if the Plan becomes top-heavy.

6.5 LOSS OR DENIAL OF BENEFITS

Although the funds contributed to your Account are held in trust, you may experience a loss, denial or reduction of anticipated benefits in various situations, including, but not limited to, the following:

- No contributions can be made to your Account that exceed the limits specified by federal tax law or the Plan for any Plan Year (as described in Section 3.1(d)).
- Nondiscrimination tests required by federal tax law may require (a) that some Elective Deferrals be returned to Participants who are Highly Compensated Employees and/or (b) that some Matching Contributions be forfeited. You will be notified if you are affected.
- If you terminate employment before becoming 100% vested, you may lose the portion of your Matching Contributions that were not vested when your termination occurs (as described in Section 4.3).
- Your Account will share in losses, as well as gains and income, of the investment funds in which you have elected to invest your Accounts (as described in Section 3.4(f)).
- If you are subject to a QDRO, a part or all of your Account balance could be assigned to another party (as described in Section 6.6).
- You may lose your benefits if you cannot be located when benefits become payable to you. Therefore, it is very important that you keep the Plan Administrator apprised of your mailing address even after you have terminated employment. (The amount forfeited, unadjusted for gain or loss, will be restored if you later make a claim for your benefit before the Plan is terminated.)

6.6 INALIENABILITY OF BENEFITS

Your rights and benefits under the Plan may not be assigned, sold, transferred or pledged by you or reached by your creditors or other party except for certain IRS levies against your Account, orders or requirements to pay arising from judgments or

conviction for crimes involving the Plan, or pursuant to a QDRO. A QDRO recognizes the right of someone other than you to receive your Plan benefits. You will be notified if a QDRO relating to your benefits is received. Receipt of a QDRO will allow for an earlier than normal distribution to the persons(s) other than the Participant listed in the QDRO. You may obtain a copy of the QDRO procedures without charge from the Plan Administrator.

SECTION SEVEN RIGHTS AND PROTECTIONS UNDER ERISA

As a Participant in the Plan, you are entitled to certain rights and protections under ERISA.

(a) Receive Information About Your Plan and Benefits

ERISA provides that all Participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites, all documents governing the Plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon request to the Plan Administrator, copies of documents governing the operations of the Plan, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and updated SPD. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive benefits at age 65 and if so, what your benefits would be at age 65 if you stop working under the Plan now. If you are not fully vested, the statement will tell you how many more years you have to work to be fully vested. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

(b) Prudent Action by Plan Fiduciaries

In addition to creating rights for participants, ERISA imposes duties on the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries.

No one, including the Employer, any Related Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

(c) Enforce Your Rights

If your claim for a 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 the Plan's claims procedures.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan 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 that is denied or ignored, in whole or in part, and if you have exhausted the claims procedures available to you under the Plan, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.

If it should happen that Plan fiduciaries misuse the Plan'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 the 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.

(d) Assistance With Your Questions

If you have any questions about the Plan, 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 Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee 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 Employee Benefits Security Administration.

Further, you can obtain, in writing, information as to whether a particular Related Employer is participating in the Plan and, if so, the Participating Employer's address. In addition, you may request, in writing, a complete list of current Participating Employers. You may obtain such information by making a written request to the Plan Sponsor.

SECTION EIGHT GENERAL INFORMATION

Plan Name	Amazon.com 401(k) Plan
Plan Number	001
Type of Plan	The Plan is a defined contribution plan, with a cash or deferred arrangement under Code Section 401(k), and a participant-directed individual account plan under ERISA Section 404(c).
Plan Year	Calendar year
Plan Sponsor	Amazon Corporate LLC P.O. Box 81226 Seattle, WA 98108-1300 (888) 892-7180
Plan Sponsor EIN	91-1986545
Plan Administrator	Investment and Administrative Committee Amazon Corporate LLC P.O. Box 81226 Seattle, WA 98108-1300 (888) 892-7180
Type of Plan Administration	The Plan is administered through an internal Investment and Administrative Committee. The Plan Administrator has a contract with The Vanguard Group to assist with Plan administration.
Funding Medium	All assets are held in trust by the Trustee.
Trustee	Vanguard Fiduciary Trust Company P.O. Box 1101 Valley Forge, PA 19482-1101 (800) 523-1188
Forms May be Returned to	The Vanguard Group P.O. Box 1101 Valley Forge, PA 19482-1101 Street address: 400 Devon Park Drive (for registered, certified, Wayne, PA 19087-1815 or overnight mail) Business telephone: (800) 523-1188
Agent for Service of Legal Process	Legal process may be served on the Plan Administrator or the Trustee.

