

# Riverton Industries

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Santa Barbara, CA 93101  
(800) 533-8801  
[www.bsiweb.com](http://www.bsiweb.com)

Jennifer A. Nelson  
100 Edgewood Drive  
Dallas, TX 75501-1234

Dear Jennifer:

Riverton Industries recognizes the invaluable contributions made by its employees. This is why we endeavor to offer competitive salaries and a comprehensive benefit program. We have prepared this summary of compensation and benefits to help you understand the significance of your benefits package.

Please study this information carefully. If there is a specific benefit you would like to discuss in detail, do not hesitate to call the Human Resources Department.

We encourage you to share this information with your family as you see fit. It is our hope that your benefit package will provide added security for you and your family members.

Your opinion is important to us. Please take a few minutes to complete the questionnaire in the back of this booklet. The questionnaire should be returned to the Human Resources Department within five working days.

We appreciate your contribution to the success of Riverton Industries.

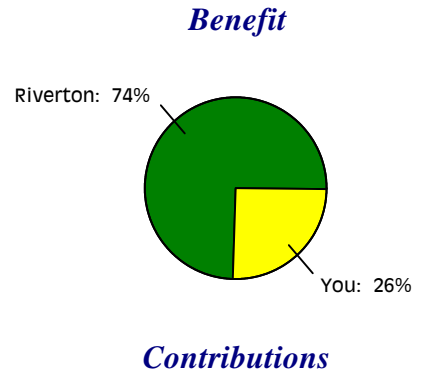
Sincerely,

A handwritten signature in blue ink that reads "Gary Riverton". The signature is fluid and cursive, with the first name "Gary" and the last name "Riverton" clearly distinguishable.

Gary Riverton  
President

## SUMMARY OF BENEFITS

<u>Benefit</u>	<u>Employer Cost</u>	<u>Employee Cost</u>
Medical Premium	\$ 3,800.00	\$ 600.00
Dental Premium	250.00	120.00
Life Premium	389.76	0.00
Long Term Disability	462.60	0.00
Bonus Amount	1,000.00	0.00
Uniform Expense	319.80	0.00
Parking Expense	600.00	0.00
Profit Sharing/401(k)	2,525.30	1,200.00
FICA Tax	2,148.12	2,148.12
Federal Unemployment	56.00	0.00
State Unemployment	157.50	0.00
Workers' Compensation	63.00	0.00
<b>Total Benefits Cost</b>	<b>\$ 11,772.08</b>	<b>\$ 4,068.12</b>
Value of Paid Time-Off	2,884.62	
<b>Total Value of Benefits</b>	<b>\$ 14,656.70</b>	



## SUMMARY OF GUARANTEED PAID TIME-OFF

This year you are eligible for the following time-off:

Paid Holidays:	10	Dollar Value:	\$ 1,153.85
Days of Vacation:	15	Dollar Value:	\$ 1,730.77

**Total value of time-off: \$ 2,884.62**

## TOTAL VALUE OF COMPENSATION PACKAGE

Total of Company-Provided Benefits:	\$ 11,772.08
Total of Paid Time-off Benefits:	2,884.62

**Total Value of Benefits Package: \$ 14,656.70**

Estimated Annual Income:	\$ 30,000.00
Less Paid Time-off:	2,884.62

**Pay for Time Worked: \$ 27,115.38**

Total Value of Benefits Package:	\$ 14,656.70
Pay for Time Worked:	27,115.38

**Total Value of Compensation Package: \$ 41,772.08**



Your total benefits package is worth **54.05%** of your pay for time worked. (This figure does not include the potential value of your sick leave, voting leave, bereavement leave, or jury duty leave benefits.)

# TIME-OFF BENEFITS

## VALUE OF POTENTIAL TIME-OFF



<u>Benefit</u>	<u>Employer Cost</u>
Sick Leave:	\$ 1,153.85
Voting Leave:	57.69
Bereavement Leave:	576.92
Jury Duty Leave:	1,153.85
<b>Value of Potential Time-Off:</b>	<b>\$ 2,942.31</b>

### SICK LEAVE

Our sick leave policy is established to assist you when you are unable to work due to illness, injury, or a medical condition. This year you are entitled to 10 days of sick leave. Based on your current income, these days account for \$1,153.85 of your annual earnings.

### VOTING LEAVE

Riverton Industries provides up to 2 hours to vote in both the primary and general elections held each year. Based on your current annual salary the maximum value of this benefit is \$57.69.

