



# Employee Handbook

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# **1. INTRODUCTION**

## **1.1 Welcome Letter**

We would like to extend a warm and sincere welcome to those who are commencing employment with The Shield Co. Management, LLC (the “Company”). For employees who have been with us, we thank for your past and continued service. We extend to all our personal best wishes for success and happiness here at The Shield Co.

We understand that it is our employees who provide the critical services that our customers rely upon, and who will enable us to create new opportunities for all in the years to come. We hope through our Company, you will reach your goals and help us reach ours. Thank you for being an integral part of the Company and best wishes of success to you during your time here.

## **1.2 About the Handbook**

The handbook is a summary description of the policies, practices, and benefits for employees. We hope this handbook will help foster open communication and serve as a useful reference.

The handbook summarizes some, but not all, of the Company’s human resource policies in effect at the time it was issued. However, policies can and do change. Where the handbook differs from new or revised policies and practices later adopted by The Shield Co Management, LLC (the “Company”), the new or revised policy shall control.

Employees should read the handbook carefully. It is each employee’s responsibility to be familiar with the contents, any amendments to it, and the policies and practices of the Company. Employees may obtain additional information or clarification about the other benefits and policies of the Company from Human Resources.

The competitive environment and other conditions of this business are constantly changing. The Company expressly reserves the maximum amount of discretion permitted by law to administer, interpret, discontinue, review, modify, and change any of its respective benefits, policies, and plans, including those covered in this handbook, at any time with or without prior notice. Employees will be notified about such changes, as required by applicable federal and state law. Changes shall become effective on the dates determined by the Company. Employees may not rely on policies that have been amended and replaced. No supervisor/manager or representative of the Company has the authority to alter the foregoing.

*This is a multi-state handbook. Please note that the policies found within the handbook are written to comply with federal law guidelines. In the case where state laws differ from federal laws, the more favorable law for employees will take precedence. For state-specific policies, employees should refer to their separate state addendum.*

# **2. EMPLOYMENT POLICIES**

## **2.1 At-Will Employment Relationship**

Each employee’s employment relationship with the Company is voluntarily entered into and employees are free to resign at any time with or without notice. Similarly, the Company is

free to end the employment relationship at any time, with or without cause and with or without notice. Accordingly, there is no promise that employment will continue for a set amount of time or that an employee's employment will be terminated only under certain circumstances. The relationship between the Company and the employee is and always will be one of voluntary employment referred to as "at-will."

In addition, the Company may make decisions regarding other terms of employment (including demotion, promotion, compensation, benefits, and job duties) with or without cause or advance notice. Only the President/CEO of the Company may enter into an agreement contrary to this policy. Any such agreement must be in writing and signed by both the employee and the President/CEO.

## **2.2 Equal Employment Opportunity**

The Company is an Equal Opportunity Employer. We are committed to a workplace environment that encourages growth and respect for all current and prospective employees based upon job-related factors such as their educational background, work experience, and ability to perform the essential functions of a particular job. It is the policy and practice of this Company to prohibit any form of discrimination or harassment based on race, color, age, religion, sex (including pregnancy, childbirth, or related medical conditions), gender identity, sexual orientation, national origin (including ancestry), genetic information, military, or veteran status, actual or perceived disability, or any other status protected under applicable federal, state, or local law ("protected characteristics"). Support of and belief in this principle is a basic responsibility of all Company employees.

The Company will provide reasonable accommodations as necessary and where required by law so long as the accommodation does not pose an undue hardship. This policy is not intended to afford employees with any greater protections than those which exist under federal, state, or local law.

The Company requires the reporting of all instances of discrimination and harassment, and prohibits retaliation against any individual who reports discrimination, harassment, or participates in an investigation of such report. Appropriate disciplinary action, up to and including termination, will be taken against any employee who violates this policy. We believe that our continued success depends upon our ability to maintain a leadership role in the attraction, development, and retention of a highly competent work force and to create a climate for effective and productive use of our employees. Our management is guided by ethical standards that comply with legal requirements. These standards will be implemented consistently by the Company to ensure that equality is afforded to all applicants and employees.

## **2.3 Accommodation of Individuals with Disabilities**

The Company complies with the Americans with Disabilities Act (ADA), the Americans with Disabilities Act Amendments Act (ADAAA) and applicable state and local laws providing for nondiscrimination in employment against qualified individuals with disabilities. We are committed to providing equal employment opportunities to all individuals, including those with disabilities. The Company is committed to engaging in an interactive process to determine the availability of a reasonable accommodation to any qualified individual who:

- Requests an accommodation during the application process
- Requests an accommodation to enable him/ her to perform essential job functions or gain access to company facilities
- Asks for an accommodation to enjoy equal benefits and privileges of employment

It is the Company's policy to:

- Ensure that qualified individuals with disabilities are treated in a nondiscriminatory manner in the pre-employment process and that employees with disabilities are treated in a nondiscriminatory manner in all terms, conditions, and privileges of employment
- Keep all medical-related information confidential in accordance with the requirements of the ADA and the ADAAA and retain such information in separate confidential files
- Engage in an interactive process with applicants and employees with disabilities to determine if a reasonable accommodation exists that would allow him/her to perform the essential functions of the position and would not create an undue hardship on the Company

The Company will process requests for reasonable accommodations in a timely manner and, as appropriate, provide accommodations promptly. To enact this policy, the Company has designated Human Resources with the administrative responsibility for the program. Employees needing an accommodation should contact their immediate supervisor/manager or Human Resources for assistance.

## **2.4 Employment Eligibility Verification**

The Company is committed to employing only those who are authorized to work in the United States and does not unlawfully discriminate based on citizenship or national origin. In compliance with the Immigration Reform and Control Act of 1986, as amended, each new employee, as a condition of employment, must complete the Employment Eligibility Verification I-9 and present documentation establishing identity and employment eligibility.

The Company may use E-Verify, an electronic system operated by the federal government, to allow an employer to determine the eligibility of an employee to work in the United States using information reported on that employee's I-9.

Former employees who are rehired must also complete the form if they have not completed an I-9 with the Company within the past three years, or if their previous I-9 is no longer retained or valid. Employees with questions or seeking more information on immigration issues are encouraged to contact Human Resources.

