

2015 Statement of Employee Benefits

An employee who works at least thirty (30) hours per week is eligible for all benefits on their date of hire, with the exception of employer 403(b) Thrift Savings Plan contributions, which begin the first of the month coincident with or following the employee's date of hire.

Medical Insurance

LSC offers comprehensive medical insurance through the CareFirst Opt Out Open Access Plan. This plan is a hybrid between a traditional HMO plan, which normally requires referrals to specialists and prohibits out-of-network benefits, and a PPO plan, which affords members more flexibility when choosing healthcare providers in-network and out-of-network. The CareFirst Opt Out Open Access Plan is primarily based on the CareFirst BlueChoice HMO network, but users can see healthcare providers in and out-of-network without a referral. In-network preventative care is covered at 100%. There is no out-of-network deductible and out-of-network benefits are paid at 60% of the allowed amount. Using out-of-network providers increases out-of-pocket costs. Please refer to the LSC Benefits Guide or the CareFirst Summary of Benefits for specific copayment, coinsurance, deductible, and out-of-pocket maximum information. LSC shares the cost of this plan with the employee. These premiums are deducted on a pre-tax basis.

Dental Insurance

LSC offers comprehensive dental insurance through the MetLife PDP Plus PPO Plan, with two (2) coverage levels. The Low option offers an annual maximum benefit of \$1,000 per person and a lifetime maximum orthodontia benefit of \$1,000 for dependent children up to age 19. The High option offers an annual maximum benefit of \$5,000 per person and a lifetime maximum orthodontia benefit of \$1,500 for adults and dependent children up to age 26. This plan offers users the flexibility to see in-network and out-of-network dental providers. Preventative care is covered at 100%. Out-of-network benefits are paid after the deductible is met, which is \$50 for individuals and \$150 for families. Please refer to the LSC Benefits Guide or the MetLife Summary of Benefits for specific coinsurance, deductible, and out-of-pocket maximum information. LSC covers the cost of basic Low option coverage in full; the employee and eligible dependents will be enrolled automatically. An employee may elect to "buy-up" to the High option at his or her own expense. The "buy-up" premiums are deducted on a pre-tax basis.

Group Short-Term and Long-Term Disability Insurance

LSC offers group disability benefits to all employees through Reliance. An employee must satisfy a 30-day elimination period before short-term disability benefits begin. Short-term disability benefits are 60% of the employee's weekly salary, up to \$2,000. Short-term disability benefits can last up to nine (9) weeks. Employees must satisfy a 90-day elimination period before long-term disability benefits begin. Long-term disability benefits are 60% of the employee's monthly salary, up to \$9,000 (managers) or \$7,500 (non-managers). Long-term benefits can last up to the employee's Social Security Normal Retirement Age. LSC covers the cost of this plan in full; employee enrollment is automatic.

Basic Life and Accidental Death and Dismemberment (AD&D) Insurance

Officers and Directors (Class 1) may elect life and AD&D coverage in the amount of 1.5 times their earnings, rounded to the next highest \$1,000, up to \$250,000. All other employees (Class 2) may elect life and AD&D coverage in the amount of one times their earnings plus \$2,000, rounded to the next highest \$1,000, up to \$202,000. LSC pays 1/3 of the premium if coverage is elected; the employee pays 2/3 of the premium on an after-tax basis.

Voluntary Life and AD&D Insurance

An employee can purchase additional life and/or AD&D insurance in the amount of up to five (5) times their annual salary, in increments of \$10,000, up to a maximum of \$500,000. Coverage can be purchased for a spouse in increments of \$5,000, up to the amount of 50% of the employee's election, up to a maximum of \$250,000. Coverage can be purchased for dependent children in increments of \$2,000, up to a maximum of \$10,000 (flat rate for one or more children). Employees pay voluntary life and AD&D premiums on an after-tax basis.

Business Accidental Death and Dismemberment (AD&D) Policy

LSC provides an additional \$125,000 AD&D benefit for an employee on business travel in the event of accidental death or loss of one or more limbs and/or eligible senses. Under this policy, additional domestic and international business travel benefits are provided by Cigna Travel Secure, such as emergency cash advance, assistance with lost or stolen luggage, referrals to local embassies or consulates, translator services, etc. LSC provides this benefit at no cost to the employee.

