



CONSTRUCTION LEADERS

PCL family of companies **Summary of U.S. Benefits for Salaried Employees**

The following is a summary of benefit plans and compensation programs in effect for salaried employees. Please note that this is intended as a summary only and that in all cases the provisions of the actual plan documents will apply.

Medical, Dental, Life & Disability Coverage

Eligibility

Medical, dental, life and disability coverage begin on the first day of employment.

Life Insurance

Four (4) times annual salary, to a maximum of \$300,000.

Accidental Death & Dismemberment (AD&D)

Four (4) times annual salary to a maximum of \$300,000.

Disability

In the event of a total disability, you will be paid 100% of your monthly salary for the first eight weeks of disability, 75% for the 9th through 26th weeks and 60% from the 27th week until age 65. Disability benefits are reduced by income from other qualified sources and payment of benefits beyond two years requires total disability from any and all occupations. The plan excludes coverage for pre-existing conditions.

Major Medical and Hospital Coverage

You will have a choice of three medical plans. Coverage under all of the plans is similar (not identical); however, the primary differences are deductibles and out of pocket maximums. Your contribution for this coverage will vary based upon the plan and coverage level that you select (employee only, employee plus one, or employee plus family).

	Plan A	Plan B	Plan C
Deductible	\$150/person; \$300/family	\$500/person; \$1000/family	\$2,500/person; \$5,000/family
Co-Pay (in network)	90%	90%	100%
(out of network)	80%	80%	80%
Breakpoint	\$5,000/person; \$10,000/family	\$7,500/person; \$15,000/family	\$7,500/per; \$15,000/family

(The breakpoint is the level of expenses *after which* the plan pays 100% of eligible charges.)

Each of the plans contains a pre-existing condition exclusion; however, this provision will be waived for new employees who provide certification of twelve months of continuous coverage (HIPAA certification).



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Dental

- (a) \$25 yearly/person deductible (maximum 3 per family).
- (b) 100% coverage for preventative dentistry, no deductible.
- (c) 80% coverage for basic dentistry (fillings, extractions, etc.); 90% for services rendered by a dentist participating in our Preferred Provider Program.
- (d) 50% coverage for major dentistry (bridgework, crowns, etc.); 70% for services rendered by a dentist participating in our Preferred Provider Program.
- (e) 50% coverage on orthodontia treatment for children under age 19.

There is an annual maximum of \$2,000 for items (b), (c) and (d) above (\$1,000 for the balance of the first calendar year for employees hired after July 1), and a \$2,000 lifetime maximum per child for item (e).

Rx Prescription Drug Program

Participant Copayments

Salary Plans A & B:

Mail Service: 100 Day Supply
30% Copay up to \$50 max – Brand Name
\$10 - Generic
Retail: 34 Day Supply
30% Copay up to \$50 max – Brand Name
\$10 - Generic

Salary Plan C:

Mail Service: 100 Day Supply
30% Copay up to \$50 max – Brand Name
\$10 - Generic
Retail: 34 Day Supply
100% Brand Name/100% Generic
until medical deductible met then \$0 copay

There is a \$500 calendar year maximum out-of-pocket expense per individual for Brand Name prescription medications.

Vision Care

Vision Care services are covered under a schedule of benefits to a maximum of \$200/person/year.

Employee Cost

Your contribution for all of the above coverages will vary based upon the medical plan and coverage level that you select as outlined below.

	Medical Plan A	Medical Plan B	Medical Plan C
Employee Only	1.5% of salary; max.\$165/mo.	1% of salary; max. \$110/mo.	.5% of salary; max. \$82.50/mo.
Employee + One	2.5% of salary; max. \$220/mo.	1.75% of salary; max. \$165/mo	.75% of salary; max. 110/mo.
Employee + Family	3.5% of salary; max. \$330/mo.	2.5% of salary; max. \$220/mo.	1% of salary; max. \$137.50/mo.

