

5. BENEFITS

5.1. Eligibility Requirements for Benefits

The benefits offered to employees are determined at the discretion of the management group and may be changed or withdrawn at any time.

Employment status affects eligibility for benefits.

Full-time employees: A full-time employee is one who regularly works at least 30 hours per week. Full-time employees are eligible for the firm's benefits. Employees who work a regular schedule of at least 30 but less than 40 hours per week will have personal time off and holiday pay pro-rated according to the hours worked.

Part-time employees: A part-time employee is one who regularly works less than 30 hours per week. Part-time employees are not eligible for company benefits unless otherwise specified.

Temporary or Project Employees: A temporary or project employee is one hired to perform a specific job of no more than six months duration. Project employees are not eligible for company benefits unless otherwise specified.

The total compensation package provided by Bora to its employees includes not only monetary compensation but also includes the benefits listed in subsequent sections. This total package is meant to ensure compensation at all staff levels that is reasonable equitable and in line with Bora's corporate values.

5.2. Medical Insurance Program

Bora offers a group medical insurance plan to all its fulltime employees and their dependents. The firm pays the entire cost of each employee's medical insurance. The cost of dependent coverage, if elected, is borne by employees via payroll deduction.

Plan descriptions are available in the Staff Folder or through Human Resources. Generally, employees may change options once a year in April during the open enrollment period or within 30 days of a change in family status or change in employment status of you or your spouse. As a new employee you may enroll yourself, your spouse, your domestic partner and/or all eligible children by completing an enrollment application. The effective date of coverage will be the first day of the month following 30 days of employment.

5.3. Dental Insurance Program

Bora offers a group dental insurance plan to all full-time employees and their dependents. The firm pays all but a modest premium cost of each employee's insurance. Dependent coverage is available, but the cost of this coverage must be paid by the employee. Employees can purchase dependent dental coverage via payroll deduction. The effective date of coverage will be the first day of the month following 30 days of employment.

5.4. Vision Insurance

Bora offers a vision plan to all full-time employees and their dependents. The firm pays the entire cost of each employee's insurance, and dependent coverage is available at the employee's expense via payroll deduction. Benefits of the firm's vision plan can be obtained online or from Human Resources. The effective date of coverage will be the first day of the month following 30 days of employment.

5.5. Long-Term Disability Insurance Benefits

Bora provides each full-time employee with insurance for long-term disability coverage. Eligibility begins on the first day of the month following or coinciding with date of employment. Generally, long-term disability is defined by our insurer as absence from the office, or inability to perform the normal and usual duties of employment because of illness or accident for any period longer than 90 days. In the event of a long-term disability, this insurance provides 60% wage continuation until you are able to return to work or until age 70, whichever is sooner. Wage continuation during the first 90 days of a disability is not covered by this policy. A separate brochure with specific definitions and an explanation of the long-term disability coverage will be issued when coverage begins.

5.6. Life Insurance and Accidental Death and Dismemberment Benefits

Bora pays the cost for each full-time employee to receive Life Insurance in the amount of 1 times the employee's annual salary up to a maximum of \$100,000. The firm pays the entire cost of the insurance. Coverage begins the first day of the month following or coinciding with date of hire. Additional term life insurance for a spouse, domestic partner or children is available at the employee's expense through payroll deduction. A complete description of the insurance package and the enrollment form will be presented during the employee orientation. Additional insurance may be purchased only at the time of initial enrollment.

5.7. Profit Sharing

To the extent that Bora achieves its profit goals, eligible employees may receive a portion of these profits. Two types of profit sharing are utilized:

5.7.1. Tax Deferred Profit Sharing Trust Contribution

All full-time employees who have completed a minimum of 1,000 hours of service and are employed by the firm at the end of the fiscal year are eligible to participate. A complete description of The Plan is provided to employees at time of hire or when changes occur in the plan. Vesting in the plan occurs over a five year period. All profit sharing distributions are invested in the same manner as the employee has established for tax-deferred wage contributions. If no account has been selected, profit sharing contributions will be invested in the Fidelity Freedom Fund that corresponds with the employee's date of birth.

5.7.2. Cash Bonuses

Profits and backlog of work permitting, cash bonuses are distributed at mid-year and at the end of the year. All employees are eligible, and there is no waiting period. Cash bonuses are divided into two "pools": 1) a fixed "pool" where awards are made based on a percentage of overall payroll costs and 2) a flexible "pool" where factors such as contributions to the firm, actual hours worked ("extra effort"), and utilization rates are evaluated and awards made on a case-by-case basis.

Bora's annual business plan, which is communicated to all employees, contains specific profit goals and an action plan. Shared success is dependent upon shared commitment to achieving the goals set forth in the business plan.

5.8. 401(K) Savings Plan

All full-time and part-time employees are eligible to participate in Bora's 401(K) plan which allows employees to defer a portion of their wages on a pre-tax basis and save this money for the future. The deferred wages are set aside in an account established in the employee's name and funds are distributed to and invested in funds selected by the employee on the plan website. The effective date for enrollment is the first of the month following or coinciding with your date of full-time employment.

You may enroll or make changes to your contribution deferral rate monthly. Changes will become effective no later than the first of the month following enrollment or change through the firm's 401(K) provider. All eligible participants are automatically enrolled initially in the 401(k) savings plan at the time of hire unless the employee elects not to participate and opts out.

