



## 2018 EMPLOYEE BENEFITS SUMMARY (Non-Bargaining Employees)

**PAID TIME OFF (PTO):** PTO is provided to you (if you are in a full-time or part-time employment status) to be used as you wish, i.e., vacation, sick leave, personal reasons, or religious observances. You are eligible to use PTO as it accrues. No minimum length of service is required. PTO is paid off upon termination. If you are a full-time employee, you will accrue PTO at the following rate (part-time employees accrue on a prorated basis):

<u>Accredited Service Requirement</u>	<u>Annual Accrual</u>	<u>Max Accrual</u>
From Accredited Service Date until 5th anniversary of that date	120 Hrs	480 Hrs
From 5th until 20th anniversary date	160 Hrs	640 Hrs
From 20th anniversary date forward	200 Hrs	800 Hrs

**HOLIDAYS:** Eighty hours of paid holidays per year.

**BEREAVEMENT LEAVE:** Up to three days paid leave to attend the funeral of an immediate family member.

**JURY/WITNESS DUTY:** If you are called to be selected or to serve on a jury impaneled by a civil authority, or have been called to testify as a witness in a legal proceeding, to which you are not a party, either voluntarily or under subpoena, you will be paid the difference between your scheduled work day rate and any fees or payments received, excluding pay for travel you receive.

**MILITARY LEAVE:** You may be granted a leave up to 15 working days per year when you are required to report for annual military training duty or civil emergencies. You will be paid the difference between the amount of pay you received during such leave, if any, and your base or equivalent rate of pay, excluding travel and subsistence.

**LEAVES OF ABSENCE:** You may be granted a leave of absence without pay for a designated period of time. There is no guarantee of employment upon return for certain leaves. Reasons for granting leaves of absence include military service (length of enlistment), education, and full-time civic duty.

**FAMILY AND MEDICAL LEAVE:** You may be granted up to 12 weeks unpaid, job protected leave per year for family or medical leave in accordance with legal requirements.

**JOB INCURRED DISABILITY:** If you are disabled on the job, you may be paid "injury time" for absences from work at 100% of base pay, unless/until you receive statutory workers compensation benefits. When you receive statutory workers compensation benefits, the company will supplement the benefit up to 75% of base pay, not to exceed six months or 25 weeks from date of injury; injury time paid at 100% will be adjusted retroactively to the 75% level as a supplement to the statutory benefit.

**UNEMPLOYMENT INSURANCE:** The Company pays the full cost of this insurance. Benefits vary from state to state as to amount and length of coverage.

**GROUP INSURANCE:** The Company offers a pre-tax benefits program. You are eligible for group insurance if you are a full-time or part-time employee working at least 30 hours per week. Coverage begins on your first day worked. Group insurance benefits include the following:

**MEDICAL CARE:** If you elect coverage for your eligible dependents, they will be enrolled in the same medical plan option you choose for yourself. **You are required to make a selection on your first day of employment.** If you waive medical coverage, you may not enroll your dependents. The following medical plans are available:

**Preferred Provider Organization (PPO) Plan:** The PPO Plan gives you access to a network of doctors and health care facilities, as well as a pharmacy benefit program. When you use PPO providers, you receive a high level of benefits. However, you always have a choice of using out-of-network providers, but your benefit reimbursement typically will be lower.

**High Deductible Health Plan (HDHP):** The HDHP uses the same in-network group of doctors and facilities as the PPO Plan, as well as a pharmacy benefits program. With the exception of preventive care, you will pay the full cost of medical and pharmacy benefits until you reach your annual collective-deductible, then you pay the appropriate coinsurance or co-pay for services. When you reach your annual out-of-pocket expenses, the company will pay 100% of in-network costs. The HDHP is tied to a Health Savings Account (HSA) to which you and MSTS can make contributions. Funds in the HSA can be used to pay for eligible health care expenses.

**Health Savings Account (HSA):** You can enroll in a HSA only if you are enrolled in the HDHP. The HSA holds contributions that are used to pay for qualified medical, prescription drug, dental and vision expenses, and are applied toward your deductible, coinsurance, and co-pays. Your contributions are made and used tax-free. Money that remains in your account at the end of the year carries over into the next year. The annual contribution maximums for 2018 are \$3,450 for employee only coverage, and \$6,900 for family coverage. MSTS will contribute \$750 to your account for employee only coverage or \$1,500 for family coverage. These amounts are pro-rated based on your date of hire.

**Health Maintenance Organization (HMO):** Under HMO plans, you *must* use your HMO's doctors and facilities to receive benefits. Most eligible medical and prescription drug expenses are payable at 100% after you make a co-payment.

**Retiree Medical Benefits**  
Employees hired or rehired on or after January 1, 2012 have access to MSTS-sponsored retiree medical plans if they meet certain eligibility requirements; however, employees will be responsible for 100 percent of the cost of this coverage.

**VISION CARE:** The vision plan provides two maximum levels of coverage for frame allowance up to \$120 or \$200 calendar year maximum per person. **You are required to make a selection on your first day of employment.** If you waive vision coverage, you may not enroll your dependents.

**DENTAL CARE:** The dental plan provides two maximum levels of coverage for eligible expenses up to a \$1,500 or \$2,000 calendar

year maximum per person. **You are required to make a selection on your first day of employment.** If you waive dental coverage, you may not enroll your dependents.

**LIFE AND ACCIDENT INSURANCE:** The Company provides a basic life insurance benefit equal to 1.5 times your annual base pay. If your annual salary exceeds \$33,000, you may also elect to limit your basic life insurance coverage to \$50,000 to avoid imputed income.