Flexible Spending Accounts (FSA)

LSC offers a Healthcare FSA and a Dependent Care FSA, which enables an employee to pay for some out-of-pocket health and/or dependent care expenses on a pre-tax basis. An employee who enrolls in the Healthcare FSA has access to their full annual election on their eligibility date. The dependent care FSA will reimburse an employee up to the amount that has been deposited into the account. This plan offers the convenience of a MasterCard debit card that can be used to purchase eligible services, medicine, and supplies at participating healthcare providers and retail pharmacies. If elected, the employee funds their FSAs on a pre-tax basis. The maximum elections for 2015 are \$2,550 per participant for healthcare and \$5,000 per household for dependent care.

Employee Assistance Program

The Employee Assistance Program is designed to provide counseling and referral services to an employee and eligible members of their households who may be experiencing work-related or personal problems. Resources are available for common issues including, but not limited to, stress management, relationship problems, substance abuse, and bereavement. Assistance is available 24 hours a day, seven (7) days a week, and services are 100% confidential. LSC provides this benefit at no cost to the employee, their dependents or members of their immediate households eligible for services.

Long-Term Care

An employee can purchase long-term care (LTC) insurance to cover expenses related to assistance with the basic personal tasks of everyday life, known as Activities of Daily Living (ADLs) such as bathing, dressing, eating, etc., which are not covered by health insurance. LTC provides a variety of services which help meet both the medical and non-medical needs of people with a chronic illness or disability who cannot care for themselves for long periods of time. An employee can purchase an individual policy for themselves and their spouse at discounted group rates, and any non-smoker who applies and purchases a policy within sixty (60) days of their date of hire are automatically eligible for the preferred health rate. If elected, the employee pays the premiums for LTC on an after-tax basis through payroll deduction or direct billing.

Transportation Allowance Benefit

An employee who primarily commutes to and from work via Metrorail or Metrobus will be eligible to receive a monthly commuting allowance not to exceed \$130.00 in the form of SmartBenefits, which will be added directly to their registered SmarTrip® cards. The exact amount of each employee's allowance

will be based on the amount verified by the Office of Human Resources (OHR).

An employee who primarily commutes to and from work via private automobile will be eligible to receive a monthly parking allowance not to exceed \$250.00 towards their monthly contract parking rate, or up to \$110.00 per month to park in a Metro garage in order to commute via Metrorail or Metrobus. LSC will pay the monthly parking fee directly to the respective parking facility and the employee will reimburse LSC the difference between the monthly rate and the monthly allowance, through payroll deduction.

The employee is responsible for informing OHR if their mode of transportation changes so that OHR can make any adjustments to the benefit. Please note that continued availability and amount of the Transportation Allowance Benefit in subsequent fiscal years depends upon LSC's appropriation level.

Health Club Reimbursement

As part of our Work/Life Initiatives Program and LSC's commitment to promoting good health and wellness, LSC reimburses an amount up to \$25.00 per month toward health club membership or other approved physical fitness fees. Any regular employee who is a member of a health club facility is eligible for the reimbursement. Requests for reimbursement can be made on a monthly or quarterly basis.

403(b) Thrift Savings Plan

An employee is eligible to participate in LSC's 403(b) defined contribution plan on their date of hire and can contribute up to the limits set forth by the IRS. An employee who joins LSC after the first of the year must be mindful of any 401(k) and/or 403(b) contributions that they made to previous employers' plans, as those contributions will count against the IRS maximum.

An employee is eligible for the employer contribution on the first day of the month coincident with, or following, their date of hire. Each pay period, LSC contributes to the plan an amount equal to 6% of an employee's eligible compensation. In addition, LSC's plan provides for a matching contribution of up to 2.51% of an employee's eligible compensation, provided that the employee elects to contribute up to 2.51% of their eligible compensation to the plan. An employee is 100% vested in their contributions to the plan from the beginning of their participation in the plan. The value of the account attributable to employer contributions is fully vested over a three (3) year period, except that an employee is 100% vested in the employer's contributions upon the attainment of age 59½, regardless of years of service:

Completion of Years of Service	Vesting Percentage
1	25%
2	50%
3	100%

An employee can make contributions to the 403(b) plan on a traditional (pre-tax) or Roth (after-tax) basis.

Accrued Employee Leave

Accrued Sick Leave

A regular full-time employee accrues thirteen (13) days of sick leave per year (4.07 hours per pay period). A regular part-time employee accrues accrue sick leave on a pro-rata basis. All accrued sick leave may be carried over from one calendar year to the next on an unlimited basis.

Accrued Vacation Leave

A regular full-time employee accrues fifteen (15) days of vacation leave during their first and second years of service (4.69 hours per pay period), and accrues twenty (20) days during the third and subsequent years of service (6.25 hours per pay period). A regular full-time employee hired at Band 4 and above accrues 6.25 hours per pay period upon hire. A regular part-time employee accrues vacation on a pro-rata basis. A maximum of 240 hours may be carried over from one calendar year to the next.