APPENDIX A:
RELATED EMPLOYERS NOT PARTICIPATING IN
THE AMAZON.COM 401(k) PLAN

(as of January 1, 2016)

A9.com, Inc.

Alexa Internet, Inc.

13th Generation Media Inc. (also known as BookFinder.com)

Related Employers during periods of participation in the A9.com 401(k) Plan

A Related Employer that is acquired through an acquisition or newly formed by Amazon.com, Inc. or any of its subsidiaries, unless (a) such Related Employer adopts the Plan, with the consent of the Plan Administrator, effective as of the date specified in the adopting resolutions, or (b) such Related Employer joins the Plan Sponsor's primary payroll, effective as of the first payroll date thereafter.

**APPENDIX B:
ELIGIBLE EMPLOYEES SUBJECT TO
THE AUTOMATIC CONTRIBUTION ARRANGEMENT
PRIOR TO APRIL 1, 2013**

Location Name	PeopleSoft Location Code	Effective Date of the Automatic Contribution Arrangement (ACA Effective Date)	Applies to Eligible Employees Hired Before the ACA Effective Date	Applies to Eligible Employees Hired On or After the ACA Effective Date and Before April 1, 2013	Applies to Eligible Employees Transferred or Rehired On or After the ACA Effective Date and Before April 1, 2013*
ABE2	161	August 1, 2010	✓	✓	✓
ABE3	329	August 1, 2010	✓	✓	✓
PHX3	172	December 1, 2010		✓	✓
PHX5	241	December 1, 2010		✓	✓
PHX6	316	December 1, 2010	✓	✓	✓
TFC1	247	December 1, 2010	✓	✓	✓
PHX7	416	November 25, 2011	✓	✓	✓

* Provided that the eligible Employee has not had an affirmative election in effect to make or to not make Elective Deferrals to the Plan at any time prior to such transfer or rehire.

The automatic contribution arrangement provisions set forth in this Appendix B do not apply to any eligible Employee on and after April 1, 2013, provided that if you were automatically enrolled under the provisions set forth below, you will continue to be automatically enrolled until you make an affirmative election in the manner described below or you are no longer an eligible Employee, whichever occurs first.

Beginning on and after the ACA Effective Date, if you (a) were assigned to work at a location listed above prior to April 1, 2013, (b) met the age and service requirements for participating in the Plan (described in Section 2 of this SPD), and (c) had not already elected to make or not make Elective Deferrals to the Plan as of your automatic enrollment date, you were automatically enrolled in the Plan as of your automatic enrollment date to contribute 4% of your Compensation each pay period as Pre-tax Contributions.

Your "automatic enrollment date" was the first administratively practicable pay date following the 31-day period starting the latest of (a) the effective date for the location to which you were assigned to work as listed above, (b) the date you met the eligibility requirements for the automatic contribution arrangement described above, and (c) the date you performed an hour of service at the location listed above to which you were assigned to work.

You were notified of your automatic enrollment no more than 90 days before it was scheduled to take place. This gave you an opportunity to elect out of automatic enrollment or to elect to contribute a different percentage of your Compensation before the first automatic contribution took place by logging on to www.vanguard.com or by calling Vanguard at 1-800-523-1188. If you did not elect out of automatic enrollment or elect a different contribution level, then 4% of your Compensation was and will continue to be taken from your paycheck each pay period and contributed to the Plan as Pre-tax Contributions. The automatic Pre-tax Contributions will continue each pay period even if you transfer to a location not listed in this Appendix B.

If you did not contact Vanguard in time to prevent automatic contributions, you can nevertheless elect to withdraw any automatic contributions (adjusted for gain or loss) that are made by contacting Vanguard within 30 days of the date on which the first automatic contribution is withheld from your paycheck. Matching Contributions with respect to the amount withdrawn (adjusted for gain and loss) are forfeited.

If you are automatically enrolled in the Plan, you can elect to not make the automatic Pre-tax Contributions or elect to make Pre-tax Contributions or Roth Contributions at a different percentage level at any time by logging on to www.vanguard.com or by calling Vanguard at 1-800-523-1188. When you make such an affirmative election, the automatic contribution arrangement will no longer apply. Keep in mind that the Employer will match 50% of your Elective Deferrals that do not exceed 4% of your Compensation (as described under Section 3.1(f) of this SPD). So, to maximize the Employer Matching Contributions, you must contribute at least 4% of your Compensation each pay period.