### BEREAVEMENT LEAVE

We have taken into consideration the personal needs which arise from the death of an immediate family member. Up to 5 days off may be granted with pay. Based on your current salary the potential value of this benefit is \$576.92.

### JURY DUTY LEAVE

If you are chosen for jury duty you will be provided with your regular pay minus any compensation from the court for up to 10 working days. The maximum value of this benefit is \$1,153.85.

### HOLIDAYS

Riverton Industries recognizes 10 paid holidays each year, typically: New Year's Day and the day before or after; President's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day and the day following; and Christmas Day and the day before or after. The total value of your holiday pay is \$1,153.85.

### VACATIONS

Each employee earns 10 days of vacation in the first year of employment. One vacation day is added for each additional year of employment up to a maximum of 25 days per year. During the course of this year you will earn 15 days of vacation. Based on your current salary this vacation time is worth \$1,730.77.

## MAJOR MEDICAL INSURANCE

Employees who work 30 hours or more per week are eligible to participate in group medical coverage provided through Bankers American Insurance Company. You may enroll in the plan on the first day of the month following 30 days of full-time employment (30 or more hours per week). Riverton Industries pays 100% of the cost of employee coverage.

You have elected dependent coverage. Riverton Industries will pay 50% of the cost of dependent coverage (\$600.00). The appropriate portion of your annual contribution toward the cost of dependent coverage will be deducted from each of your regular paychecks. You may add or cancel dependent coverage by giving 30 days written notice.

After a \$300 annual family deductible, your major medical plan pays 80% of covered expenses.

Covered medical expenses include:



- Semi-private hospital room and board
- In-hospital services and supplies
- Physicians' fees
- Diagnostic x-rays and lab tests
- Rental of durable medical equipment
- Special care unit charges
- Oxygen
- Anesthesia and its administration
- Blood and plasma
- Prosthetic appliances
- Home health services
- Convalescent care
- Maternity care
- Well child care

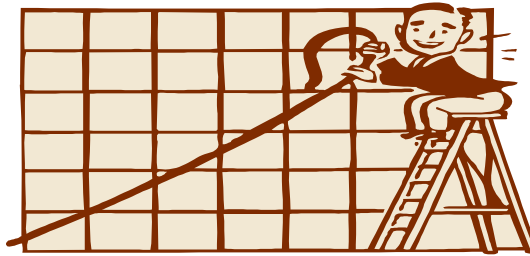
Other covered benefits include:

- Up to \$300 to cover incurred expenses for treatment required as a result of an accidental injury (no deductible).
- 50% of outpatient treatment of a mental or nervous disorder or substance abuse treatment.
- Up to \$150 of expenses for a second surgical opinion.

**Note:** After \$2000 in out-of-pocket expenses per covered person, other major medical expenses will be paid at 100% for that person for the remainder of the calendar year.

Please refer to your group major medical plan booklet for information governing exclusions and limitations. To request a copy of your group medical plan (contract #12764899) or to add or cancel dependent medical coverage, contact *Maureen Wilson, Human Resources Department, Riverton Industries, 1124 East 47th Street, Dallas, TX 75501.*

## OTHER INSURANCE BENEFITS



### *DENTAL INSURANCE*

Employees who work 30 hours or more per week are eligible for group dental expense benefits through Bankers American Insurance Company. Coverage begins on the first day of the month following 30 days of employment. Riverton Industries pays 100% of the cost of employee dental coverage. Dependent dental coverage is available at group rates.

You have elected dependent coverage. The appropriate portion of your \$120.00 annual premium will be deducted from each of your regular paychecks. You may add or cancel dependent dental coverage by submitting a 30-day written notice.

Benefits are paid up to the maximum allowances found in your group dental plan booklet. Covered expenses include:

- Routine examinations (1 every 6 months)
- Dental x-rays
- Prophylaxis
- Fluoride treatments
- Space maintainers
- Extractions
- Fillings
- Oral surgery
- Treatment of diseases of the gums
- Endodontic treatment
- Dentures and repair of dentures
- Crowns
- Bridges
- Onlays
- Orthodontia
- Composite restorations

### *GROUP TERM LIFE INSURANCE*

Group term life insurance in an amount equal to 1.5 times your annual base pay is provided to all full-time employees. Your annual base pay is defined as your annual pay excluding bonuses or overtime pay in effect on the later of your enrollment date in the plan or April 1 of each calendar year.