Employee contributions are first applied against excess life insurance premiums (above \$50,000); disability income premiums secondarily; and any remaining amounts are used to offset medical plan



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expenses. The portion applied to medical plan expenses is deducted *pre-tax* (see Flexible Spending Program, below).

Thrift Plan and Other Benefits

Thrift Plan

A 401(k) thrift plan is available for employees the first of the month following three months of service. For 2010, the employee may contribute up to \$16,500 of base salary annually (\$22,000 for employees age fifty and over) on a pre-tax basis and the Company will match 100% of the first 3% of eligible compensation contributed by the employee plus 50% of the next 2% of eligible compensation contributed by the employee. The Plan allows newly hired employees to "roll over" payouts received from other qualified plans if they so wish. The Plan has 21 mutual fund investment options and a Roth "after-tax" investment option.

Vacation

Vacation allowance is earned, then may be taken as follows:

Years Employed	Hours per Month	Weeks Per Year
0 through 9	10.00	3
10 through 19	13.33	4
20 plus	16.67	5

Holidays

The company provides you with nine paid holidays per year:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- The day after Thanksgiving
- Christmas Day
- Family holiday (the day after Christmas)
- Floating holiday (determined by each district)

Deferred Compensation Profit Sharing Bonus

Subject to corporate operating results, a deferred compensation profit sharing bonus may be paid in December on a discretionary basis to salaried employees with more than six months of service at fiscal year end (October 31st). Payments, when available, are determined by personal effort and achievement, level of responsibility, time spent away from home and family for which employee has not otherwise been compensated, and the safety record for those who can influence or control the safety and loss prevention program of their company.



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Share Ownership

Salaried employees with at least six months of service as of each January 31st may be offered the opportunity to purchase shares in PCL Employees Holdings Ltd. There is no pressure on employees to invest. With the exception of the long term bonus described below, salary, promotions, and deferred compensation profit sharing bonus are not affected by participation in the share purchase plan. The purchase price and quantity of shares available to an individual will be defined when an offer to participate is presented. The number of shares offered and the number that an employee is allowed to accumulate is dependent upon the availability of shares and on the individual's position, responsibility level and current holdings.

Long Term Bonus

Subject to operating results of the PCL companies, a long term bonus may be paid to salaried employees who have made a long term contribution to one or more of the PCL companies. PCL's Board of Directors believe that share ownership is reflective of long term contribution and therefore, the number of shares owned by an employee is used as a guide to determine long term bonus participation.

Flexible Spending Program

Two flexible spending accounts are available into which employees may defer income on a **pre-tax** basis. As eligible expenses are incurred during the year, 100% reimbursement is then made from the applicable flexible spending account and the employee saves state, federal and Social Security taxes on the amount of the reimbursement. The accounts are:

Dependent Care Spending Account

Maximum \$5,000 per year
For daycare expenses for dependent children

Medical Expense Reimbursement Account

Maximum \$5,000 per year
For unreimbursed medical, dental, prescription and vision care expenses

A third account called the **Premium Conversion Account** will automatically deduct the medical portion of your benefit contribution on a **pre-tax** basis to save you federal, state, FICA and Medicare taxes on that amount. You do not need to enroll in this account or complete any paperwork to trigger the savings. It will be calculated automatically through our payroll system and applied against your overall benefit program contribution.

Employee Assistance Program

EAP is available to employees and their families at no charge.

Voluntary Benefits

Supplemental Life Insurance for yourself, spouse and dependent children can be purchased separately. Different coverage levels are available to purchase through payroll deduction. Coverage is guaranteed regardless of medical condition as outlined below if the employee enrolls within the first month of eligibility:

Guaranteed Issue Amounts:



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Employee under age 60: \$100,000
Employee age 60 to 70: \$10,000
Spouse under age 60: \$40,000 (provided
the employee applies for at least \$50,000)

Long Term Care Insurance may be purchased through payroll deduction. Different benefit levels are available. Coverage is guaranteed up to \$4,000/mo. regardless of medical condition if the employee enrolls within the first month of eligibility.

Eligibility for the Voluntary Benefits is the first of the quarter after date of hire.