Your automatic Pre-tax Contributions will be invested in the Plan's qualified default investment fund (as described under Section 3.4 of this SPD), unless you choose a different investment option(s).

If you are automatically enrolled in the Plan, the Employer will provide you a notice that explains the arrangement in more detail before the beginning of each Plan Year.

APPENDIX C:

PARTICIPANT LOAN PROGRAM

(as in effect on and after October 1, 2012)

The Plan is intended to assist you in tax-advantaged savings. You should be aware that by taking a loan from your Plan Account, you may affect your earnings and limit your wealth accumulation in the Plan. You may receive a loan from the Plan only as permitted by this loan program.

1. LOAN ELIGIBILITY

You are eligible to take out a loan if you are (a) an active Participant in the Plan and have a vested Account balance or (b) a "party in interest" with respect to the Plan, as defined by ERISA Section 3(14).

2. APPLICATION PROCEDURE

To apply for a loan, you can (a) access Vanguard's website at www.vanguard.com, (b) call the automated Vanguard VOICE Network at 1-800-523-1188, or (c) call Vanguard Participant Services at 1-800-523-1188 and speak with a Participant Services Associate who will assist you with the application process and assist you in determining the terms of your loan. Your authorization to proceed with the transaction indicates your acceptance of the loan provisions set forth in this loan program.

The following two types of loans are available under the Plan.

- (a) **General Purpose Loans:** If the loan eligibility requirements have been met, you may apply for a general purpose loan through a paperless process. Alternatively, you may obtain a paper loan application.
- (b) **Primary Residence Loans:** If you will use the proceeds of the Plan loan solely for the purpose of purchasing your primary residence, you may apply for a primary residence loan. Documentation to confirm that the loan proceeds will be used for the purpose of purchasing your principal residence must be returned to Vanguard along with your signed application to the address referenced on the application.

3. TERM OF LOAN

You may select the term over which you repay your loan. For general purpose loans you may select any repayment period up to five years. For loans used to acquire your principal residence you may select any repayment period up to fifteen years.

4. AMOUNT AND NUMBER OF LOANS

The minimum amount of each loan is \$1,000. Loans are available from your vested Account balance.

No more than one loan may be outstanding at any time.

The maximum amount you may borrow, when added to your outstanding loan balances under all plans maintained by the Plan Sponsor and all Related Employers, cannot exceed the lesser of:

- (a) 50% of your vested Account balance as of the date the loan is made; or
- (b) \$50,000, minus the highest outstanding loan balance, if any, you had at any one time during the one-year period ending immediately before the date of the new loan.

At the time the loan is made, up to 50% of your vested Account balance under the Plan will be considered as security for the loan.

5. SOURCE OF FUNDS

The proceeds for your loan will be taken from each vested contribution source in your Account under the Plan on a pro rata basis. The proceeds for your loan will also be taken pro rata from each of the investment funds in which your Account is invested, with the exception of the portion of your Account invested in the Company Stock Fund. Your balance invested in the Company Stock Fund is not available for borrowing.

6. LOAN FEES

When you apply for a loan, you will be charged a one-time only Plan loan origination fee that will be deducted from your loan proceeds so that the check you receive will be net of the origination fee. If you apply for the loan by accessing Vanguard's website at www.vanguard.com or by calling the automated Vanguard VOICE Network at 1-800-523-1188, the origination fee is \$40. If you apply for the loan by calling Vanguard Participant Services at 1-800-523-1188 and speaking with a Participant Services Associate, the origination fee is \$90. You will also be charged a \$25 annual maintenance fee that will be automatically deducted from your Account balance in July.

7. INTEREST RATE

The interest rate on your loan will be the prime rate plus 1%, as of the first business day of each month, as quoted by Reuters. The procedure for determining the loan interest rate is subject to change at the discretion of the Plan Administrator. You can contact Vanguard Participant Services for the current interest rate being charged for a new Plan loan. The interest you pay is credited back to your Account.

8. LOAN REPAYMENT

Loans are repaid on an after-tax basis by payroll deduction under a level amortization schedule. Payroll deductions will be taken each pay period, beginning as soon as possible after the loan amount is sent to you.