## **2.5 Policy Against Discrimination, Harassment, and Retaliation**

The Company will not tolerate unlawful discrimination or harassment and expressly prohibits it. This means that employers and employees may not treat people differently based on protected characteristics, which include race, color, age, religion, sex (including pregnancy, childbirth, or related medical conditions; also, sexual orientation), gender identity, sexual orientation, national origin (including ancestry), genetic information, military or veteran status, actual or perceived disability, political affiliation or activity (if a public employee), or any other status protected under applicable federal, state or local law ("protected characteristics"). This applies to all employer actions, in any aspect of employment, including, but not limited to:

- Hiring
- Discipline and discharge
- Pay, retirement plans, and disability leave
- Compensation, assignment, or classification of employees
- Transfer, promotion, layoff, or recall
- Job advertisements or recruiting
- Testing
- Use of company facilities
- Training and Apprenticeship programs
- Other terms and conditions of employment

Unlawful harassment includes unwelcome verbal, visual or physical conduct creating an intimidating, offensive, or hostile environment based on protected characteristics. Examples of harassment include verbal (including slurs, jokes, insults, epithets, gestures, or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays, or e-mails), or physical conduct (including physically threaten another, blocking someone's way) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct constitutes unlawful harassment when: 1) it has the purpose or effect of creating an intimidating, hostile, or offensive working environment; or 2) it has the purpose or effect of unreasonably interfering with an individual's work performance; or 3) it otherwise adversely affects an individual's employment. Improper conduct, including the conduct of visitors, contractors, customers, and any interference with the ability of employees to perform their expected job duties is not tolerated.

The Company prohibits sexual conduct, including but not limited to the following conduct:

- Unwelcome sexual advances, requests for sexual favors, and all other verbal or physical conduct of a sexual or otherwise offensive nature, including, but not limited to where:
  - Submission to such conduct is made either explicitly or implicitly a term or condition of employment
  - Submission to or rejection of such conduct could be used as the basis for decisions affecting an individual's employment
  - Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment
- Offensive comments, jokes, innuendoes, and other sexually oriented statements

Examples of the types of conduct expressly prohibited by this policy include, but are not limited to, the following:

- Touching, such as rubbing or massaging someone's neck or shoulders, stroking someone's hair, or brushing against another's body
- Sexually suggestive touching
- Grabbing, groping, kissing, or fondling
- Violating someone's "personal space"
- Whistling
- Lewd, off-color, sexually oriented comments or jokes
- Foul or obscene language



- Leering, staring, or stalking
- Suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons
- Unwanted or offensive letters or poems
- Sitting or gesturing sexually
- Offensive e-mail, voicemail, or text messages
- Sexually oriented or explicit remarks, including written or oral references to sexual conduct
- Gossip regarding one's sex life, body, sexual activities, deficiencies, or prowess
- Questions about one's sex life or experiences
- Repeated requests for dates
- Sexual favors in return for employment rewards (actual or potential), or threats if sexual favors are not provided
- Sexual assault or rape
- Abusive or malicious conduct that a reasonable person would find hostile, offensive, and unrelated to the Company's legitimate business interests
- Any other conduct or behavior deemed inappropriate by the Company

## **2.6 Reporting Discrimination and Harassment**

It is the responsibility of the Company and each employee to create an atmosphere free of unlawful discrimination and harassment. In addition, it is the responsibility of each employee to respect the rights of his or her co-workers. If an employee experiences or observes any unlawful harassing behavior or believes that he/she has been treated in an unlawful discriminatory manner, because of a protected characteristic, the employee must immediately report the matter (orally or in writing) to the supervisor/manager or to Human Resources. If the supervisor is unavailable or if the employee believes it would be inappropriate to contact that person (or has not received a prompt and/or acceptable reply), the employee should immediately contact Human Resources or any other supervisor in the Company with whom he/she feels comfortable. Employees can report harassment, discrimination, or retaliation as follows:

- In person, at the Human Resources Department, The Shield Co., 275 E. Rivulon Blvd., Ste. 106, Gilbert AZ 85297; or
- By telephone, at **(602) 946-4090**; or
- By e-mail, at [humanresources@theshieldco.com](mailto:humanresources@theshieldco.com)

Upon receipt of a complaint, the Company will undertake a prompt and thorough investigation of the allegations. Confidentiality will be maintained concerning the allegations and the investigation to the extent possible, and particularly when it is determined by the Company that any of the following factors are present:

- Witnesses needing protection
- Evidence is in danger of being destroyed
- Testimony is in danger of being fabricated
- There is a need for confidentiality in order to prevent a cover up

Employees who fail to cooperate with an investigation conducted pursuant to this policy, may be subject to disciplinary action up to and including termination.

If the investigation establishes that an individual has engaged in harassing, discriminatory, or other wrongful or inappropriate conduct, disciplinary action, up to and including termination, will be taken against the offending employee.

It is also unlawful for employees to be retaliated against because they have reported unlawful discrimination or harassment, participated in an investigation, or helped others exercise their right to complain about discrimination or unlawful harassment.

The company prohibits retaliation against those who make a bona fide complaint, help others exercise their right to complain about discrimination or unlawful harassment, or participate in an investigation pursuant to this policy.

## **2.7 Anti-Bullying**

The Company considers bullying as the use of force, threat, or coercion to abuse, intimidate, or aggressively dominate others. This behavior (either direct or indirect whether verbal or physical, conducted by one or more persons against another) is prohibited.

The Company expects all employees will be treated with dignity and respect and will not in any instance tolerate bullying behavior by any employee, including supervisors, managers, and executives. Employees found in violation of this policy will be disciplined, up to and including termination.

Bullying may be intentional or unintentional. The Company considers the following examples of behavior as bullying, but not limited to:

- Verbal: slandering, ridiculing, or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- Physical: pushing; shoving; kicking; poking; tripping; assault, or threat of physical assault; damage to a person's work area or property.
- Gesture: non-verbal threatening gestures or glances that can convey threatening messages.
- Exclusion: socially or physically excluding or disregarding a person in work-related activities.

In addition, examples that may constitute or contribute to evidence of bullying in the workplace include, but are not limited to, the following:

- Persistent singling out of one person
- Shouting, raising voice at an individual in public and/or in private
- Using verbal or obscene gestures
- Not allowing the person to speak or express him/herself (i.e., ignoring or interrupting).
- Personal insults and use of offensive nicknames
- Public humiliation in any form
- Constant criticism on matters unrelated or minimally related to the person's job performance or description
- Ignoring/interrupting an individual at meetings
- Public reprimands

- Repeatedly accusing someone of errors that cannot be documented
- Deliberately interfering with mail and other communications
- Spreading rumors and gossip regarding individuals
- Encouraging others to disregard a supervisor's instructions
- Manipulating the ability of someone to do their work (e.g., overloading, under loading, withholding information, setting meaningless tasks, setting deadlines that cannot be met, giving deliberately ambiguous instructions)
- Inflicting menial tasks not in keeping with the normal responsibilities of the job
- Taking credit for another person's ideas
- Refusing reasonable requests for leave in the absence of work-related reasons not to grant leave
- Deliberately excluding an individual or isolating them from work-related activities (meetings, etc.)
- Unwanted physical contact, physical abuse, or threats of abuse to an individual or an individual's property (defacing or marking up property)

Should an investigation substantiate that violations of this policy have occurred; the Company will initiate a decisive and appropriate response. This response may include but is not limited to suspension or termination of employment, and/or seeking the arrest or prosecution of the person or persons involved.

