

Pay for Performance

Our compensation philosophy is to pay each employee within a compensation range that is competitive with that paid for similar work in our community and industry. Pay is also based upon merit as objectively evaluated in the Company's performance appraisal program, with an opportunity to earn above-market pay for employees demonstrating exceptional performance.

The compensation plans for some positions, such as our sales personnel, are designed to reward achievement of individual performance targets and provide an opportunity to share in achieved results. Regardless of compensation program, all employees are reviewed annually and receive feedback regarding performance and goal achievement.

Promotion for individuals within the organization is strongly supported, and provides opportunities for continued pay growth for those with potential and interest in advancing their career.

401(k) Retirement and Savings Plan

Pearl Carroll offers all eligible employees participation in a 401(k) plan that provides a 75% match of up to your first 4% of pay contributions. Employees at or above age 50 have the ability to make an additional catch-up contribution to the plan, subject to IRS limitations.

In addition to the matching contributions, there is also an opportunity to receive discretionary contributions based on Company performance.

Paid Time Off

We feel employees should be able to decide how best to use their time off benefits, so Pearl Carroll allows you to accrue your time off and use it for any reason you like. Based on length of service, employees accrue the equivalent of 18 to 28 PTO days per year.

You can carryover up to 10 PTO days from one calendar year to the next. In addition to the PTO accrual, Pearl Carroll also provides paid holidays, as well as paid jury duty, bereavement, and military leave.

Educational Assistance

The Company encourages the professional development of employees through formal education so that they can maintain and improve job-related skills, as well as increase their career potential within the Company.

After one year of service, full-time employees may be reimbursed up to 100% of the cost of coursework at an accredited community college, and up to 75% of the cost of coursework at an accredited college or university. Reimbursable costs include tuition, laboratory fees, and required textbooks. Reimbursement is contingent upon receiving a B or better for coursework.

For employees with 10 or more years of service, paid release time may be granted under the program for the purpose of attending classes, provided the employee is matriculated in a degree program and has completed at least 25% of the credit hours required for the degree.

Pearl Carroll also provides an opportunity to attend seminars, training, and conferences in order to maintain mandatory licensing or certification status, improve the performance of employees in their present jobs, or prepare employees for increased responsibilities.

Employee Assistance Program

The EAP benefit is designed to provide resources and solutions for the myriad of problems you and family members may encounter in life. From traditional counseling assistance to work-life and information benefits, the EAP is available by phone and on the Web 24 hours a day, seven days a week. The EAP also offers lifestyle benefits, such as fitness, smoking cessation, weight loss, and retirement/college planning benefits and discount programs.

Medical Coverage

The Medical Plan is offered to all full-time employees and eligible dependents. The medical plan is a High Deductible Exclusive Provider Organization (EPO) type of plan with preventive and well care services covered in full – no copayments or deductible! Hospital and other medical services are covered at 90% of allowable charges after an annual deductible is met. The company also contributes to an individual Health Savings Account (HSA) based on coverage level - \$1,000 per Individual / \$2,000 per Family - so employees can use their HSA funds to cover deductibles and coinsurance. While prescription drugs are generally subject to the annual deductible, eligible preventive prescription drugs are only subject to a coinsurance schedule (10% for generic and brand name formulary).

The EPO provides for extensive coverage through National Network Coverage - with access to more than 500,000 doctors, specialists and hospitals throughout the U.S. It also features the opportunity to earn up to \$300 in WellStyle Rewards per subscriber per contract year, and comes with Core Wellness features such as: Care Management, WellStyle Health Tools and Activities, and a 24/7 Nurse Advice Line.

Dental and Vision Coverage

Full-time employees and eligible dependents may choose from two levels of dental coverage.

The High option provides an annual benefit of \$2,000 for covered charges per member and includes orthodontic benefits for eligible dependent children (subject to a lifetime cap of \$1,500). The Basic option has a \$1,500 annual maximum with no orthodontic benefits.