It is your responsibility to ensure that your loan repayments are being made when due. Missed repayments that are not repaid during the Plan's cure period may result in a taxable event. In the event that timely payroll deduction loan repayments are not processed for your loan, you must notify the appropriate contact as indicated in the SPD as soon as possible to resolve the delinquency.

If you go on an unpaid leave of absence when you have an outstanding loan, payments will be made as described in Section 9 below.

Your loan repayments will be allocated to your Account and invested in accordance with your current investment elections.

Loans may be prepaid in full at any time by certified check or money order made payable to Vanguard Fiduciary Trust Company and sent to Vanguard or by making an electronic bank transfer ("EBT") to Vanguard through www.vanguard.com. You may make partial repayments toward your principal balance during the course of your loan.

You should contact Vanguard Participant Services for the appropriate address and instructions for your loan prepayment. You may call Vanguard Participant Services at any time to verify your outstanding loan balance.

9. LEAVE OF ABSENCE

Non-Military Leave of Absence

If you are on an unpaid leave of absence or a paid leave of absence, where the amount of pay (less applicable employment tax withholding) is insufficient to cover your Plan loan repayments, your loan repayments may be suspended for up to the earliest of one year, the end of the term of your loan or until you return to full-pay status. However, interest on the outstanding loan will continue to accrue during the period that your loan repayments are suspended. Regardless of

whether repayments are suspended, the entire balance of the loan must be paid within the maximum permissible term for that type of loan (five years for general purpose loans and fifteen years for primary residence loans). If your loan term expires prior to your return to work, you must repay the total outstanding balance on the final payment date on your original loan schedule. You must contact Vanguard to receive your payoff amount and to arrange the repayment.

Military Leave of Absence

If you are on a qualifying leave for active military service, your loan repayments may be suspended for the entire length of your military service. The period of your military service will not be counted as part of the loan term. However, interest on the outstanding loan will continue to accrue during military service. If the interest rate on your outstanding loan is greater than 6% per annum, the Plan Administrator will reduce the interest rate of your outstanding loan to 6% per annum while you are on military leave, to the extent required by the Servicemembers Civil Relief Act. The loan must be repaid in full during a period that is no greater than the maximum permissible term for your type of loan plus the period of your military service.

Rules Applicable to Non-Military and Military Leaves of Absence

During your leave of absence, you may continue to make scheduled loan repayments by sending certified checks or money orders or by making electronic bank transfers to Vanguard. You should contact Vanguard Participant Services at 1-800-523-1188 for the appropriate address. If you do not make any of the payments due during your leave of absence, upon your return, your loan repayment and payroll withholding will recommence, taking into account the additional interest accrued on your loan during your leave.

Your loan will accrue interest during your leave and upon return from the leave (or the end of the suspension period, if earlier), you will be required to resume payments through payroll withholding on your outstanding loan balance at an amount and frequency no less than required by the terms of the original loan.

Upon your return (or the end of the suspension period, if earlier), you must resume loan repayments at their original amount plus interest, with the term of your loan extended up to the maximum permissible term for that type of loan (plus the period of your military leave if applicable). If needed, your loan will be reamortized so that you will repay the entire balance of the loan including interest by the last scheduled repayment date within such maximum permissible term. In no event may your loan payments be less in amount or frequency than they were prior to the commencement of your leave.

If a loan is not repaid within its required repayment period, it will be treated as a taxable distribution to you. You may also be subject to a 10% early distribution penalty on the taxable amount.

10. RETIREMENT OR SEPARATION FROM THE EMPLOYER

Upon retirement or separation of employment, your loan must be repaid before you receive your final distribution from the Plan. If you do not repay your loan, the outstanding balance of your loan will be subtracted from the total Account balance in determining the amount of your actual distribution. It will be included, however, as part of your taxable distribution from the Plan for tax purposes. The total Account balance, including any outstanding loan balance, is subject to applicable federal income tax, which may also include a 10% early distribution penalty, unless you do a 60-day rollover of the taxable amount to an IRA or employer plan.

If you elect to defer distribution of your benefits, your loan must nevertheless be repaid upon separation from service. If you do not repay the balance of your loan by the 90th day following the date you terminated employment, the outstanding balance of your loan will be subtracted from the total Account balance and will be treated as a taxable distribution subject to federal income tax, which may include a 10% early distribution penalty.

