

**EMPLOYEE BENEFITS  
MONTROSE**

San Juan Construction, Inc. is pleased to offer Employees assigned to the Montrose office a wide range of benefits. Employees may think of these benefits as an “invisible paycheck,” a paycheck larger than the one you receive. This “invisible paycheck” pays for, or contributes to these benefits. The Human Resources Manager and/or Payroll Manager can help you identify the programs for which you are eligible. San Juan Construction, Inc.’s benefits include:

- Paid Vacation Time Off
- Short-term Disability Insurance
- Discretionary Leaves of Absence
- Holidays
- Bereavement
- Voting Leave
- Health (Medical and Dental) Insurance
- Basic Group Life and AD&D Insurance
- Optional Group Life and AD&D Insurance
- Retirement Savings Plan (401(k))
- Flexible Spending Accounts (FSA’s)
- Emergency Travel Assistance
- Workers’ Compensation Insurance

**Paid Vacation Time Off**

San Juan Construction, Inc. encourages its Employees to take vacation time off 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. Regular, full-time Employees assigned to the Montrose office will be eligible for paid vacation time off upon completing 90 continuous days of employment.

**Regular full-time Montrose Employees in non-supervisory positions** will receive paid vacation time off based on the following schedule:

<b>Continuous Active Service from Hire Date with no more than a two (2) month break in service</b>	<b>Days of Paid Vacation</b>
First Year of Employment	Five (5) Days/year
Second Year of Employment	Ten (10) Days/year
Third Year and subsequent years of Employment	Fifteen Days/year

**Regular full-time Department Managers in the Montrose office** will receive paid vacation time off based on the following schedule:

<b>Continuous Active Service from Hire Date with no more than a two (2) month break in service</b>	<b>Days of Paid Vacation</b>
First Year of Employment	Fifteen Days/year
Second Year and subsequent years of Employment	Twenty Days/year

The maximum amount of vacation is limited to the employee’s annual vacation allowance plus five (5) days. The Employee will not receive any additional vacation time after this maximum is reached. The vacation time that an employee would normally receive on their anniversary date in excess of this maximum will be forfeited without pay, except where prohibited by law. For example: a regular full-time corporate office employee in their first year of employment receives five (5) days of paid vacation after completing 90 days of employment. That employee does not use any of the five (5) days available to them and upon their anniversary date of the start of their

2<sup>nd</sup> year of employment they receive their ten (10) days of paid vacation according to the policy, for a total of 15 days of paid vacation time available to use during their second year of employment. If during their second year of employment they do not use any of their 15 days of paid vacation time available and upon their third anniversary date they receive 15 days of paid vacation according to the policy, they will only be allowed to carry over five (5) of their previous 15 days available for a total of 20 days of paid vacation time during their third year of employment and forfeit the ten (10) days of paid vacation that are in excess of the maximum allowance.

All vacation leave requests must be submitted in writing to the Employee's direct supervisor at least two (2) weeks in advance of the dates requested or as soon as practical under emergency situations and forwarded to the Human Resources and Payroll departments for processing and filing. Requests will be granted on a first requested, first approved basis by department. The approval of vacation requests will be at the discretion and approval of the Department Manager.

Eligible employees, who resign or are terminated, will be paid for any earned, unused vacation.

### **Sick Leave**

San Juan Construction, Inc. does not offer paid sick time off for any employee. If any non-exempt employee must miss any partial or full day of work due to an illness or non-work-related injury, they may either take the time off unpaid, or they may use their paid vacation time off that they have available. If an exempt employee misses more than 6 work days per year, they must use any paid vacation time off that they have available. If they do not have any paid vacation time available, San Juan Construction, Inc. will reduce the exempt employee's salary accordingly for the pay period in which the time was missed.

### **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.

### **Discretionary Leaves of Absence (LOA)**

Absences are costly to the Company and disruptive to our work schedule. However, we recognize that situations may arise where you will require an absence from work. San Juan Construction, Inc. may, at its discretion, grant an Employee assigned to the Montrose office a discretionary leave of absence for a valid and compelling reason.

- **Discretionary.** San Juan Construction, Inc. will consider written requests from regular full-time Montrose office Employees, for an unpaid Discretionary Leave of Absence (LOA) and will grant or deny such requests based upon what San Juan Construction, Inc. deems, in its sole discretion, is in the best interests of the Company. Such a request will not be granted unless the Employee has exhausted or is otherwise ineligible for any paid leave; has a satisfactory employment record with San Juan Construction, Inc.; has a compelling need for the leave; affirms that he/she will return to San Juan Construction, Inc. upon expiration of the leave. However, even if these factors favor granting LOA, it is within San Juan Construction, Inc.'s sole discretion to deny the request. Part-time, temporary, and intern employees are not eligible for LOA.

- **Definite Period.** LOA must be for a specified period of time with a definite beginning and ending date. LOA must also be approved in writing by the Human Resources Manager.
- **Pay and Benefits.** LOA is unpaid leave; however, the Employee will be required to use any and all paid leave they have available. No vacation, holidays, or sick leave accrue during LOA. Eligible Employees, as defined by the health insurance plan, will be allowed to continue health insurance during LOA if they timely submit their premiums to San Juan Construction, Inc. and/or the insurance company as applicable. The Employee's failure to pay his or her share of the premiums may result in loss of coverage. Should the Employee fail to pay their share of premiums during their leave period, SJC may elect to pay the Employee's share as an advance against future wages in order to maintain coverage while the Employee is on leave. In this event, SJC has the right to deduct the amount advanced from the Employee's paycheck upon return to work. This right to pay the Employee's premium by the Company is solely at Company's discretion and this policy does not give the Employee any right to demand that the Company pay the Employee's portion of the insurance premium.
- **Reinstatement.** San Juan Construction, Inc. does not guarantee that the Employee will return to the same or an equivalent position at the same rate of pay at the end of LOA. Also, LOA does not protect the Employee from termination of employment during LOA for reasons that would have led to termination if the Employee were not on LOA.