Both plans include two exciting features: Dental Rewards and Incentive Coinsurance. The Dental Rewards provision rewards insureds who care for their teeth and use only a portion of their annual maximum benefit in a particular calendar year. With its increasing annual maximum feature, each insured employee and dependent can earn additional money towards

his/her next calendar year maximum. Incentive Coinsurance is a plan design by which the coinsurance increases (80% to 90% to 100%) on Basic Services procedures each year.

In addition, the Fusion 150 Vision feature allows employees and covered dependents to individually choose to reduce their dental benefit maximum by up to \$150 each calendar year and apply this amount towards vision expenses. This benefit provides for reimbursement for eye exams, lenses, frames, and/or contact lenses with any service provider.

Flexible Spending Accounts

Under the flexible spending accounts, employees may elect to pay the employee portion of health, dental, and voluntary AD&D insurance premiums with pre-tax dollars. Employees may also set aside up to \$4,000 for eligible health care expenses and up to \$5,000 for eligible dependent care (child or elder care) expenses, subject to certain restrictions.

The benefit of participating in the flexible benefits plan is that employee contributions to the plan are deducted from the employee's paycheck before federal, state, and social security taxes are calculated. This generally reduces taxable income and increases net wages.

Disability Insurance

Pearl Carroll offers short-term disability benefits to eligible full-time employees who become disabled and unable to work due to a non-work related injury or illness. Following a seven calendar day waiting period, the plan pays 66 2/3% of pay for up to 90 days of disability in any rolling 12-month period.

Benefit eligibility is subject to insurance carrier approval, and benefits may be reduced by certain other benefits for which you are eligible. Pearl Carroll pays 100% of the cost of your short-term disability coverage.

Full-time employees also participate in the Long-Term Disability Plan. Following the 90th day of disability, the plan provides 60% pay replacement to a maximum of \$11,000 per month.

Benefits coordinate with Social Security and certain other benefits for which you are eligible. Pearl Carroll pays 100% of the cost of your long-term disability coverage. You have the option to pay taxes on the monthly premium for a tax-free benefit.

Life Insurance

Pearl Carroll provides group term life insurance and accidental death and dismemberment (AD&D) coverage for all full-time employees. The scheduled life insurance benefit is two times your annual base salary to a maximum of \$500,000. The scheduled AD&D benefit is equal to your scheduled life insurance benefit. The scheduled benefit is subject to age reduction rules beginning at age 65. The Company pays 100% of the cost of the life and AD&D insurance premiums.

Accidental Death and Dismemberment Insurance

Pearl Carroll provides group term life insurance and accidental death and dismemberment (AD&D) coverage for all full-time employees. The scheduled life insurance benefit is two times your annual base salary to a maximum of \$500,000. The scheduled AD&D benefit is equal to your scheduled life insurance benefit. The scheduled benefit is subject to age reduction rules beginning at age 65. The Company pays 100% of the cost of the life and AD&D insurance premiums.

Business Travel Accident Insurance

Full-time employees are eligible for group business travel accident insurance coverage. The scheduled insurance benefit is up to 10 times your annual base salary to a maximum of \$750,000. The scheduled benefit is subject to age reduction rules beginning at age 70.

The business travel accident insurance benefit is for business travel purposes only, and does not provide accident insurance coverage for normal commuting to and from work. The Company pays 100% of the cost of the business travel accident insurance premium.

Voluntary Insurance Programs

Pearl Carroll offers several voluntary insurance programs, including optional life insurance, optional spouse life, group dependent life, optional AD&D insurance, long-term care insurance, and personal lines (home, auto, etc.) coverage. Eligibility varies depending on employment classification and insurance program. The Company offers the convenience of payroll deduction for these voluntary programs.

Wellness Reimbursement

The Company reimburses eligible employees for qualified wellness programs or services up to a maximum of \$150 per calendar year. Qualified programs include, but are not limited to, health club memberships (employee only), weight loss programs, and smoking cessation programs.

This summary does not detail all benefits, exclusions and limitations of the benefit plans offered to eligible employees of Pearl Carroll & Associates LLC. Its contents are subject to change. The Company's benefit programs are defined in specific legal documents, including insurance contracts, official plan documents and trust agreements. The contents of these legal documents override this or any other informal summary of benefit programs. Information provided in this summary is not a guarantee of benefits.