11. DEATH

If you were to die with an outstanding loan, your loan becomes due for repayment in full. Your executor/administrator may repay the outstanding balance of your loan within a 90-day period following your death.

If your executor/administrator does not repay the loan balance, the outstanding balance will be subtracted from the total Account balance in determining the amount of the actual distribution to the beneficiary of your Account in the Plan. Your beneficiary will receive the net value of your Account as the death benefit, which will be subject to the federal income tax rules and regulations. The outstanding loan balance will revert to you, which will also be subject to federal income tax.

12. TERMINATION OF THE PLAN

Upon termination of the Plan, all outstanding loans will become immediately due and payable in accordance with the terms of the Plan and notwithstanding any contrary provision in the promissory note.

13. FAILURE TO REPAY

If you fail to make a loan repayment by its due date and are not eligible for a distribution under the Plan, the total outstanding amount of your loan, including any interest that has accrued, will be defaulted and deemed distributed to you, except that you are entitled to an automatic 90-day grace period for late payments as follows: A late payment will not be a default under the promissory note if the payment is made no later than the 90th day following the original due date. Interest will continue to accrue during the grace period. If any scheduled payment remains unpaid beyond the grace period and if you are not eligible for a distribution under the Plan, the loan will be treated as in default and reported for tax purposes as a deemed distribution as required under Code Section 72(p). The amount of the deemed distribution will be taxable to you in the year of default and may be subject to the 10% early distribution penalty. You will receive an IRS Form 1099-R to report the income.

14. DEFAULTED LOANS

If you default on a loan, you will not be able to take out another loan until you pay the balance of the defaulted loan (with interest). Pending final disposition of the loan, you remain obligated for any unpaid principal and accrued interest.

If you want to repay your defaulted loan, call Vanguard Participant Services and speak to a Participant Services Associate who will inform you of the total amount due to repay the defaulted loan. You must repay both the defaulted amount and the interest that accrued since the date of the default in a single lump sum payment.

APPENDIX D: SAVER'S CREDIT

The saver's credit assists low- and moderate-income taxpayers who may need help saving for retirement by allowing workers to take a tax credit for up to half of what they contribute to their employer-sponsored defined contribution retirement plan. The maximum total credit is \$1,000 per person. Eligibility for the credit depends on your filing status and adjusted gross income. You should consult your tax advisor if you believe you may be eligible for the saver's credit and want to claim it. The information below is merely a general summary and should not be relied on.

If you make Elective Deferrals to the Plan, you may be eligible for the saver's credit. This credit could reduce the federal income tax you pay dollar for dollar. The amount of the credit you can get is based on the contributions you make and your credit rate under the saver's tax credit provisions. The credit rate can be as low as 10% or as high as 50%, depending on your adjusted gross income, the lower your income, the higher the credit rate. The credit rate also depends on your filing status.

The maximum contribution taken into account for the credit is \$2,000 for an individual. If you are married filing jointly, the maximum contribution taken into account for the credit is \$2,000 each for you and your spouse (for a total of \$4,000).

The credit is available to you if you:

- are 18 or older;
- are not a full-time student;
- are not claimed as a dependent on someone else's tax return; and
- have adjusted gross income (shown on your tax return for the year of the credit) that does not exceed:
 - \$61,500 if you are married filing jointly,
 - \$46,125 if you are a head of household with a qualifying person, or
 - \$30,750 if you are single, married filing separately or a qualifying widow(er).

(The above income limits are applicable for 2016 and may be adjusted in future years for changes in the cost-of-living index.)

Example: John and Jane are married, they file a joint tax return, and their adjusted gross income is \$32,000. This couple can use the 50% credit rate. Each contributed \$2,000 to a retirement plan, a total of \$4,000. To calculate their credit, they would simply multiply \$4,000 (the total contribution) by 50%. John and Jane could claim a \$2,000 tax credit ($\$4,000 \times 50\% = \$2,000$).

Example: Mary files a single tax return. Her adjusted gross income is \$15,500, so she is entitled to the 50% credit rate. She contributes \$800 to her employer-sponsored retirement plan. To calculate her credit, she would multiply \$800 by 50%. Mary could claim a \$400 tax credit ($\$800 \times 50\% = \400). If Mary wanted to take full advantage of the credit she would need to increase her annual retirement plan contributions to \$2,000. This would enable her to get a \$1,000 tax credit, the maximum credit allowed based on her single filing status and adjusted gross income.