Other Employee Leave

Personal Leave

Following ninety (90) days of service, a regular full-time employee is entitled to two (2) days of paid personal leave per year. A part-time employee is entitled to one (1) day of paid personal leave per year. Personal leave may not be or carried over from one calendar year to the next.

Parental Leave

An employee who is a parent, including a grandparent, aunt, uncle, and those serving as a guardian, may take up to 24 hours of paid leave during a calendar year to attend or participate in school-related events in which his or her child is participating.

Family and Medical Leave

Under the LSC Family and Medical Leave Policy, a regular employee may take up to sixteen (16) weeks for their own serious health condition, and up to sixteen (16) weeks of leave for the birth of a newborn child, adoption or foster care placement, placement of a child where the employee permanently assumes and discharges parental responsibility, or serious health condition of a family member, within a 24-month period. Family and Medical Leave is pursuant to the Federal Family and Medical Leave Act, the District of Columbia Family and Medical Leave Act and the LSC Family and Medical Leave Policy. Please refer to the LSC Employee Handbook for detailed information regarding the FMLA policy.

Military Leave

While on military leave, LSC will pay the difference between an employee's military pay and their regular salary for the period the employee is on reserve/emergency duty, for a period not to exceed thirty (30) days. Please refer to the LSC Employee Handbook for detailed information regarding the military leave policy.

Bereavement Leave

In the event of the death of an immediate family member, a regular employee is eligible for up to five (5) days of paid bereavement leave. Please refer to the LSC Employee Handbook for detailed information regarding the bereavement leave policy.

Jury Duty

While on jury duty, LSC will pay the difference between any jury service pay received by an employee and his or her regular salary. Please refer to the LSC Employee Handbook for detailed information regarding the jury duty policy.

Additional Information

Regular Working Hours

LSC's regular office hours are 9:00 a.m. to 5:30 p.m., Monday through Friday. Employees work 7.5 hours per day and 37.5 hours per week.

Alternative Work Schedules (AWS)

As part of our Work/Life Initiatives Program, LSC offers a variety of Alternative Work Schedules (AWS), including FlexiTime, FlexiPlace, and Compressed Work Schedules. These schedules provide an employee with an opportunity to design flexible work schedules that also meet the needs of their families, as well as provide managers flexible options in scheduling work to accomplish the LSC mission. Please refer to the LSC Employee Handbook for detailed information regarding the AWS policy.

Pay Periods, Pay Dates & Direct Deposit

Pay periods run from the first day of the month through the fifteenth day of the month, and from the sixteenth day of the month through the last day of the month. Paychecks are issued on the fifteenth day of the month and on the last day of the month. If the regular payday falls on a Saturday, Sunday, or holiday, paychecks are issued on the last working day preceding the scheduled payday. Direct deposit is available for up to three (3) accounts.

Holidays

LSC designates ten (10) paid holidays per year. The following holidays have been designated for official observance in 2015:

- New Year's Day (Thursday, 1/1)
- MLK Jr.'s Birthday (Monday, 1/19)
- Presidents' Day (Monday, 2/16)
- Memorial Day (Monday, 5/25)
- Independence Day (Friday, 7/3)
- Labor Day (Monday, 9/7)
- Columbus Day (Monday, 11/12)
- Thanksgiving Day (Thursday, 11/26)
- Day After Thanksgiving (Friday, 11/27)
- Christmas Eve (Thursday, 12/24)
(Bonus Holiday)
- Christmas Day (Friday, 12/25)

This summary has been provided for informational purposes only. These benefits, policies, and procedures are subject to change. Additional details and definitions of terms used in this summary can be obtained by reviewing the current and complete plan descriptions or company policies. If any information contained in this summary is in conflict with the master plan descriptions or company policies, the master plan descriptions and company policies take precedence.

Please contact Sophia Mason at ext. 1575 or at masons@lsc.gov if you have any questions.

2015 Employee Medical & Dental Premiums

Pre-Tax, Per Semi-Monthly Paycheck

<u><i>Medical Insurance – CareFirst Opt Out Open Access Plan</i></u>		<u><i>Dental Insurance – MetLife PDP Plus High Option “Buy-Up”</i></u>	
Employee Only	\$76.10	Employee Only	\$3.14
Employee & Spouse	\$175.04	Employee & Spouse	\$6.41
Employee & Child(ren)	\$140.79	Employee & Child(ren)	\$5.68
Employee, Spouse & Child(ren) (Family)	\$213.09	Employee, Spouse & Child(ren) (Family)	\$9.59