***Optional GVUL Supplemental Life Insurance:*** You can purchase additional life insurance coverage that equals one, two, three, four or five times your annual base pay, up to (including company portion) a maximum of \$2 million.

***Optional Dependent Life Insurance:*** You can purchase life insurance coverage of \$25,000 or \$50,000 for your eligible spouse and/or \$10,000 per eligible child. A Statement of Health is required to apply for coverage.

***Voluntary Personal Accident Insurance:*** This Plan provides a benefit if you or your dependent dies or suffers dismemberment as the direct result of an accident. You must purchase coverage for yourself before you can enroll your eligible dependents. You may elect coverage for yourself, your spouse (40% of your amount), and children (5% of your amount) in increments of \$25,000 to a maximum of \$500,000.

***Business Travel Insurance:*** The Company provides Business Travel Insurance to your beneficiary if you die as the direct result of an accident while traveling on company business. The benefit, equivalent to 2 times your annual base pay, is in addition to your Basic Life Insurance and any Voluntary Personal Accident Insurance you purchase.

**DISABILITY INSURANCE:** The Company provides Basic Short-Term Disability (STD) and Basic Long-Term Disability (LTD) Insurance coverage for you. These plans help provide income protection if you become disabled as the result of a non-occupational injury or illness and are unable to work. You also have the option of purchasing additional supplemental coverage on a pre-tax or after-tax basis.

***Basic STD:*** This plan provides 50% of your weekly base pay, up to \$1,200 a week for the first 26 weeks of disability starting on the eighth consecutive calendar day you are absent from work due to illness or injury, or the first day you are hospitalized or have surgery. Because this coverage is company-paid, your benefit is taxable.

***Supplemental STD:*** This supplemental coverage provides an additional 20% of your weekly base pay for a total benefit of 70% of your weekly base pay (not to exceed \$1,680 per week for 26 weeks when combined with your Basic STD benefit). This benefit starts at the same time as your Basic STD benefit

***Basic LTD:*** If you become totally disabled for more than 180 days, you may be eligible for a Basic LTD benefit equal to 50% of your monthly base pay, up to \$5,200 per month. You will receive Basic LTD benefits for as long as you remain totally disabled as defined by the plan. Because this coverage is company-paid, your benefit is taxable.

***Supplemental LTD:*** This supplemental coverage provides an additional 20% of your monthly base pay - for a total benefit of 70% of your monthly base pay (not to exceed \$7,300 per month when combined with your Basic LTD).

**FLEXIBLE SPENDING ACCOUNTS (FSA):** The Company offers a Health Care and a Dependent Day Care FSA. You can

contribute \$120 to \$2,500 per year to the Health Care FSA to help you pay for eligible health care expenses, and from \$120 to \$5,000 for the Dependent Day Care FSA. The money you set aside comes out of your paycheck before Social Security (FICA), federal and most state income taxes are calculated, reducing your taxable income. Employees enrolled in the Health Savings Account (HSA) are not eligible to enroll in the Health Care FSA.

**RETIREMENT PLAN:** Participation in the Company retirement plan is automatic; the company contributes to the plan for you. You will become a plan participant immediately if you are a full-time employee or part-time employee working at least 30 hours per week. Benefits provided are in addition to Social Security retirement income and will be based on the sum of the benefits you earn each year and the options selected. You are 100% vested after five years of service or attainment of age 65.

**EMPLOYEE 401(k) Plan:** You can begin participating in this Plan on the first day you are actively at work if you are a full-time employee or part-time employee working at least 30 hours per week. You can contribute on a pre-tax, after-tax, and/or Roth 401(k) basis in any whole percentage combination up to a total of 75% of your pay each pay period through payroll deduction. (Lower maximums may be established for highly compensated employees.)

If you have not enrolled in the Plan within 30 days from your date of hire, you will be automatically enrolled in the Plan at a contribution rate of 3% (pre-tax) of your eligible earnings. Your contributions will be invested in a Target Date Fund based on your date of birth. If you do not wish to contribute to the Plan, you must change your contribution rate to 0% within the first 30 calendar days of your employment. You can stop, start, increase, or decrease your contribution percentage at any time. You can invest your contributions in over 25 different funds plus a Brokerage Link. Fidelity Investments is the Plan record keeper.

If you are age 50 or older by December 31 and meet certain plan contribution limits, you may also be eligible to contribute a "catch-up contribution" up to maximums established by law.

For every dollar you contribute, the Company contributes an additional \$.50 - up to the first 6% of pay that you contribute. This contribution is made each pay period. The value of the Company contributions will be fully vested after three years or attainment of age 65. The value of your contributions is always 100% vested. The plan also offers a loan feature, with certain restrictions.

**EMPLOYEE EDUCATIONAL TRAINING ASSISTANCE:** This program is available to full-time non-bargaining employees for taking job-related or mission-related courses, typically during non-work hours, at an accredited school, college, or institution. You may have your tuition and other costs reimbursed at 100% (up to \$5,000), provided that your class was pre-approved and you achieve a grade of "C" or better.

**HYATT/METLAW LEGAL PLAN:** This plan is available to all regular full-time or part-time employees who work more than 30 hours per week. The plan provides legal assistance to you, your spouse and dependents on a variety of legal issues. You pay the full cost of this plan and are required to remain enrolled in the plan for a full plan year. You are eligible the first of the month following your hire date or January 1 of any year when you enroll during the annual enrollment period.

**MISCELLANEOUS:** The Company also provides a vacation purchase plan; PTO donation program; automatic deposit of weekly paychecks; free parking at Company facilities; and technical libraries containing specialized reference materials.