### **Holidays**

San Juan Construction, Inc. recognizes the following as paid holidays for employees assigned to the Montrose office. (If the holiday falls on a weekend, then the preceding Friday or following Monday will be a paid holiday):

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

Pay for work performed on San Juan Construction, Inc. recognized holidays:

- Non-exempt employees who do not work on a recognized holiday will receive eight (8) hours of vacation pay at their regular hourly rate.
- Non-exempt employees who work on a recognized holiday will receive eight (8) hours of vacation pay at their regular hourly rate, as well as their regular hourly rate for each actual hour worked on the holiday.
- Exempt employees who work on a recognized holiday will be paid their regular weekly salary.

### **Bereavement**

All Employees assigned to the Montrose office, whether non-exempt or exempt may receive up to three (3) days off with pay in the event of a death of an immediate family member. Immediate (including step) family includes spouses, domestic partners, parents, brothers, sisters, children, grandchildren, grandparents and parents-in-law.

These same employees may receive up to one (1) day off with pay in the event of a death of an extended family member including aunts, uncles, first cousins, sisters or brothers-in-law, grandparents-in-law, and great grandparents.

Additional time off may be arranged with the supervisor's approval, and should be charged against the employee's available vacation time or will be unpaid if none is available.

**Voting Leave.** Montrose Employees who are eligible electors entitled to vote at an election shall be entitled to two (2) hours off, with pay, for the purpose of voting on the day of the election during the time the polls are open, if they apply for the time off prior to the day of election and if they have less than three (3) hours between the time of opening and the time of closing of the polls during which they are not required to be on the job. San Juan Construction, Inc. may specify the hours during which the Employee may be absent, but the hours shall be at the beginning or end of the work shift, if the Employee so requests. This policy is intended to comply with CRS §1-7-102 of the Colorado Revised Statutes and will be amended or repealed automatically by any change in the statute.

**Jury Duty.** Civic responsibility may occasionally require service on jury duty. If an Employee in Montrose is called for jury duty, they must inform their immediate supervisor and the Human Resources Manager as soon as possible and provide a copy of the summons. They will receive leave for jury duty, and be paid their regular wages, up to \$50 per day, for the first three (3) days of jury duty that they would otherwise have been scheduled to work. Thereafter, jury duty is unpaid, except that if the Employee is Exempt status, there will be no deduction in salary because of jury duty in any pay period in which work is performed. Employees must remit to San Juan Construction, Inc. any pay (not including expense reimbursement) received from the government for jury duty that pay covers the same period for which they are receiving pay from San Juan Construction, Inc.. San Juan Construction, Inc. has no obligation to pay wages for jury duty until and unless they tender to the Human Resources Manager a juror service certificate provided by the Court confirming that they were on jury duty during that period. Employees are expected to return to work on any day or portion of a day they are released from jury duty.

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

Employees assigned to the Montrose location, 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.

#### **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 both Traditional and Roth 401(k)-retirement savings plans. These plans allow regular full-time Employees to save money under a tax deferred savings plan. All Employees, 18 years of age or older, become eligible to contribute to the plan 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. Regular, full-time 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**

- **Eligibility.** Employees who suffer job-related injuries or disease may be entitled to workers' compensation benefits for medical expenses and lost wages, in accordance with applicable State laws.
- **Verbal Report.** Montrose Employees must verbally report the injury or disease to the Human Resources Manager immediately. Failure to report the injury and to submit to timely testing could result in discipline or discharge.

- **WARNING:**

**IF YOU ARE INJURED ON THE JOB, WRITTEN NOTICE OF YOUR INJURY MUST BE GIVEN TO SAN JUAN CONSTRUCTION, INC. WITHIN FOUR (4) WORKING DAYS AFTER THE ACCIDENT, PURSUANT TO SECTION 8-43-102(1) COLORADO REVISED STATUTES. IF THE INJURY RESULTS FROM YOUR USE OF ALCOHOL OR CONTROLLED SUBSTANCES, BENEFITS MAY BE REDUCED BY ONE-HALF (1/2) IN ACCORDANCE WITH SECTION 8-42-112, COLORADO REVISED STATUTES.**

- **Treatment.** All Employees should tell their physician that they have an industrial injury, and ask the physician to send the medical reports and bills to San Juan Construction, Inc.'s insurance carrier. Employees should contact the Human Resources Department to obtain the name and contact information of the insurance carrier.
  - In Colorado, San Juan Construction, Inc. has the right to designate a physician to treat its Employees. Failure to allow San Juan Construction, Inc. to designate the treating physician may result in loss of workers compensation benefits. Contact the Human Resource Manager to arrange an appointment with the designated treating physician.
- **Limited Duty:** The treating physician may recommend that an injured Employee return to work on limited duty. In such event, San Juan Construction, Inc. may require the Employee to return to work performing duties within the medical restrictions even if such work is different than the Employee's regular job duties. An Employee's refusal of limited duty may result in termination of benefits.
  - Employee's entitlement to workers' compensation benefits may also be lost or reduced if:
    - a. Employee's injury is self-inflicted.
    - b. Employee's actions, which led to the injury, were in violation of a safety rule.
    - c. Employee's injury results from intoxication or drug impairment of the employee.

NOTE: The preceding section of the Employee Handbook briefly summarizes the benefits currently available to eligible Employees assigned to the Montrose office. 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.