

## **EMPLOYEE BENEFITS DIEGO GARCIA**

San Juan Construction, Inc. is pleased to offer its Employees a wide range of benefits. Employees may think of these benefits as an “invisible paycheck”. This “invisible paycheck” pays for, or contributes to these benefits. Benefits for Employees assigned to Diego Garcia include:

- Airfare for relocation
- Shipment of Personal Belongings
- Company-provided housing
- On-Island Transportation
- Free Use of On-Island Recreational Facilities
- Rest & Relaxation (R&R) Time Off and Travel
- Holidays
- Compassionate Leave
- Health (Medical and Dental) Insurance
- Short Term Disability Insurance
- Retirement Savings Plans (Roth and Traditional 401(k))
- Flexible Spending Accounts (FSA's)
- Emergency Travel Assistance
- Workers' Compensation Insurance

### **Airfare for Relocation**

San Juan Construction, Inc. will coordinate and pay for airfare for the Employee to relocate to Diego Garcia at the start of their assignment and for their return to their point-of-origin at the completion of the assignment.

### **Shipment of Personal Belongings**

In addition to the free baggage allowance permitted by the airlines, San Juan Construction, Inc. will pay for shipment of two (2) additional pieces of baggage for personal effects, with weight not to exceed 50 lbs. each from the Employee's point-of-origin to Diego Garcia at the start of their assignment, and return to point-of-origin at the completion of the assignment. San Juan Construction, Inc. assumes no responsibility for loss or damage to personal property. Unless written approval by San Juan Construction, Inc. is given, no pets are allowed.

### **Company-Provided Housing**

The Company provides man-camp housing for the Employees on Diego Garcia, including a bed and linens, TV, DVD player, mini-refrigerator, laundry facilities, and utilities. No open cooking or flame-producing cookware is permitted; however, personal microwave ovens, popcorn poppers and coffee pots are authorized; Employee must supply these items themselves.

### **On-Island Transportation**

Depending on the Employee's position, they may be provided with a company vehicle while assigned to Diego Garcia. All Employees on Diego Garcia have access to free shuttle services on the Island. The primary mode of transportation in this location is bicycles, which Employees can ship to or purchase on the Island.

### **Free Use of Recreational Facilities**

Employees assigned to Diego Garcia get free use of on-island recreational facilities including golf, tennis, racquetball, gym, and pool. Employees may bring their own clubs and racquets or they may rent them for a small fee.

### **Rest & Recreation (R&R) Leave**

San Juan Construction, Inc. encourages its Employees to take Rest and Relaxation Leave as the Company recognizes the importance of and need for time off to relieve stress and maintain a positive health status, which in turn reduces the number of work-related injuries and increases productivity. Employees assigned to Diego Garcia will receive the following R&R Leave program:

**R&R Paid Time Off** - Every four (4) months during the term of the assignment, the Employee will receive two (2) work weeks of paid time off. This time off includes travel from and back to Diego Garcia. The scheduling and timing of R&R leave shall be approved by the Project Manager. R&R leave is subject to the following:

- If for any reason R&R leave cannot be taken at any of the four (4) month intervals, the leave time can be carried over and accumulated.
- The maximum amount of leave time an Employee can take at any one time is limited to three (3) work weeks.
- Accumulated R&R leave can be taken at any time as approved by the Project Manager.
- If the Employee is unable to take any portion of their earned R&R leave by the end of the term of their assignment, the Company will pay out a maximum of three (3) work weeks of unused R&R paid time off.

**R&R Travel** - Every four (4) months during the term of the assignment the Employee will receive one (1) round-trip, continuous travel, economy class, airline ticket to the destination of their choice.

- If for any reason the airline ticket cannot be used at any of the four (4) month intervals, the airline ticket benefit can be carried over and accumulated.
- Accumulated airline ticket benefits can be used at any time, in conjunction with R&R leave, as approved by the Company.
- Only Employees of the Company are eligible to utilize the airline ticket benefit.
- Employees are not entitled to the cash equivalent of unused airline tickets.

### **Holidays**

San Juan Construction, Inc. recognizes the following as paid holidays for Exempt Expat Employees assigned to Diego Garcia:

- New Year's Day
- Philippine Independence Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

### **Compassionate Leave**

In the event of death or terminal illness in an Employee's immediate family including the Employee's parents, mother-in-law, father-in-law, brother, sister, wife, or child, San Juan Construction, Inc. will provide one (1) round-trip coach airline ticket for the Employee to return to the States during the time of need. Compassionate leave time off is unpaid unless the Employee chooses to use paid R&R time off.

### **Health (Medical and Dental) Insurance**

Employees assigned to Diego Garcia, who work at least 30 hours per week, are eligible for medical and dental insurance for themselves and eligible family members. Should the Employee

elect to participate in these insurance benefits, coverage would begin on the first day of the month following the month after the Employee completes eight (8) weeks of employment with San Juan Construction, Inc. Eligibility for coverage in all plans is governed by the specific Insurance Plans and to the extent it differs from this Policy, the specific Insurance Plan documents control.

Insurance benefits do not begin automatically when the Employee becomes eligible. Employees must properly submit all required information and documentation for enrollment and receive notice of approval for coverage before the benefit will become active. At that point, the Employee will be responsible to pay for their portion of any premiums.

