

# Memo

To: All Real-Time Solutions, Inc. Employees  
From: La' Tonia Z. Woolridge, President  
Date: July 15, 2004  
Re: Positive Changes in Human Resources Support & Benefit Programs

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As Real-Time Solutions, Inc. takes steps to continue to grow and prosper, we have made some positive changes for our company and employees; changes that will strengthen our competitiveness as a government contractor and offer us a broader range of services. Our objective is to fully focus our time and energy on Real-Time Solutions Inc.'s core business operation. We have become aware of a service that allows us all of these things – C2 Portfolio out of Chantilly, Virginia.

C2 Portfolio is part of a growing industry of Professional Employer Organizations (PEO's). They focus on working with government contractors and 8(a) companies by co-sponsoring the liabilities of employing a workforce, and devoting 100% of their time to providing top quality Human Resources support. We have teamed with C2 Portfolio in order to provide additional benefits to our employees while enriching the ones we already offer. Their HR support and expertise will allow the R-TSI principals to focus on company growth, and spend more quality time building our team and expanding our customer base. They will become our Off-Site Human Resources Support Center.

Here's how it works – C2 Portfolio establishes a co-employment arrangement with each employee, including me, thereby turning a two-party employment relationship into a three-party employment relationship. Employer responsibilities are then allocated between Real-Time Solutions, Inc. and C2 Portfolio. Real-Time Solutions, Inc. will continue to manage and supervise your performance and direct the day-to-day workforce. C2 Portfolio is designed to be an invisible, unobtrusive human resources department. Their obligation will be to:

- Run our payroll, including taxes, and W2's
- Administer our health and welfare benefit plans
- Handle all unemployment claims, workers' compensation claims, and assist with employee legal issues
- Co-sponsor personnel administration services.

Real-Time Solutions, Inc. has been assigned a compliance manager, a senior human resources specialist, a benefits administrator, and a payroll specialist to support us with our day-to-day

personnel administration. We will offer some additional benefits as well as upgrade our existing benefits. The following health and welfare benefits will be offered to all full-time eligible employees:

- Anthem Blue Cross/ Blue Shield Medical Plan
- Delta Dental Insurance
- VSP Vision Insurance
- Life Insurance (\$50,000)
- 401(k) Retirement Savings Plan
- Flexible Spending Account – Section 125 (Pre-Tax savings on insurance premiums, unreimbursable medical expenses, and dependent care expenses)
- Employee Assistance Program
- NASA Federal Credit Union Membership Eligibility

We will also implement an alternative dispute resolution (ADR) mechanism. The ADR mechanism will provide a fast, inexpensive, rational resolution process that is beneficial to both the employer and the employee. This arrangement does not waive anyone's legal rights, it merely changes the place in which those rights will be finally determined and resolved from that of a non-specialist judge and jury to that of an experienced, knowledgeable mediator or arbitrator.

All new hires will meet with our C2 Portfolio Support Team as part of the New Employee Orientation process. The orientation will last approximately one hour and everyone's attendance (or teleconferenced presence) is expected to ensure a smooth transition. Information regarding the exact date and time of this orientation briefing will be sent to you via email within the next few weeks. At the time of the meeting, please feel free to ask the C2 Portfolio representatives any question you may have. They are here to serve each of us.

During the orientation, we will be filling out some several tax, personnel and employment forms, so please remember to bring any original documentation and/or any information required to fill out the forms. A copy of the I-9 form is attached for your convenience. The types of acceptable documentation are set forth on the reverse. C2 Portfolio is required to obtain this information by law. Your cooperation is appreciated.

We are excited about these great new changes and know that you will be too! If you would like to learn more about C2 Portfolio, you may want to visit their website at [www.c2portfolio.com](http://www.c2portfolio.com). Should you have any questions, please don't hesitate to call me directly.