5.9. Credit Union and Banks

As a member company, you and/or your dependents are eligible to join Unitus Community Credit Union. Unitus offers a wide variety of services, including Christmas club, checking, savings, money market, loans, Visa, etc. Information on enrollment is available online at:

<https://www1.unitusccu.com/forms/newmemberapp/index.html>

5.10. Section 125 Flexible Benefits

The firm offers a Section 125 Flexible Benefits Plan to all full-time employees. This program allows employees to convert a portion of their wages into a nontaxable benefit. The benefits that qualify for Section 125 treatment include dependent care; unreimbursed medical, dental, and vision premiums and costs; medical insurance deductibles; and premiums paid for dependent medical coverage. The plan document and necessary forms are distributed during the new hire process. Open enrollment for Section 125 is held annually during the month of December with an effective date of January 1.

If you experience a change in status (marriage, divorce, birth or adoption of a child, etc.), you may make changes to your unreimbursed healthcare account. Changes in dependent care (such as changes in need, cost, and providers) may permit changes in dependent care deferrals. For all account changes, you must notify Human Resources within 30 days of the event in order to make a change in your deferral amount.

5.11. Transit/Automobile Parking

Bora offers all employees a Qualified Transportation Fringe Benefit Plan (Section 132), whereby we can offer the following benefits. The plan document and necessary forms are distributed during the new hire process.

5.11.1. Mass Transit

Our office is located only two blocks from light-rail and two blocks from the bus transit mall. Many staff members find it convenient to use mass transit and leave their cars at home. Bora offers the convenience of payroll deduction on a pre-tax basis for the purchase of TriMet tickets and passes. Tickets are available for pick-up in the office approximately one-week before the first of each month. Any changes to the type or number of TriMet tickets or passes must be expressed to the Receptionist a full month in advance for accounting purposes.

5.11.2. Parking

Employees who drive into downtown may receive reimbursement for parking, up to the IRS limit per month, by electing to have a pretax deduction made from their payroll. After completing the enrollment form, employees must turn in receipts for their monthly parking to accounting to receive reimbursement. There are a number of other parking garages and surface lots nearby.

5.12. Holidays

The firm observes the following seven holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

Holidays falling on Saturday are observed on the preceding Friday; those falling on Sunday are observed on the following Monday.

All full time employees are eligible for these holidays immediately upon hiring. Full-time employees will be paid at their regular rate for each observed holiday. Full-time employees working less than 40 hours per week will receive a prorated portion based on their reduced schedule. Part time and temporary employees, and employees on an unpaid leave of absence are not eligible for Holiday pay.

Additionally, under Senate Bill 1 (effective April 4, 2013) employees may request leave for Veterans Day provided they (a) give at least three weeks' notice of the intention to take the day off and (b) present documentation showing veteran status as defined by Oregon statute. Employees will be notified 14 days before Veterans Day if leave has been granted and if it will be paid or unpaid.

5.13. Personal Time

Personal time is a "bank" of days awarded to each full-time employee to be used to continue pay when away from work for any reason, including vacation, sickness or accident, family illness, or personal business. Employees wishing to use PTO in advance of accruing the time off must have the approval of the Human Resources Committee.

Personal time off begins to accrue on a monthly basis at the start of employment, and accrual is pro-rated on an annual basis. The following shows the annual accrual for employees regularly working 40 hours per week. Full-time employees regularly working less than 40 hours per week will have their PTO pro-rated based on their reduced schedule. Part time and Temporary employees, as well as employees on an unpaid leave of absence, do not accrue PTO.

Length of Service	Annual Total	Monthly Accrual
Employees with 0 through 5 years	120 hours (15 days).....	10 hours
Associate Principals and/or employees with more than 5 years.....	160 hours (20 days).....	13.33 hours
Principals.....	200 hours (25 days).....	16.67 hours

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Employees are encouraged to take their personal time each year, although all employees are encouraged to reserve a few days for the unexpected illness or unplanned event toward the end of the year. Up to 40 hours of personal time may be carried forward to the next year. In the event of a voluntary termination of employment, Bora will expect reimbursement for the value of personal time off that has been used but not yet accrued.

The vacation preference of each employee is given high priority, but in scheduling we must coordinate the vacations of all employees with each other and our commitments to clients and other professional obligations. Employees are requested to submit their preference for vacation time as far in advance as possible, with a minimum two weeks' notices for any planned personal time off that exceeds one week. All anticipated time away from the office should be communicated to the front desk to be reflected in the office calendar. Ultimately, the scheduling of time off is at the discretion of management.

5.14. Bora Beach House

Owned and designed by Bora as a retreat house, this 1,860 square foot, three level house has three bedrooms, three baths, two decks and an unobstructed view of the Pacific Ocean. It is located in Neskowin on the central Oregon Coast, a two hour drive from Portland. The house has many uses: a get-away for employees, marketing activities with clients, and a place for company functions such as retreats or team work sessions. Employees who have completed twelve months of continuous full-time service are eligible to participate in the annual scheduling lottery. The annual lottery is held each Fall for the following year. Employees staying at the Beach House are charged a daily fee to assist in the cost of cleaning, maintenance, and upkeep on the house. Payment for Beach House stays will be automatically deducted from an employee's payroll immediately following their stay. Each employee, by signing the acknowledgement for this Staff Manual, hereby grants Bora the authority to make such deductions.