Employees are responsible for making this report regardless of the nature of the relationship between the individual who initiated the bullying behavior and the person(s) who were bullied or were the focus of the bullying behavior. All Company employees are responsible for notifying their manager or supervisor of any threats that they have witnessed, received, or have been told that another person has witnessed or received which is regarded as bullying.

Employees found in violation of this policy will be disciplined, up to and including termination.

## **2.8 Standards of Conduct**

The Company has an outstanding reputation for ethical professional behavior and fair dealing. In the performance of their job duties, employees may deal with a variety of people and organizations. Failure to interact professionally with managers, customers, vendors, or fellow employees to the point that productivity suffers may result in disciplinary action, up to and including termination.

Employees are prohibited from engaging in any unlawful conduct that negatively affects business operations of the Company. Employees who are aware of suspected unlawful conduct, abuse of Company assets, or other violations of this policy are responsible for reporting such matters to their supervisor/manager or Human Resources.

Examples of prohibited conduct are listed below:

- Falsifying, removing, or destroying information related to employment, payroll, or work-related records or reports
- Completing another employee's time records
- Unauthorized removal or use of any company property or that of a customer or another employee

- Stealing another employee's property or company property
- Performing work of a personal nature during working time
- Failing to maintain personal appearance standards
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a manager or member of management, unless he/she has a concern of illegal or dishonest fraudulent activity
- Using foul, abusive, or threatening language towards managers, customers, vendors, and fellow employees
- Repeated display of negative demeanor towards co-workers
- Gambling during working time or in work areas
- Destroying, wasting, impairing, or altering company property
- Displaying irresponsible conduct or destructive behavior towards company equipment and property assigned
- Failure to comply with company policies and procedures

This list is not exhaustive and in no way alters the at-will status of employees.

## **2.9 Conflicts of Interest**

No employee shall directly or indirectly engage in any outside business or financial activity that will in any way conflict with the interests of the operations of the Company or that interferes with an employee's ability to fully perform his or her duties. Such activity may result in disciplinary action, up to and including termination of employment. Employees should report any such conflict to their supervisor/manager and Human Resources to avoid any future problems.

## **2.10 Secondary Employment**

The Company recognizes that an employee may accept secondary employment or participate in other activities or organizations. Employees are expected to be available for all scheduled work, including overtime, as needed. Any outside interests, business, financial activity, or employment which affect job performance or result in a direct or indirect conflict of interest or competition will not be permitted. Employees should speak to their supervisor/manager if a situation arises or occurs which appears to be in a conflict with this policy.

## **2.11 Employment of Relatives**

Employees may refer friends and relatives for employment by the Company. Such referrals are processed in accordance with the regular procedures used for all applicants. Employment decisions are based on each applicant's qualifications and work history. Company policies and procedures governing hiring practices will be followed. Candidates will not be given preferential treatment for either employment or an internal job change based on any family or cohabitating relationship.

The employment of relatives or those in a romantic and/or cohabitating relationship (collectively, "relatives") who are qualified for employment at the Company is subject to the following policy provisions.

For reasons of supervision, safety, security, and morale, relatives cannot be employed in positions where one has supervisory responsibility for the other or makes employment decisions pertaining to the other.

This prohibition extends to instances which:

- Require one relative to review or process the work of the other
- Give one relative the opportunity to review or recommend salary levels or increases of the other
- Put the relatives in frequent contact with each other
- Permit one relative to occupy a position which has access to confidential information where communication of such information to the other may prove detrimental to the best interests of the Company

Prior to hire, approval by Human Resources is required whenever any relative or cohabitant is being considered for employment.

For purposes of this policy only, close relatives are defined as the employee's spouse, child, parent, registered domestic partner, brother, sister, grandparent, grandchild, niece, nephew, aunt, uncle, or first cousin or one acquiring such relationship through marriage (such as parent-in-law, brother/sister-in-law, son/daughter-in law), or anyone cohabitating with a Company employee.

In situations where two employees become close relatives as defined by this policy and one has supervisory responsibility for the other or makes employment decisions pertaining to the other, one of the individuals will be required to either transfer or terminate employment with the Company within ninety (90) days of becoming close relatives under this policy.

## **2.12 Romantic Relationships**

Romantic relationships in the Company have the potential to create misunderstandings, actual or potential conflicts of interest, favoritism, claims of sexual harassment, and employee morale problems. To avoid the dangers of fraternization, and to help prevent even the appearance of improper conduct, it is the Company's policy that supervisors/managers, or any other employee who has the authority to affect the terms and conditions of another's employment directly or indirectly shall not fraternize with that employee. The fraternization prohibited by this policy includes dating, romantic involvement, sexual relations, or the exchange of affections.

Additionally, employees are discouraged from fraternizing or becoming romantically involved with other employees, when their personal relationships may create a conflict of interest, cause disruption, create a negative or unprofessional work environment, or present concerns regarding supervision, safety, security, or morale.

All employees should also remember that the Company maintains a strict policy against unlawful harassment of any kind, including sexual harassment. The Company will vigorously enforce this policy consistent with all applicable federal, state, and local laws.

## **2.13 Non-Solicitation/Non-Distribution**

Solicitation of employees for most reasons constitutes an unwanted intrusion into an employee's time and/or money. We believe that employees should not be harassed, disturbed, or

disrupted in the performance of their job duties. Solicitation by both employees and non-employees during working time and in work areas is prohibited. “Solicitation” includes things like asking employees to join organizations, or pools, to buy memberships or subscriptions or to make pledges or gifts. “Working time” does not include meal and break periods, or any other time when an employee is not expected to be engaged in work activities.

“No Distribution” requires that employees and non-employees do not distribute literature during working time, in work areas, or through Company communication channels, including email.

Solicitation and distribution of literature is permitted by employees, or non-employees engaged in protected concerted activity, in non-working areas when employees are not actively at work. In accordance with the National Labor Relations Act and other applicable law, nothing in this policy is intended to interfere with, restrain, or prohibit employees from discussing wages, hours or other terms and conditions of employment, or engaging in other legally protected activity.

The Company reserves the right to take corrective action, up to and including termination, regarding those individuals who are unable to conduct their behavior within acceptable standards as spelled out by this policy.

#### **2.14 Drug- and Alcohol-Free Workplace**

The Company is committed to maintaining a workplace free of substance abuse. No employee or individual who performs work for the Company can consume, possess, sell, purchase, or be under the influence of alcohol or illegal drugs, as defined by federal law, on any property owned by or leased on behalf of the Company, or in any vehicle owned or leased on behalf of the Company or while on company business. To help ensure a safe, healthy, and productive work environment for our employees and others, to protect Company property, and to ensure efficient operations, the Company has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all employees and other individuals who perform work for the Company.