The annual contribution eligible for the credit may have to be reduced by any taxable distributions from a retirement plan or IRA that you or your spouse receives (and does not roll over to another retirement savings vehicle) during the year you claim the credit, during the two preceding years, or during the period after the end of the year for which you claim the credit and before the due date for filing your return for that year. A distribution from a Roth IRA that is not rolled over is taken into account for this reduction, even if the distribution is not taxable. After these reductions, the maximum annual contribution eligible for the credit per person is \$2,000.

Example: Mark's adjusted gross income for 2016 is low enough for him to be eligible for the credit that year and he defers \$3,000 of his pay to the plan during 2016. During 2015, Mark took a \$400 hardship distribution from the Plan and during 2016 he takes an \$800 IRA withdrawal. Mark's 2016 saver's credit will be based on contributions of \$1,800 ($\$3,000 - \$400 - \$800 = \$1,800$).

The amount of your saver's credit will not change the amount of your refundable tax credits. A refundable tax credit, such as the earned income credit or the refundable amount of your child tax credit, is an amount that you would receive as a refund even if you did not otherwise owe any taxes.

The amount of your saver's credit in any year cannot exceed the amount of tax that you would otherwise pay (not counting any refundable credits or the adoption credit) in any year. If your tax liability is reduced to zero because of other nonrefundable credits, such as the Hope credit, then you will not be entitled to the saver's credit.

Credit Rates

2016			
If your income tax filing status is <u>married filing jointly</u> and your AGI is:	If your income tax filing status is <u>head of household</u> and your AGI is:	If your income tax filing status is <u>single, married filing separately, or qualifying widow(er)</u> and your AGI is:	Your Saver's Credit Rate Is:
\$0 - \$37,000	\$0 - \$27,750	\$0 - \$18,500	50% of first \$2,000 deferred (\$4,000 if married filing jointly)
\$37,001 - \$40,000	\$27,751 - \$30,000	\$18,501 - \$20,000	20% of first \$2,000 deferred (\$4,000 if married filing jointly)
\$40,001 - \$61,500	\$30,001 - \$46,125	\$20,001 - \$30,750	10% of first \$2,000 deferred (\$4,000 if married filing jointly)
Over \$61,500	Over \$46,125	Over \$30,750	Credit not available

"AGI" means adjusted gross income. The above AGI limits are applicable for 2016 and may be adjusted in future years for changes in the cost-of-living index.

APPENDIX E: PLAN'S CLAIMS AND REVIEW PROCEDURES

- (a) **Filing Claim.** A Participant or a beneficiary, or the authorized representative of either (the "Claimant"), who believes that he or she has been denied benefits to which he or she is entitled under the Plan may file a written claim for such benefits with the person or entity designated by the Plan Administrator (the "Initial Claim Reviewer"). (If the Plan Administrator fails to designate an Initial Claim Reviewer, then the Plan Administrator shall be the Initial Claim Reviewer.) The Initial Claim Reviewer may prescribe a form for filing such claims, and if it does so, a claim shall not be deemed properly filed unless such form is used, but the Initial Claim Reviewer shall provide a copy of such form to any person whose claim for benefits is improper solely for this reason.
- (b) **Claim Review.** Claims that are properly filed shall be reviewed by the Initial Claim Reviewer, which shall make its decision with respect to such claim and notify the Claimant in writing of such decision within 90 days (45 days in the case of a claim related to the Participant's Disability) after the Initial Claim Reviewer's receipt of the written claim, provided that the 90-day period (45-day period in the case of a claim related to the Participant's Disability) can be extended for up to an additional 90 days (30 days in the case of a claim related to the Participant's Disability) if the Initial Claim Reviewer determines that special circumstances require an extension of time to process the claim and the Claimant is notified in writing of the extension prior to the termination of the initial 90-day period (45-day period in the case of a claim related to the Participant's Disability). The extension notice shall indicate the special circumstances requiring the extension and the date by which the Initial Claim Reviewer expects to render its decision on the claim. Claims related to the Participant's Disability shall be subject to such additional procedures as are specified in 29 C.F.R. Section 2560.503-1 for disability claims.

