Eligible Employees: All regular active employees who work a minimum of 30 hours per week.

Eligible Dependents: Legal spouse and same sex spousal equivalent domestic partner
Unmarried dependent children less than 25 years old

Southwestern University will provide you a prescribed benefit dollar amount to pay for the cost of the benefits you select under the Southwestern University Flexible Benefits Plan (medical, dental and vision insurance). With the benefit dollars provided, you will purchase the benefits which best suit your needs. For calendar year 2010, this amount will be $6,204.00 per year, or $517.00 per month if you are paid over 12 months, or $238.62 bi-weekly.

If the cost of the benefit programs you select exceed the benefit dollar amount provided, you will be responsible for any excess costs. The premium costs for your benefits will be paid on a “pre-tax” basis or “post-tax” basis. “Pre-tax” means that the amount which you spend for benefits will not be subject to Federal Income Tax or Social Security Taxes. “Post-tax” deferrals will be made on a post-tax basis (referred to as “after-tax basis”).

Benefit Selection:
For each plan year, beginning January 1, 2010, you will be required to select the flexible benefits you desire. This will be an open enrollment period. The enrollment period will normally take place during the month of November for a January 1 effective date. At the time of enrollment, you may add dependents or change your level of coverage. You will be advised before each enrollment period what the benefit dollar amount for the plan year will be and what the premium rates for each of the benefits will be. Your selection will be effective for the full plan year (in our case, our plan year runs the calendar year), unless you have a change in family status or have selected your benefits to be deducted on the “after-tax” basis.

2010 Benefit Rates: These rates do not reflect the $517.00 monthly University contribution.

<table>
<thead>
<tr>
<th>Coverage Type</th>
<th>PPO Standard Health Plan</th>
<th>PPO Basic Health Plan</th>
<th>Dental Guard (Indemnity Plan)</th>
<th>Managed Dental Guard (DHMO)</th>
<th>Vision Plan</th>
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</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>517.00</td>
<td>362.00</td>
<td>37.64</td>
<td>11.19</td>
<td>6.75</td>
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<tr>
<td>Employee &amp; Spouse</td>
<td>905.00</td>
<td>634.00</td>
<td>64.77</td>
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<td>11.17</td>
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<tr>
<td>Employee &amp; Children</td>
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<td>543.00</td>
<td>63.05</td>
<td>21.60</td>
<td>11.65</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>1189.00</td>
<td>822.00</td>
<td>98.18</td>
<td>28.33</td>
<td>16.13</td>
</tr>
</tbody>
</table>

Health Insurance: Blue Cross/Blue Shield
- Description: PPO Standard Plan, PPO Basic Plan
- Cost: Depending on the benefits selection, employees may share in the cost of the benefits selected
- Effective date: Effective as of date of hire

Prescription Drug Plan: Caremark
- Description: Co-pays determined by type of health plan selected. Mail order available with 90-day supply for two times the co-pay.
- Cost: Two tier plan with co-pays (see health plan summary of benefits)
- Effective date: Effective as of date of hire
Dental Insurance: Guardian Dental
- Description: Indemnity Plan – 100/80/50 plan
  Managed Plan – DHMO, Reduced fees for service plan with provider network
- Cost: Depending on the benefits selection, employees may share in the cost of the benefits selected
- Effective date: Effective the first day of the month following hire date (unless hired on the 1st)

Vision Insurance: United Health Care Vision
- Description: In and out of network coverage for exams, frames, lenses, and contacts
- Cost: Depending on the benefits selection, employees may share in the cost of the benefits selected
- Effective date: Effective as of date of hire

Flex Plan: Boon Chapman
- Description: Premiums – Allows employees to pay premiums for health, dental and vision on a pre-tax basis
  Health Care Reimbursement – IRS regulation (Section 125) Cafeteria Plan, flexible spending account allows employees to set aside money on a pre-tax basis for eligible health expenses
  Dependent Care Reimbursement – IRS regulation (Section 125) Cafeteria Plan, flexible spending account allows employees to set aside money on a pre-tax basis to pay for dependent care expenses
- Cost: Administration fees paid by the University
- Effective date: Effective as of date of hire

Employee Life: Liberty Mutual
- Description: Term life and accidental death/dismemberment in an amount equal to two times the employee’s base salary up to $100,000
- Cost: $.21 per $1,000 of coverage. The University covers one-half of the premium up to $50,000
- Effective date: Effective the first day of the month following date of hire

Dependent Life: Liberty Mutual
- Description: Term life insurance for spouse and dependents to age 19 or 25 if full-time student
  Option One: $25,000 for spouse; $10,000 for dependents
  Option Two: $10,000 for spouse, $5,000 for dependents
- Cost: Option One: $5.80 monthly, $2.68 biweekly  Option Two: $2.40 monthly, $1.11 biweekly
- Effective date: Effective the first day of the month following date of hire

Long Term Disability: UNUM
- Description: Income protection insurance. Ninety day elimination period covering approximately 60% of base salary (limitations apply). Available only to employees who work full time, 30 hours per week
- Cost: Benefit provided by the University at no cost to the employee
- Effective date: Effective the first day of the month following 90 days from date of hire

Retirement: Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF)
- Description: Retirement Annuity (RA). The University contributes an amount equal to 10% of the employee’s base salary into a retirement fund – fully vested from date of first contribution
- Cost: University contribution only
- Effective date: Eligible after one full year of employment (Exceptions may apply)

- Description: Supplemental Retirement Annuity (SRA) – Pre-tax and Post-tax. Employee directed, tax deferred, salary reduction retirement plan
- Cost: Employee designates amount of salary to be directed into tax deferred annuity
- Effective date: First payroll following completion of paperwork
Pay Days and Pay Checks:
- Exempt employees are paid on a monthly basis on the 25th of every month.
- Non-exempt employees are paid on a bi-weekly basis every other Friday.
  (If the payday falls on a weekend or holiday, employee will be paid on the preceding workday.)