For the purposes of this policy, “illegal drugs” includes all drugs illegal under federal or state law. The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of illegal drugs, controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on Company business (whether on Company premises) or while representing the Company, is prohibited. Employees and other individuals who work for the Company also are prohibited from reporting to work or working while they are using or under the influence of illegal drugs, controlled substances, or alcohol, all which may impact an employee's ability to perform his or her job or otherwise pose safety concerns. Employees may, however, report to work or work while using prescribed controlled substances, when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work. The use of over-the-counter drugs and legally prescribed drugs is permitted if they are used in the manner for which they were prescribed and provided that such use does not hinder an employee's ability to safely perform their job. Employees should inform their supervisor if they believe their medication will impair their job performance, safety, or the safety of others, or if they believe they need a reasonable accommodation when using such medication.

This policy does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a positive drug test, to the extent an employee is subject to any drug testing requirement, unless applicable state or federal law requires otherwise.

Violation of this policy will result in disciplinary action, up to and including termination. If applicable, the employee may be referred for criminal prosecution.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs or jeopardizes the health and safety of any Company employees, including themselves.

The Company will not tolerate employees who report for duty while impaired using alcohol or drugs. All employees should report evidence of alcohol or drug abuse to their supervisor or Human Resources immediately. In cases in which the use of alcohol or drugs creates an imminent threat to the safety of persons or property, employees are required to report the violation. Failure to do so may result in disciplinary action, up to and including termination of employment.

### **2.15 Post-Accident and Reasonable Suspicion Drug and Alcohol Testing**

As a part of our effort to maintain a workplace free of substance abuse, employees may be asked to submit to a medical examination and/or testing for the presence of alcohol and/or drugs. Any employee who is suspected of using alcohol or illegal drugs or of abusing controlled substances in the workplace or of performing official duties while under the influence of alcohol, illegal drugs (including, but not limited to, medical marijuana), or abused controlled substances will be required to undergo an alcohol and/or drug test. "Reasonable suspicion" exists when an employee exhibits patterns of behavior that suggest impairment from drug or alcohol use or when job performance or safety is affected.

Reasonable suspicion could include, but is not limited to, any of the following:

- The odor of alcohol or a controlled substance on the breath
- Slurred speech
- Red or glassy eyes
- Dilated or pinpoint pupils
- Confusion
- Unsteady gait
- Flat or exaggerated emotions and/or behaviors
- Hyperactivity or drowsiness
- Excessive thirst or hunger
- Distorted sense of time
- Difficulty focusing eyes and/or attention
- Observation of the consumption of alcohol by a person in a leadership position
- Observation of the possession of a controlled substance or use of a controlled substance by a person in a leadership position

The Company requires that employees submit to post-accident drug and alcohol testing within 24 hours of notification of accident and/or injury, when possible.

Post-accident could include, but is not limited to, any of the following:

- Any accident while the employee is on company time and/or company property for which the employee receives medical treatment
  - This excludes accidents due to inclement weather conditions or other clearly identifiable hazardous conditions
- Any motor vehicle accident while on company time
- Any motor vehicle accident involving a company vehicle

If a motor vehicle incident occurs, only the employee driving the vehicle will be required to complete testing. The Company will provide the employee with transportation to and from the medical examination or test. Pending the results of the screening, employment and/or use of company property will be suspended. An employee who refuses to consent to an alcohol and/or drug test will be terminated.

## **2.16 Disciplinary Action**

The Company reserves the right to administer disciplinary rules and procedures based upon its interpretation of the facts of the incident(s) and to adapt disciplinary procedures or use immediate termination when such actions may be in the best interest of the Company. The Company enforces a progressive discipline for violations of its policies and procedures as follows:

1. Verbal Warning
2. Written Warning
3. Final Written Warning
4. Termination of employment

The Company reserves the right to accelerate the disciplinary process, up to and including termination, depending on the nature and severity of the violation. In that regard, employees are forewarned that certain types of conduct are likely to result in immediate termination. These include (for example only and are not limited to) unauthorized removal of company or other employee's property, dishonesty, breach of confidentiality, fighting, insubordination, deliberate violation of policies and practices adopted by the Company, and any other unlawful conduct that negatively effects the Company's business operations.

In accordance with the National Labor Relations Act and other applicable law, nothing in this policy is intended to interfere with, restrain, or prohibit employees from discussing wages, hours or other terms and conditions of employment, or engaging in other legally protected activity.

As is true of any group of people working together, from time to time, there are situations when a specific policy or an obvious rule of common sense is broken. In these cases, the Company will see that issues of misconduct are investigated thoroughly, and the application of company policies is handled in a fair and consistent manner.



## **2.17 Termination**

Because employment at the Company is "at-will," either the employee or the Company can terminate the employment relationship at any time, for any reason or no reason at all, with or without notice. Departing employees should complete any forms necessary for the transfer or termination of benefit programs. For example, employees and their eligible dependents may have the right to continuation coverage under the Company's group health insurance program at their own cost for a period of time. All employees are required to return computers, cell phones, tools, training manuals, customer and pricing lists, files, keys, uniforms, Company vehicles, supplies, or any other Company property. To the extent permitted by law, employees will be required to repay the Company (through payroll deduction, if lawful) for any lost or damaged Company property.

Terminations fall under one of these primary categories:

### Voluntary

The Company requests a letter of resignation from employees who voluntarily terminate employment. It is customary for managers or supervisors to give at least one (1) months' notice and non-management/non-supervisory staff to give two (2) weeks' notice. However, the Company considers two (2) weeks' notice as proper notice. Aside from resignation, the Company will presume that the employee has voluntarily resigned if he/she fails to notify his/her supervisor/manager after three (3) consecutive days of absence, and failure to return to work after the conclusion of leave of absence, vacation, personal days, etc. as voluntary forms of termination.

### Involuntary

Involuntary termination occurs if the Company initiates an employee's termination. This can occur without advance notice. Some of the reasons for involuntary termination are insubordination, falsification of employment records, unsatisfactory job performance, unacceptable workplace conduct, absenteeism, theft, dishonesty, mistreatment or disrespect toward other employees, visitors, or other members of the public, and/or violation of any Company policies. Involuntary termination could also occur because of reduction in staff. These examples are not exclusive.

## **2.18 Employment References**

It is Company policy to maintain strict confidentiality with respect to all matters relating to the employment or termination of employment of any current or former employee. This policy is for the benefit of both the Company and its employees. The purpose of this policy is to avoid claims against the Company based on defamation and to minimize any embarrassment or difficulties if employment is terminated under adverse circumstances.

Any requests for employment references must be directed to Human Resources. No other employee is authorized to provide any employment references or information about any current or former employee.