If the claim is wholly or partially denied, the written response to the Claimant shall include:

- (1) the specific reason or reasons for the denial;
 - (2) reference to the specific Plan provisions on which the denial is based;
 - (3) a description of any additional material or information necessary for the Claimant to perfect his or her claim and an explanation of why such material or information is necessary;
 - (4) a description of the Plan's claim appeal procedure (and the time limits applicable thereto), as set forth in Section (c) below, including a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) following an adverse determination on appeal; and
 - (5) in the case of an adverse benefit determination related to the Participant's Disability:
 - (A) if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or other similar criterion or a statement that such a rule, guideline, protocol or similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol or other criterion shall be provided free of charge to the Claimant upon request; or
 - (B) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation shall be provided free of charge upon request.
- (c) **Appeal.** If the claim is denied in whole or in part, the Claimant may appeal such denial by filing a written appeal with the Plan Administrator within 60 days (180 days in the case of a claim related to the Participant's Disability) of receiving written notice that the claim has been denied. Such appeal should include:

- (1) a statement of the grounds on which the appeal is based;
- (2) reference to the specific Plan provisions that support the claim;
- (3) the reason(s) or argument(s) why the Claimant believes the claim should be granted and evidence supporting each reason or argument; and
- (4) any other comments, documents, records or information relating to the claim that the Claimant wishes to include.

Appeals shall be considered by the Plan Administrator, which shall take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial determination. The Plan Administrator shall not afford any deference to the Initial Claim Reviewer's denial of the claim.

The Plan Administrator shall make its decision with respect to any appeal, and notify the Claimant in writing of such decision, within 60 days (45 days in the case of a claim related to the Participant's Disability) after the Plan Administrator's receipt of the written appeal, provided that the 60-day period (45-day period in the case of a claim related to the Participant's Disability) can be extended for up to an additional 60 days (45 days in the case of a claim related to the Participant's Disability) if the Plan Administrator determines that special circumstances require an extension of time to process the appeal and the Claimant is notified in writing of the extension prior to the termination of the initial 60-day period (45-day period in the case of a claim related to the Participant's Disability). The extension notice shall indicate the special circumstances requiring the extension and the date by which the Plan Administrator expects to render its decision on the appeal.

In the event the claim is denied on appeal, the written denial shall include:

- (1) the specific reason or reasons for the denial;
- (2) references to the specific Plan provisions on which the denial is based;
- (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant (within the meaning of Section (d) below) to his or her claim;
- (4) a statement of the Claimant's right to bring a civil action under ERISA Section 502(a); and
- (5) in the case of an adverse benefit determination related to the Participant's Disability:
 - (A) if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or other similar criterion or a statement that such a rule, guideline, protocol or similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol or other criterion shall be provided free of charge to the Claimant upon request;
 - (B) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation shall be provided free of charge upon request; and
 - (C) the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office or your State insurance regulatory agency."

- (d) Relevance of Documents, Records and Other Information. In connection with a claim denial (either an initial denial by the Initial Claim Reviewer or a denial on appeal by the Plan Administrator), the Claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, documents, records and other information relevant to his or her claim. A document, record or other information shall be considered "relevant" to a Claimant's claim, if such document, record or other information:
- (1) was relied upon by the Initial Claim Reviewer or the Plan Administrator in reaching its decision on the claim (i.e., the benefit determination);
 - (2) was submitted, considered or generated in the course of deciding the claim, without regard to whether the document, record or other information was relied upon by the Initial Claim Reviewer or the Plan Administrator in reaching its decision on the claim;
 - (3) demonstrates compliance with the administrative processes and safeguards required under the Department of Labor regulations in making the benefit determination; or
 - (4) would otherwise be considered relevant to the claim under applicable regulations or other guidance issued by the Department of Labor.
- (e) Limitations Period and Standard of Review. A Claimant may not bring an action under ERISA Section 502(a) or otherwise with respect to his or her claim until he or she has exhausted the foregoing procedure. Any such action must be filed in a court of competent jurisdiction within 12 months after the date on which the Claimant receives the Plan Administrator's written denial of the Claimant's claim on appeal or, if earlier, 12 months after the date of the alleged facts or conduct giving rise to the claim (including, without limitation, the date the Claimant alleges he or she became entitled to Plan benefits requested in the suit or legal action), or it shall be forever barred. Any further review, judicial or otherwise, of the Plan Administrator's decision on the Claimant's claim shall be limited to whether, in the particular instance, the Plan Administrator abused its discretion. In no event shall such further review, judicial or otherwise, be on a de novo basis, as the Plan Administrator has discretionary authority to determine eligibility and benefits and to construe and interpret the terms of the Plan.