



LUMBEE TRIBE ENTERPRISES, LLC

Employee Compensation Plan 2019-2020

Lumbee Tribe Enterprises, LLC (LTE) is a small business owned by the Lumbee Tribe of North Carolina, and was established in May of 2011 to provide products and services to Industry and Government partners. LTE is headquartered in Pembroke, NC and has a remote operating location in Stafford, VA.

The capabilities of LTE are as diverse as the skill sets of the Lumbee Tribe. LTE personnel have backgrounds in construction, manufacturing, engineering, information technology, management, human resources, finance, and the military. The Employee Compensation Plan, effective August 1, 2017 is as follows:

Recruitment

LTE's policy is to ensure equal employment opportunity for all without regard to race, color, religion, sex, national origin, age, veteran status, disability, veteran or special disabled veteran status, or any other non-job-related characteristic. LTE searches nationwide for potential candidates to fill open vacancies within the company. Vacancies are created from existing work and new work that the Company is actively pursuing.

In addition to our industry team partners, we have established relationships with recruitment agencies nationwide. We also actively maintain an employee referral resume pool of outstanding candidates for emerging positions.

Performance Reviews

LTE strives to achieve positive results by connecting the Company's business goals with the employee's performance goals. Employees have a personal review with their Program Manager or Supervisor on the first day of their employment, the 30th day of their employment, the 60th day of their employment, and the 90th day of their employment. At this time, both parties provide feedback about their responsibilities to the Company and to the assigned work to ensure that their goals and expectations are understood.

An Annual Review is conducted through LTE's Performance Planning and Appraisal Report (PPAR) process. The supervisor and employee are encouraged to periodically discuss progress toward achieving the performance goals, professional development and the expected level of day-to-day performance. Such discussions should take place at least quarterly or more often if major modifications in goals or level of performance are required.

Merit Compensation Increases

Merit compensation increases can be related to a promotion, direct labor support contract change, a labor category change, or an annual evaluation of job performance based on the PPAR evaluation. Merit increases may vary between direct and indirect labor for the allowable percentage rate. Increases typically range from 0-4% of the employee's salary.

Employee Benefits

Full-time employees are eligible to participate in a variety of benefits that LTE offers. See below for a comprehensive list of benefits:

Medical Insurance

Our medical provider is Blue Cross Blue Shield. This plan provides coverage for all eligible employees and their dependents. LTE pays 60% of the premiums and the employee pays 40%.

**The following additional benefits are provided to employees on the 1st day of the month following the hire date for full-time employment. **

Vision Insurance

Our vision provider is Principal. This plan provides coverage for all eligible employees and their dependents. LTE pays 100% of the premiums. Our vision insurance has in-network and out-of-network benefits so employees may select an eye care provider of their choice.

Dental Insurance

Our dental provider is Principal. This plan provides coverage for all eligible employees and their dependents. LTE pays 100% of the premiums. Our dental insurance provides coverage for preventive, basic and major procedures as defined in the plan with a maximum benefit of \$1,000 per individual per calendar year.

Long Term Disability

Our long-term disability (LTD) provider is Principal. This plan provides coverage for all eligible employees. LTE pays 100% of the monthly insurance premium.

Short Term Disability

Our short-term disability (STD) provider is Principal. This plan provides coverage for all eligible employees. LTE pays 100% of the monthly insurance premium.

Group Life Insurance & AD&D

Our group life and AD&D provider is Principal. This plan provides coverage for all eligible employees. LTE pays 100% of the monthly insurance premium for both Group Life and AD&D. The coverage for basic life is \$25,000 and an additional \$25,000 for AD&D. There is a 35% reduction at age 70 and an additional 20% reduction at age 75.

401(k) Savings Plan

Our 401(k) provider is MassMutual. A Safe Harbor Matching Contribution will be made to eligible participants in an amount equal to 100% of the amount of your Elective Deferrals that do not exceed 3% of your Compensation, and 50% of the amount of your Elective Deferrals that exceed 3% of your Compensation but that do not exceed 5% of your Compensation. All contributions are 100% vested immediately upon participation in the plan.

For 2020, the 401(k)-employee deferral limit is \$19,500 with a “catch-up contribution” of an additional \$6,000 for employees over 50 years old.

Holidays

LTE provides 10 paid holidays per year corresponding to Federal Government holidays.

Personal Leave

Full-time employees accrue 10 hours per month for the first five years and 12 hours per month after five years. Personal leave is defined as time off used to the employee’s discretion for vacation, illness, and other personal reasons for leave.

Bereavement Leave

Employees are granted up to three paid days of bereavement leave for the loss of an immediate family member as defined by Company policy.

Jury Duty Leave

Employees are granted a maximum of 15 days of paid leave for jury duty. Jury duty is unavailable for employees on leave of absence. Employees subpoenaed to court for jury duty while absent for a holiday or vacation may substitute jury duty leave and reschedule the vacation or holiday. The employee will receive regular rate of pay less any compensation received from the court.

Military Leave

LTE is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is LTE's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Our company policy covers both temporary (two-week paid leave) and all other (extended unpaid leave) military leave.

Professional development Program

LTE rewards employees who make the choice to continue with their education. The maximum allowable amount of reimbursement within a 12 month period is \$3,000. Professional criteria and academic qualifications must be met to receive reimbursement, and the subject matter must benefit not only the individual, but LTE's competencies as well.

Rewards and Recognition Programs

LTE rewards personnel for going that extra mile. LTE management has made the commitment to provide employees with a monetary award for work that is recognized by company peers and the Government customer.

Performance-Based Bonus

LTE financially rewards employees for a number of areas that falls within the performance-based bonus program. Employees are rewarded for proposal work leading to a successful contract award, working additional hours on a direct labor contract, working on multiple contracts while working extra hours, and special awards for recognition by the government customer or company management.

Recruitment Bonus

LTE financially rewards employees for referring future qualified candidates hired by the company. Resumes are submitted to the Human Resource Department and the bonus goes into effect when the referred candidate begins employment with LTE. The referred hired employee must remain an employee for at least 90 days for the Recruitment Bonus Program to apply. The payment will be as follows: \$100.00 for first referral, \$200.00 for second referral, 1% pay raise for third referral, and \$100.00 for each referral thereafter. This program applies "annually" beginning on 1 January.

Employee of the Year

In December of each year, Corporate sends out a call for nominations, and an employee is chosen by their co-workers as the Employee of the Year. Co-workers must justify their nominations to a corporate selection board and an announcement is made during the annual holiday party.