Further, the verbal information provided in response to inquiries about current and former employees will be limited to:

- Date of hire

- Date of termination
- Current or last position held
- The following statement: *It is the policy and practice of the Company not to disclose any other information about any of its current and former employees. Our decision not to provide any further information about current and former employees should not be considered as a negative comment about the character or performance of such employee.*

### **3. WORKPLACE POLICIES**

#### **3.1 Business Hours**

Attendance and punctuality are paramount to the efficiency, productivity, and success of the Company. Employees' work habits and job performance will have an impact upon other employees and will reflect their commitment, dedication, and dependability. Because of the nature of the business, employees' work schedules may vary depending on the job or location. Managers will provide employees with their normal work schedule.

The Company recognizes that greater efficiencies can be realized in some instances using flexible work schedules. Not all positions are suitable for flexible work arrangements, but the Company will try to accommodate requests for alternative work hours or arrangements where feasible. Each request is considered on a case-by-case basis in terms of meeting the needs of the employee and the organization, as well as being fair and equitable among all departments.

Flexible work schedules are reviewed on a periodic basis, but no less than annually to determine if they are working for the employee as well as the Company. Flexible work schedules are subject to change at any time based on the business needs of the organization.

#### **3.2 Inclement Weather and Emergencies**

The Company is concerned for the safety and well-being of employees. Employees should use their best judgment when traveling to and from the office during inclement weather. From time to time, extreme weather conditions (i.e., blizzards, hurricanes, flooding, etc.) or other emergency situations (i.e., heightened national/local security measures, etc.) may make getting to work difficult, impossible, or unlawful.

Should conditions prevent an employee from getting to the office, management should be contacted as soon as possible. Employees should also attempt to contact their supervisor/manager at their cellular phone or home phone number if such number is provided.

If the decision is made to close the office, nonexempt employees may use vacation time, if available, or take the day as unpaid. Exempt employees will be paid as necessary to comply with federal and state wage and hour laws.

#### **3.3 Personal Appearance and Grooming**

While it is the intent of the Company that all employees dress for their own comfort during work hours, the image of our organization is maintained, in part, by the image that our employees present to customers, vendors, and visitors. During business hours or when representing the

Company, employees are expected to dress in a clean and neat manner, appropriate for their respective job responsibilities and work environment.

Employees may be required to wear uniforms as a condition of employment and should refer to their role-specific dress code, where applicable. All Personal Protective Equipment (PPE) (i.e., hard hats, safety glasses, etc.) are to be worn in accordance with the position's work-site safety guidelines. An employee should take into consideration any job-specific safety concerns when determining what attire is appropriate. For example, employees who work with machinery or lifting heavy material may be required to wear slip resistant closed-toe shoes or steel-toe boots.

Employees working in office areas or in management positions should dress professionally. Appropriate attire includes, but is not limited to, dresses, skirts, blouses or sweaters, dress slacks or pants, collared shirts and/or polo shirts. Skirts and dresses should not be any shorter than three inches above the knee. Under no circumstances may employees wear halter tops, strapless tops, spaghetti straps, tank tops, cropped tops, clothing with offensive wording, clothing that shows undergarments (sheer), torn clothing, or clothing with holes in it. If jewelry is worn, it should be conservative.

The Company also expects employees to maintain a professional appearance and practice daily hygiene and grooming habits. Hair should be clean, combed and neatly trimmed or arranged. Sideburns, mustaches, and beards should be neatly trimmed and no more than one-half (½) inch in length. Facial piercings are not allowed.

The Company reserves the right to determine appropriate dress and appearance in all circumstances and may send employees home to change clothes and/or freshen up should it be determined their appearance is not appropriate. Nonexempt employees will not be paid for the time not worked.

The Company understands that in certain situations, it may need to make exceptions to this policy based on an employee's religion, disability, or other characteristic protected under federal, state, or local law. In accordance with all applicable laws, the Company will make every effort to provide reasonable accommodation to the employee requesting accommodation unless doing so would cause an undue hardship.

### **3.4 Smoke-Free Workplace**

The Company provides a tobacco and smoke-free environment (including but not limited to cigars, cigarettes, e-cigarettes, vaporizers, chewing tobacco/snuff, etc.) for its employees, customers, and visitors. The Company adopted this policy because of a sincere interest in the health of all employees and in maintaining pleasant working conditions. An outside smoking area may be provided at work locations.

Smoking and tobacco use is not permitted in and around Company owned or leased vehicles. Additionally, smoking and tobacco use is not permitted on customer property before, after, or during services. Employees found to be in violation of this policy may be subject to disciplinary action, up to and including termination.

### **3.5 Open Door Policy**

In most instances, the person in the best position to assist you with questions is your supervisor/manager. The Company encourages employees to talk to their supervisor/manager with any issues, ideas, or questions. From time to time, employees might have something to discuss with someone other than their immediate supervisor/manager. In this case, employees are welcome to contact other appropriate management, including their supervisor's manager and/or Human Resources. Part of the Company's commitment to respect for the individual is responding to questions promptly. No employee will be retaliated against for raising an issue or asking a question.

### **3.6 Conflict Resolution and Complaint Procedure**

Problems, misunderstandings, and frustrations may arise in any organization. It is the Company's intent to be responsive to our employees and their concerns.

To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Many incidents resolve themselves naturally; however, if a situation persists that is detrimental to employees or the Company, employees should follow the procedure described here for bringing their complaint to management's attention. Please note, the Conflict Resolution and Complaint procedure only applies to workplace problems, misunderstandings, and frustrations. Complaints of unlawful discrimination or violations of company policy or federal, state, or local law should be reported pursuant to the Company's Reporting Discrimination and Harassment Policy.

#### Step One

Employees are encouraged to bring concerns directly to their immediate supervisor/manager for discussion and resolution. If, however, a discussion with the supervisor/manager is not appropriate, employees may proceed directly to Step Two.

#### Step Two

If the problem/concern is not resolved after discussion with the supervisor/manager, employees are encouraged to request a meeting with Human Resources. To resolve the problem, Human Resources will consider the facts and investigate (if appropriate). Human Resources may also review the matter with the department head.

#### Step Three

If an employee is not satisfied with Human Resources' decision and wishes to pursue the problem or complaint further, he/she may prepare a written summary of the concerns and request that the matter be reviewed by senior management. After a full examination of the facts (which may include a review of the written statement, discussions with all individuals concerned, and a further investigation if necessary), management will advise of the final decision.

It is the responsibility of employees who experience any job-related issues to utilize the complaint procedure established for the purposes of preventing and correcting unacceptable workplace behavior. If the Company does not know about the issue, it cannot do anything about it.

The Company does not tolerate any form of retaliation against employees availing themselves of this procedure. If employees have filed a complaint, or have participated in an investigation, and believe that they are being retaliated against, the employee must immediately report this matter to their supervisor/manager or Human Resources.