In the event of your death, your beneficiary will receive \$45,000. If your death is a result of an accidental injury, your beneficiary will receive an additional \$45,000. Riverton Industries pays the entire cost of this coverage.

### *LONG-TERM DISABILITY INSURANCE*

Long-term disability insurance is provided as a source of income protection. Should you become disabled as a result of a non-occupational injury or illness, this coverage will provide you with \$1,500 per month (60% of salary up to \$5,000 per month). Long term disability benefits begin after 90 days of disability. Full time (30 hours or more per week), exempt employees are eligible to participate in this plan. Coverage begins on the first day of the month following 30 days of employment. Riverton Industries pays the full cost of this benefit.

## SAVINGS PLANS

### CAFETERIA PLAN

Riverton Industries established a cafeteria plan for our employees this January. This plan was designed to provide you a means of paying out-of-pocket health and dental expenses in a tax-effective manner. You are spending a total of \$1,720.00 pre-tax dollars for these expenses. This amount includes the premiums you pay for dependent coverage as well as the additional \$1,000.00 you have elected to cover your family's deductibles and other health-related expenses.

### PROFIT SHARING/401(k) PLAN

Riverton Industries is pleased to partner with you in providing for your retirement. Our tax-deferred profit sharing/401(k) plan offers you many advantages over a typical savings account. With a 401(k) plan, the money you put in the account is tax-deferred. Additionally, the interest you earn on the money in your account grows without having taxes withheld, so the total grows much quicker than it would without this tax advantage.

You may enter the plan on either July 1st or January 1st after completing one year of service. As a participant, you may make basic contributions of up to 6% of your salary. The company will match 50% of your contribution (up to a total of 3% of your annual income). Total employee and employer contributions are limited by law.

In addition to the 50% match you receive on your contributions, supplemental contributions based on our annual profits may be made to the plan each December. The supplemental contributions are fully company funded and are distributed evenly among the plan's participants.



Prior account balance	\$ 15,230.01
Your total contribution last year	\$ 1,200.00
Last year's company matching contribution	\$ 600.00
Last year's company contribution based on profits	\$ 1,925.30
Gains from interest and investments	\$ 761.50
<b>Account balance as of the end of last year</b>	<b>\$ 19,716.81</b>
Vested percentage	100%

### MISCELLANEOUS BENEFITS

- Free Parking
- American Red Cross Blood Program
- Paid Uniforms
- Coffee and Tea
- Friday Morning Bagels and Donuts
- Wellness Program

**IMPORTANT:** This booklet is intended to summarize your company-provided benefits. The numbers and text contained in this report were taken from various plan documents, billings, and plan valuation sheets. While every effort was taken to accurately report your benefits, discrepancies are possible. In case of a discrepancy between this report and the actual plan documents, the actual plan documents will prevail.

To obtain a copy of any plan document or to add or cancel dependent coverage, contact *Maureen Wilson, Human Resources Department, Riverton Industries, 1124 East 47th Street, Dallas, TX 75501.*

# EMPLOYEE BENEFIT QUESTIONNAIRE



Please complete the following questionnaire and return it to the Human Resources Department within five (5) working days.

**SECTION I:** We are interested in how you feel about the management practices and work routines at Riverton Industries. Please put an "x" in the box that best describes how you feel about the following statements: Strongly Agree (SA); Agree (A); Undecided/No Opinion (?); Disagree (D); Strongly Disagree (SD).

	<b>SA</b>	<b>A</b>	<b>?</b>	<b>D</b>	<b>SD</b>
I get a feeling of accomplishment from the work I am doing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees at Riverton Industries are rewarded for good job performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
My immediate supervisor usually lets me know what is expected in my job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Management at Riverton Industries has a genuine interest in my welfare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I think the following changes should be made to enhance the working conditions at Riverton Industries:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**SECTION II:** We are also interested in how you feel about your benefit package. Please place an "x" in the box that best describes how you feel about the statements below. Strongly Agree (SA); Agree (A); Undecided/No Opinion (?); Disagree (D); Strongly Disagree (SD).

	<b>SA</b>	<b>A</b>	<b>?</b>	<b>D</b>	<b>SD</b>
My company-provided life insurance is an adequate supplement to my personal life policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The time-off policy at Riverton Industries is fair to me and to my employer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The company retirement plans provide security for my retirement years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
My contribution toward the cost of my benefit package is nominal when compared to the benefits I receive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I would like to see the following revisions or additions made to my benefit package:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_