Employees and their dependents may have the right to pay for continuation coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) upon the occurrence of a qualifying event that would otherwise entitle them to lose group medical insurance coverage. Please contact the Human Resources Manager with questions regarding your COBRA rights.

### **Short Term Disability Insurance**

San Juan Construction, Inc. provides Group Short Term Disability (STD) Insurance to eligible full-time employees who work a minimum of 30 hours per week and who have completed 30 days of work with the Company. STD Insurance pays 60% of an employee's weekly earnings to a maximum of \$2,000 per week for employees who are unable to work due to a non-work-related accident or sickness. Benefits begin on the 8<sup>th</sup> day of absence from work and can continue for up to 12 weeks. STD benefits begin automatically when the employee meets the eligibility requirements.

Eligibility for coverage in all plans is governed by the specific Insurance Plans and to the extent it differs from this statement, the specific Insurance Plan documents control.

### **Basic Group Term Life and Accidental Death and Dismemberment (AD&D) Insurance**

San Juan Construction, Inc. provides Basic Group Term Life and Accidental Death and Dismemberment (AD&D) Insurance to full time employees working at least 30 hours per week and who have completed 30 days of employment with the Company. This insurance helps protect the financial security of you and your family, and the premiums are 100% paid for by San Juan Construction, Inc.

Coverage under the Basic Group Term Life Insurance equals two (2) times the employee's basic annual earnings up to a maximum of \$200,000. AD&D Insurance pays an additional benefit, up to the amount of the Life benefit, if the employee suffers a loss due to an accident. Employees also receive Basic Life Insurance for their spouse in the amount of \$5,000, and \$1,500 for each eligible child.

Basic Group Term Life and Accidental Death and Dismemberment (AD&D) Insurance coverage begins automatically when an employee meets the eligibility requirements. Eligibility for coverage in all plans is governed by the specific Insurance Plans and to the extent it differs from this statement, the specific Insurance Plan documents control.

### **Optional Life and Accidental Death and Dismemberment (AD&D) Insurance**

Eligible employees may increase their Life and AD&D Insurance coverage by enrolling in the Company's Optional Life and AD&D policies. Employees may purchase additional Life and AD&D Insurance for themselves, their spouse and dependent children at affordable group rates conveniently deducted from their paycheck.

### **Retirement Savings Plan**

San Juan Construction, Inc. is pleased to offer Expat Employees assigned to Diego Garcia both Traditional and Roth 401(k)-retirement savings plans. Employees become eligible to contribute

to the plan(s) on the first day of the following month, after 90 days of employment. San Juan Construction, Inc. will usually contribute a matching percentage on behalf of each participating employee into the Plan once the employee has completed one (1) year of service. San Juan Construction, Inc.'s 401(k) plan is administered by ING Life Insurance and Annuity Company. If you have questions or would like to enroll, please contact the Human Resources Manager. The 401(k)-retirement savings plans control eligibility and determination of other issues, and to the extent that the Plans differ from this policy, the Plans control.

#### **Flexible Spending Accounts (FSA's)**

Flexible Spending Accounts allow employees the opportunity to use pre-tax dollars to pay for certain expenses including, but not limited to, health care flexible spending accounts for expenses not reimbursed under any other health plan (such as deductibles, office visit co-pays, prescription co-pays, vision care) and dependent day care flexible spending accounts. Contributions to FSA's are made by an employee through payroll deductions on a pre-tax basis to pay for the qualified benefits, thereby reducing their taxable income and increasing their take home pay. Employees are eligible to participate in the Company's FSA's the first day of the month following the completion of two (2) full months of service. San Juan Construction, Inc.'s FSA is administered by Total Administrative Services Corporation (TASC). If you have questions or would like to enroll, please contact the Human Resource Manager. The FSA plan controls eligibility and determination of other issues, and to the extent that the Plan differs from this policy, the Plan controls.

#### **Emergency Travel Assistance**

Employees eligible for the Company's Basic Group Term Life Insurance policy are also eligible for Emergency Travel Assistance which provides medical and personal emergency assistance for employees and their dependents traveling 100 or more miles away from home. This unique program provided by Assist America protects employees and their family members 24 hours a day, 365 days per year.

Key benefits include medical consultation, evaluation and referral; hospital admission guarantee; emergency medical evacuation; critical care monitoring; medical repatriation; prescription assistance; emergency message transmission; emergency trauma counseling; compassionate visit; care of minor children; legal and interpreter referrals; and return of mortal remains. Assist America pays for all of the assistance services it provides.

#### **Workers' Compensation Insurance**

Employees assigned to Diego Garcia who suffer job-related injuries or disease may be entitled to workers' compensation benefits for medical expenses and lost wages, in accordance with The Defense Base Act. Employees must immediately report an injury or disease to the Superintendent/Construction Manager, project Safety Manager/Officer, or Project Manager.

NOTE: The preceding information summarizes the benefits currently available to eligible Employees of San Juan Construction, Inc. as assigned to Diego Garcia. Please contact the Human Resources Manager for additional information regarding any benefit plans. San Juan Construction, Inc. retains full discretionary authority and control to terminate or amend any or all benefits at any time.