The Company reserves the right to impose appropriate disciplinary action for any conduct it considers to be disruptive or inappropriate. The circumstances of each situation may differ, and the level of disciplinary action may also vary, depending upon factors such as the nature of the offense, whether it is repeated, the employee's work record and the impact of the conduct on the organization. The procedure should not be construed, however, as preventing, limiting, or delaying the Company from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, attitude, or demeanor) where the Company deems disciplinary action appropriate. If the Company determines that an employee knowingly provided false information in connection with a complaint or an investigation, disciplinary action may be taken against the individual who filed the complaint or who gave the false information, up to and including termination.

### **3.7 Whistleblower Protection**

The Company maintains its commitment to integrity and ethical behavior. Additionally, the Company is committed to maintaining a workplace where employees are free to raise good faith concerns regarding its business practices. It is the responsibility of every employee to immediately report suspected violations of this policy or federal, state, or local law.

In accordance with Whistleblower Protection regulations, the Company will not tolerate harassment, retaliation, or any type of discrimination against any employee who:

- Makes a good faith complaint regarding suspected Company or employee violations of the law
- Makes a good faith complaint regarding accounting, internal accounting controls, or auditing matters that may lead to incorrect, or misrepresentations in, financial accounting
- Provides information to assist in an investigation regarding violations of the law
- Files, testifies, or participates in a proceeding in relation to alleged violations of the law

Examples of violations include, but are not limited to:

- Theft or other misappropriation of assets
- Billing for services not performed
- Misstatements and other irregularities in the records of the Company, including the intentional misstatement of the results of operations
- Forgery, falsification, or other wrongful alteration of documents
- Fraud and other acts that are in violation of federal, state, or local laws

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact his/her immediate supervisor or Human Resources. An employee who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination. Adverse employment actions, such as demotion or termination, and discrimination,

threats, and harassment, because of an employee's decision to provide good faith information regarding violations of the law, will not be tolerated.

Anyone violating this policy may be subject to discipline, up to and including termination of employment.

## **4. COMPENSATION POLICIES**

### **4.1 Employee Classifications**

The Company classifies its employees as follows:

Full-time employees are hired to work 40 hours per workweek on a regular basis. Such employees may be “exempt” or “nonexempt” as defined below.

Part-time employees are hired to work fewer than 40 hours per week on a regular basis. Such employees may be “exempt” or “nonexempt” as defined below.

Temporary/seasonal employees are engaged to work part- or full-time on the Company payroll, usually to fill in for vacations, leaves of absence, or projects/seasons of a limited duration, with the understanding that their employment will be terminated when the temporary assignment ends.

Nonexempt employees are required to be paid overtime at the rate of time and one half (i.e., one and one-half times) their regular rate of pay for all hours worked beyond forty (40) hours in a workweek, in accordance with applicable federal wage and hour laws, or for all hours worked on a given day in accordance with applicable state wage and hour laws.

Exempt employees are not required to be paid overtime, in accordance with applicable federal, state, or local law. Executives, professional employees, outside sales representatives, and employees in certain administrative or computer-related positions are typically exempt.

Employees will be informed of their initial employment classification and status as an exempt or nonexempt employee upon hire. If an employee changes positions during his/her employment because of a promotion, transfer, or employment responsibilities change, Human Resources will inform the employee of any change in exemption status.

### **4.2 Promotion and Transfer**

It is the Company’s policy to promote from within the organization when vacancies occur which offer advancement opportunities for qualified employees.

Promotion decisions regarding eligible employees are based on the employee’s qualifications and past performance as well as supervisor/manager evaluations of the employee’s potential ability. Employees must have been in their current position for a minimum of 6 months with no active verbal or written warnings to be considered for a transfer or promotion.

All promotions and transfers are made without regard to status in any group protected by applicable federal, state, or local law. The Company cannot guarantee promotions; there will be occasions when the best-qualified candidate comes from outside the organization.

### **4.3 Pay Transparency**

Employees are not prohibited from and will not be discharged or discriminated against for inquiring about, discussing, or disclosing their own pay. Employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer. This policy in no way requires employees to disclose their wages to another employee or another party.

### **4.4 Pay Periods**

Employees are paid on a bi-weekly basis, every other Friday. If a scheduled payday falls on a Company-observed holiday, employees will be paid on the day preceding the holiday.

All required deductions, such as for federal, state, and local taxes, and all authorized voluntary deductions, such as for health insurance contributions, will be withheld automatically from an employee's paycheck. The Company intends that deductions be made from pay only in circumstances permitted by applicable law. If an employee believes that any improper deduction has been made from his/her paycheck, he/she should immediately raise the matter with his/her supervisor/manager or the payroll department.

Employees should also review their paychecks for errors in pay rate or hours worked. If there is a mistake, employees should report it to their supervisor/manager immediately. The supervisor/manager will take the steps necessary to correct the error.

### **4.5 Direct Deposit**

The Company offers direct deposit and pay card as a method of wage payment. Direct deposit allows paperless transmittal between the Company and banking institutions and provides a safe, reliable method for ensuring employees receipt of their pay.

A pay card is a prepaid card that the Company can use to pay employees. Each payday, the card is loaded with the employee's wages for that pay period. Employees can use the pay card like a debit card, or they can withdraw wages through an ATM, bank cashier, or purchase where they receive cash back.

We encourage employees to enroll in our direct deposit or pay card program. If you are interested in enrolling or would like additional information on the programs, please contact Human Resources.

### **4.6 Safe Harbor Policy for Exempt Employees**

It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure that you are paid properly and that no improper deductions are made, employees must review their pay stubs promptly to identify and report all errors.

If classified as an exempt employee, the employee will receive a salary which is intended to compensate for all hours he/she may work for the Company. This salary will be established at the time of hire or when the employee became classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under federal and state law, an exempt employee's salary is subject to certain deductions. For example, unless state or federal law requires otherwise, an exempt salary can be reduced for the following reasons:

- Full-day absences for personal reasons
- Full-day absences for sickness or disability if the deduction is made in accordance with a bona fide plan, policy, or practice of providing wage replacement benefits for such absences. Deductions may also be made for the exempt employee's full day absences due to sickness before the employee has qualified for the plan, policy, or practice or after the employee has exhausted the leave allowance under the plan
- Full-day disciplinary suspensions for infractions of our written policies and procedures
- Family and Medical Leave absences (either full- or partial-day absences)
- To offset amounts received as payment from the court for jury and witness fees or from the military as military pay
- The first or last week of employment in the event an employee works less than a full week
- Any full work week in which an employee does not perform any work

An exempt salary may also be reduced for certain types of deductions such as the employee's portion of health, dental or life insurance premiums; state, federal or local taxes; social security; or voluntary contributions to a 401(k) or pension plan.

However, unless state law provides otherwise, deductions may be made to an employee's accrued leave for full or partial day absences for personal reasons, sickness, or disability.

If an employee believes they have been subject to any improper deductions, he/she should immediately report the matter to their supervisor. If the supervisor is unavailable or the employee believes it would be inappropriate to contact that person (or has not received a prompt and acceptable reply), the employee should immediately contact Human Resources or any other supervisor in the Company with whom he/she feels comfortable.

