

**EMPLOYEE BENEFITS SUMMARY**  
**COMPANY-WIDE**  
**January 2010**

**1. HOLIDAYS:**

11 days per year, usually including one week at Christmas.

**2. VACATION (approximate):**

10 days per year, for the first 2 years

12 days per year, for the next 3 years

15 days per year, for the next 5 years

20 days per year, after ten total years of service and thereafter.

**3. SICK LEAVE:**

Up to 80 hours earned each fiscal year. Unused balances are carried over and added to the current year allocation up to a 400 hour maximum limit.

**4. RETIREMENT PLAN:**

**A. TSC (Non-Contributory) Profit Sharing Plan:**

Each year, TSC contributes a percentage of an individual's annual salary to a pre-tax retirement account for eligible employees. Employees choose from twenty-five investment options with the Plan, where partial vesting occurs after one (1) year in the plan; full vesting after five (5) years. However, you must complete 1,000 hours of service in each plan year. Employees automatically become participants of the plan upon their employment date.

**B. Salary Deferral – 401(k) & 401(k) Roth Options:**

TSC offers before-tax and after-tax salary deferral contribution options, which includes matching contributions by the company to the accounts of employees electing to participate. Each employee may elect to defer a percentage of his/her base salary before taxes (traditional) or after taxes (Roth). TSC will match a portion of the employee's deferred election amount per plan year. Contributions are transferred to the employee account with the Plan, which offers twenty-five investment options.

**C. Salary Deferral – 401(k) Catch-up Contribution Option:**

TSC offers a before-tax and after-tax salary deferral "catch-up" contribution options for participants who wish to contribute over and above the limits of their 401(k) election. In order to be eligible to make catch-up contributions, you must have attained or will attain age 50 by December 31 of the current calendar year and you must be contributing the maximum 401(k) limits for the calendar year. Contributions are transferred to the employee account with the Plan, which offers twenty-five investment options.

**5. EMPLOYEE STOCK OWNERSHIP PLAN (ESOP):**

TSC's ESOP gives employees an ownership share in the Company. The ESOP Trust "owns" all of TSC's shares. The Plan allows employees to benefit personally as TSC profits and grows and as the stock increases in value. TSC makes annual contributions to the ESOP Trust, which is allocated to eligible participants who have worked 1,000 hours and who are employed on the last day of the plan year. The contributions are allocated to the accounts of individual employees and are made in proportion to the employee's level of compensation. Employees are partially vested in their ESOP account after one year of service, and their vesting increases annually to full vesting after five years. Employees automatically become participants of the Plan upon their employment date.

**6. EDUCATION AND TRAINING (job related):**

100% of the tuition up to maximum of \$6,500 per calendar year for course grades of “A” or “B”  
75% of tuition will be reimbursed for a course grade of “C” for undergraduate work.

**7. GROUP HEALTH & DENTAL/VISION INSURANCE:**

TSC offers medical insurance options to participating employees, with medical providers varying by location. The Metro Washington DC area employees may participate in a Preferred Providers Organization (PPO) or HMO, Alabama employees may participate in the Blue Cross/Blue Shield Plan. Others may participate in the regional PPO. Participating employees pay a bi-weekly contribution towards the cost of their medical coverage, the cost of which varies for the number of people elected for coverage by the employee.

**A. EMPLOYEE COST FOR INSURANCE:**

Participating employees pay a bi-weekly contribution towards the cost of their medical coverage, the cost of which varies for the number of people elected for coverage by the employee.

**B. FLEXIBLE SPENDING PLAN:**

TSC offers a Flexible Spending Plan for insurance premiums and health expenses not covered by the insurance plan, and dependent care costs. These are pre-tax deductions.

**8. BASIC TERM LIFE INSURANCE (at no cost to employees):**

TSC provides \$50,000 of term life insurance to each employee.

Optional Additional Life Insurance is available for employees to purchase through payroll deductions. The maximum available coverage is up to five times the employee's salary in increments of \$1,000 not to exceed \$500,000.

**9. DISABILITY INSURANCE: (at no cost to employees):**

60% of monthly salary to a maximum benefit of \$10,000 per month.

A. Short-Term Disability benefit begins after a 14-day waiting period after an eligible event to a maximum of 180 days.

B. Long-Term Disability benefit commences following 180 days of a continuous disability.

**10. CREDIT UNION**

Qualified for membership in the Naval Research Laboratory Federal Credit Union