Social Security
All Social Security taxes paid for by an employee are matched equally by the University.

Worker’s Compensation:
All employees are covered for work related injuries or illnesses under the University’s plan with Traveler’s Insurance.

Unemployment Insurance:
All eligible employees are covered for unemployment benefit insurance.

Holidays: (15 paid holidays per year)
- New Year’s Day
- Memorial Day
- Labor Day
- *Christmas Eve through New Year’s Day
- Good Friday
- Independence Day
- Wednesday through Friday for Thanksgiving
- Martin Luther King Jr.’s Birthday (Observed)
  *(Specific days will vary according to calendar)

Vacation Leave:
- Exempt Employees:
  One (1) through five (5) years of service - fifteen (15) days, accumulated at the rate of one and one-quarter (1-1/4) days per month.
  After completion of five (5) years of service – twenty-one (21) days, accumulated at the rate of one and three-quarters (1-3/4) days per month.
- Non-exempt Employees:
  During the first seven years of employment, ten (10) days of annual vacation time is earned.
  After the completion of seven (7) years, employees are granted fifteen (15) days of vacation time per year.
  After the completion of fifteen (15) years of service, twenty-one (21) days of vacation is earned.
  Staff persons begin accruing paid vacation leave from the time employment commences.

Sick Leave:
Sick leave is provided to prevent loss of income during periods of absence from work caused by illness or injury.
Staff persons begin accruing paid sick leave from the time employment commences at the rate of one day per month. A maximum of sixty-six (66) days unused sick leave may be accumulated.

Robertson Center:
The wellness programs in the Robertson Center offers opportunities for employees to develop healthy lifestyles through various educational programs such as aerobics, aqua fitness classes, yoga, self defense classes and more.
The Robertson Center provides state-of-the-art facilities such as a swimming pool, weight rooms, exercise machines and an indoor walking track.
The Kinesiology department also offers opportunities to work with employees for wellness.
Most services are free of charge to the employee; however, there may be a minimal charge for some of the educational programs.
Food Services:  Sodexo
Employees may eat in the University’s dining room at discounted prices for breakfast, lunch, and dinner.

Faculty and Staff Scholarship Program:
Employees and their dependents who are accepted for enrollment at Southwestern University may receive tuition scholarships after one (1) year of service. The funds for this benefit are provided by the Grace Pate Downs Scholarship fund. While it is not required, employees are encouraged to contribute to the fund throughout the University to ensure the continued level of contributions needed to offset the cost of this benefit.

Tuition Exchange Program:
The University also participates in tuition exchange programs which enable employees and their family members to attend other member institutions. The receiving institution awards scholarships to the matriculating students based upon guidelines agreed to by the participating institutions. Southwestern University also has bilateral tuition scholarship arrangements with a number of other institutions, including Austin College, Trinity University, and Lon Morris College. Additional information may be obtained from the Office of Financial Aid.

As with other employee benefits, employees must work a minimum of thirty hours per week (75% FTE) to be eligible for this benefit. The value of the benefit is prorated according to the employee’s FTE. This benefit for part-time employees extends only to Southwestern University. Other colleges do not allow part-time scholarships.

The following supplemental changes or amendments to the current tuition assistance policy are effective February 9, 2005:

1. Southwestern will limit the number of exports that may be certified each year. This change is required by, and the limits will be based on the information we receive from, the Tuition Exchange, Inc. program regarding the balance of our “imports” and “exports”. If the University must limit the number of exports that may be certified, the University will use continuous employment longevity as the criterion establishing a priority list of dependents to be certified.

2. A one (1) year waiting period for eligibility will continue to apply to current employees, subject to the limits expressed in number 1 above. All new employees beginning employment with Southwestern after February 9, 2005 will have a three (3) year waiting period for the Tuition Exchange, Inc. program benefit before they or their dependents will be eligible for the benefits, subject to the limits expressed in number 1 above.

3. Application Requirement for dependents as they begin their sophomore year in high school (or its equivalent for students being home schooled, the “Equivalent”): All employees must notify the Financial Aid department and complete the application for a Tuition Exchange benefit by September 1st of the year the dependent they wish to enroll begins his or her sophomore year in high school (or Equivalent).

In order to be eligible to apply for the benefit, the applicable one (1) or three (3) year waiting period would have to be met at the beginning of the first semester when the Tuition Exchange Inc. program benefit will be used. This application requirement change will help the Financial Aid department plan and estimate the number of “exports” that can be offered each year under the Tuition Exchange, Inc. program.