#### **4.7 Time Reporting**

Timekeeping and attendance records are company records and legal documents, and care must be exercised in recording hours worked, overtime hours and absences. It is the Company's policy to comply with applicable laws that require records to be maintained of the hours worked by employees.

To ensure that accurate records are kept of the hours worked (including overtime hours where applicable) and to ensure employees are paid in a timely manner, nonexempt employees are required to record time worked and absences on an official electronic time record/sheet. Time records/sheets should be used daily at the beginning of the shift, beginning and end of the lunch



period, and at the end of the day. Employees should ensure that the actual hours worked and leave time taken are recorded accurately. Employees are also responsible for signing off weekly on their timecards in the electronic time keeping system. Supervisors/managers are responsible for approving time records in a timely manner to ensure that payroll may be processed according to schedule.

Once an employee clocks or logs in, work is to commence immediately. Failure to do so is considered falsification of timekeeping records. If an employee forgets to clock or log in or out, he/she must notify the supervisor/manager immediately so the time record/sheet may be corrected and accurately recorded for payroll. Failure to record time daily using the electronic time record/may be subject to disciplinary action, up to and including termination.

Exempt employees are not required to record time worked, but are required to record any vacation, sick, personal, or any other leave taken.

Falsification of a time record or clocking in or out for another employee is a breach of company policy and may be subject for disciplinary action, up to and including termination.

#### **4.8 Overtime Pay**

To provide the best possible service to our customers and maintain an efficient operation, it may be necessary for employees to work overtime. Eligible employees will receive overtime pay in accordance with federal law, applicable state laws and collective bargaining agreements where and when applicable.

Nonexempt employees will be paid one and one-half times (1½) their regular hourly rate of pay for all hours worked beyond forty (40) in any given workweek, or for all hours worked on a given day in accordance with applicable state wage and hour laws.

Employees must have prior approval from their supervisor/manager to work any overtime. The Company expects employees to be willing and able to work overtime upon request. The Company will attempt to provide employees with reasonable notice when the need for overtime work arises. Advance notice may not always be possible.

#### **4.9 Bonus Programs**

This policy applies to all regular full-time employees eligible for bonuses as defined by their position or job offer. The Company may modify this policy and our bonus plans at any time without notice. Only written promises of bonuses will be considered valid.

Bonuses can be either discretionary or nondiscretionary. Discretionary bonuses are determined at the company's sole discretion. They are not promised to employees. For example, an employee may be paid a bonus if s/he showed exemplary performance at a particular time. Nondiscretionary bonuses are promised or announced to employees and guaranteed to those who meet our established criteria for the bonus. For example, teams may be paid nondiscretionary bonuses for meeting specific targets.

Our company rewards employees for outstanding individual performance, as well as their contributions that help us achieve company goals. For this reason, we award bonuses in three forms:

- Lump sum bonus
- Year-end bonus
- Incentive plans

Eligible employees who meet their qualifications will receive their bonuses if the following are met at the time of payment:

- Are employed by the company
- Have not announced intention to resign either verbally or in writing

Keep in mind that bonuses are subject to taxation (local, state, and federal taxes.)

#### **4.10 Meal and Break Periods for Nonexempt Employees**

Full-time, nonexempt employees are provided with two (2) paid breaks or rest periods of 15 minutes in length, unless applicable state or local law require otherwise. To the extent possible, rest periods will be provided in the middle of the work periods (i.e., during the first half of the workday and during the second half of the workday). Since this time is counted and paid as time worked, employees must not be absent from their workstations beyond the allotted rest period time.

Full-time, nonexempt employees are provided with one (1) meal period of 30 minutes in length each workday, unless applicable state or local law require otherwise. Supervisor/managers will schedule meal periods to accommodate operating requirements unless applicable state or local law require otherwise. Employees will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time. Failure to take a scheduled lunch and failure to cease work activities may subject the employee to disciplinary action, up to and including termination.

Failure to return on time from breaks or lunch may subject the employee to disciplinary action, up to and including termination.

#### **4.11 Lactation Break Time**

The Company supports the health and well-being of working mothers and their children. The Company will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child up to one (1) year of age unless applicable state or local law requires otherwise. If possible, this break time shall run concurrently with any paid/unpaid break time already provided to the employee.

The Company will make reasonable efforts to provide employees with the use of a room or other location (other than a toilet stall or bathroom) close to the employee's work area for employees to express milk in private. The Company will not retaliate against employees for exercising their rights under this policy.

#### **4.12 Attendance and Punctuality**

Regular attendance and punctuality are essential to the highest quality performance and in preventing undue work for fellow employees. All duties and work schedules have been planned so that efficient, dependable service is uninterrupted.

It is recognized that illnesses and medical emergencies occasionally may prevent employees from reporting to work as scheduled. All employees are required to notify their supervisor/manager by telephone call at least one (1) hour in advance of their start time if they are going to be absent from or late for work for any unexpected reason. Employees must make every effort to speak with their supervisor/manager directly. Notifying anyone other than a supervisor/manager and notification other than a telephone call will be considered improper notification, and the unauthorized absence or tardy may result in disciplinary action. Employees should be prepared to explain both the reason for the absence and the time or date when the employee anticipates being able to return to work. If the employee has sick time available, it will be used to cover the absence or tardy. If no sick time is available, the tardy or absence will be considered unexcused. Vacation time, as it must be approved and scheduled in advance, is not able to be used to cover unexpected absences.

Employees must contact their supervisors/managers each day that they are absent. Management reserves the right to ask for a physician's statement in the event of an illness or injury that exceeds three (3) consecutive days, or five (5) intermittent days within a 10-day period, unless applicable state or local law requires otherwise. The doctor's note need only state that the physician saw the employee on a particular date and time and list any dates that the employee is unable to work due to illness.

If an employee fails to notify his/her supervisor/manager after three (3) consecutive days of absence, the Company will presume that the employee has voluntarily resigned. The Company will review any extenuating circumstances presented by the employee that may have prevented him/her from calling in before processing termination.

If an illness or emergency occurs during working hours, employees should notify their supervisor/manager or, if the supervisor/manager is not available, Human Resources before leaving work. Similarly, their supervisor/manager should be notified at least one day in advance of known absences for medical or dental appointments.

Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA), other protected leaves, or state paid sick leaves will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA or paid sick leave may be required in these instances. Excessive unexcused absenteeism and/or tardiness, defined as three (3) or more spells in any ninety (90) day period, will be considered unsatisfactory performance, which may lead to discipline up to and including termination. For this policy, up to three (3) consecutive days absent for the same reason will count as one (1) spell.

#### **4.13 Business Expense Reimbursement**

Employees will be reimbursed for reasonable approved expenses incurred during business. These expenses must be approved by management and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to Accounts Payable (AP@theshieldco.com) along with the receipts in a timely manner. Employees are expected to exercise restraint and good judgment when incurring expenses. Employees should contact their supervisor/manager in advance with any questions about whether an expense will be reimbursed.

## **5. TIME OFF POLICIES**

### **5.1 Paid Vacation Time**

Paid vacation time is awarded to regular, full-time employees. Please reference the Company's standalone Vacation Policy for more information.

### **5.2 Paid Sick Time**

#### **Accrual and Cap**

The Company provides paid sick leave to all employees upon commencement of employment in accordance with federal, state, and local laws. The sick leave year runs from January 1 to December 31, in accordance with the calendar year. Employees will accrue one (1) hour of paid sick leave for every thirty (30) hours worked. Employees may begin to use paid sick leave as it is accrued.

Employees may use sick leave in fifteen (15) minute increments. Unused sick leave will carry over to the next year, up to a maximum of eighty (80) hours of accrued paid sick leave.

#### **Permitted Uses**

- Leave under this policy may be used in connection with the diagnosis, care, or treatment of a mental or physical illness, injury, or existing health condition of, or preventive care for, the employee or the employee's family member.
  - Leave under this policy may be used to travel to and from an appointment, a pharmacy, or other location related to the purpose for which the time was taken.
- Leave may also be used for:
  - Time off in connection with a bone marrow and/or organ donation by an employee or an employee's family member;
  - A public emergency (including inclement weather) such as:
    - Closure of the employee's place of business;
    - Closure of a school or place of care for a child of the employee or a child of the employee's spouse or domestic partner;
    - If the employee is excluded from the workplace for health reasons;
    - If the employee is in isolation or quarantine or caring for a family member resulting from exposure to a communicable disease;
    - Any other public health emergency;
  - Pregnancy, childbirth, postpartum care for the employee or the employee's family member;
  - Maternity or paternity leave;
  - Accompanying the employee's parent, grandparent, spouse, or parent-in-law to appointments related to long-term care;
  - Bereavement for the death of a family member;
  - Attendance at a school-related conference, meeting, function, or other event requested by school administrator, teacher, or other professional staff member responsible for the employee's child's education, or a meeting regarding care provided to the child regarding the child's health conditions or disability.

- Leave under this policy may also be used if the employee or the employee’s family member (including persons with whom employee has a dating relationship) is a victim of domestic violence, family offense matter sexual assault, stalking, or human trafficking to:
  - seek aid or medical attention;
  - file a complaint or domestic incident report with law enforcement;
  - obtain services or counseling;
  - participate in safety planning;
  - relocate or take steps to secure an existing home;
  - enroll children in a new school;
  - participate in any civil or criminal proceedings related to or resulting from the domestic violence, sexual assault, or stalking;
  - or to take other actions necessary to ensure, maintain, improve, or restore the physical, psychological, or economic health or safety of the employee or the employee’s family member or to protect those who associate or work with the employee.

### **Definition of Family Member**

“Family member” for purposes of this policy includes the following individuals whether biological, adopted, foster or step: a spouse, registered domestic partner, person to whom the employee is legally married under the laws of any state, a life partner (a long-term committed relationship between two unmarried individuals of the same sex or gender identity who meet certain, specified requirements), child (including a child for whom the employee has legal or physical custody or guardianship or a child for whom the employee stands in *loco parentis* regardless of the child’s age), parent (including a step-parent, parent-in-law, or legal guardian or individual who acted as a parent or stood in *loco parentis* to the employee or the employee’s spouse when the employee or the employee’s spouse was a minor), grandparent, the spouse of a grandparent, grandchild, sibling (including half siblings), the spouse of a sibling, care recipient, member of the employee’s household (“member of the employee’s household” includes any person that resides at the same address as the employee or is claimed by the employee as a dependent for tax purposes), or any other individual related by blood to the employee or any other individual whose close association with the employee is the equivalent of a family relationship.

### **Rate of Pay**

Consult Human Resources for detailed information on how the dollar amount of your paid sick leave is calculated and the amount you are entitled to receive. The actual dollar amount that an employee receives may vary according to the compensation plan of the employee.

### **Notice Requirements**

Employees requesting time off under this policy must provide as much advance notice as possible, if the need for leave is foreseeable. Where the need for paid sick leave is unforeseeable, the Employee should provide notice as soon as practicable.

The Company may require documentation of your absence. Please refer to your State’s Handbook Addendum for additional information.

## **Retaliation Prohibited**

Employees are encouraged to request leave under this policy without fear of retaliation. The Company will not take any adverse action against employees who exercise their rights provided under this policy. However, employees who misuse or abuse this policy, e.g., misrepresent the reason for use of paid sick leave or use paid sick leave for vacation, or any reason other than that which sick leave is intended, may be subject to disciplinary action.

## **Payout of Paid Sick Leave**

Unused time under this policy will not be paid out at the time of separation from employment. In accordance with state law, previously accrued, unused paid sick leave may be reinstated to employees who leave and are re-employed with the Company within a certain timeframe. Please refer to your Handbook Addendum for additional information.

Leave under this policy may run concurrently with leave taken under local, state, or federal law, including leave taken pursuant to the Family and Medical Leave Act.

## **5.3 Holiday Pay**

Regular, full-time employees are eligible for holiday pay. Nonexempt employees become eligible after 90 days of employment. Exempt employees are immediately eligible upon hire. Temporary, part-time, and employees on leave are not eligible.

The Company recognizes the following as paid holidays:

- New Year's Day
- Martin Luther King Jr. Day
- President's Day
- Memorial Day<sup>1</sup>
- Independence Day<sup>1</sup>
- Labor Day
- Thanksgiving Day
- Christmas Day

The Company also generally recognizes the following as paid “bonus holidays,” a subcategory of holidays.

- Day after Thanksgiving
- Christmas Eve and/or Day after Christmas
- New Year's Eve and/or Day after New Year's Day

Bonus holidays will be announced in advance each year and are determined based on the timing of the corresponding holiday (i.e., what day of week the holiday falls on) along with overall business needs. Bonus holidays are reported as holiday pay on pay stubs.

### **For exempt employees:**

- If a holiday falls on a Saturday, the preceding Friday will generally be the recognized day off.

- If a holiday falls on a Sunday, the following Monday will generally be the recognized day off.
- If exempt managers have direct reports working the holiday, managers are expected to be available and supportive, as business needs dictate.
- Any exceptions to recognized days will be announced in advance.

**For nonexempt employees:**

- To receive holiday pay, nonexempt employees must work their regularly scheduled day immediately preceding and immediately following the holiday, unless paid time off has been approved in advance on either day.
- If a nonexempt employee is required to work on a paid holiday, he/she will receive holiday pay (8-hour equivalent) plus straight pay for hours worked, unless applicable state or local law requires otherwise.
- If a nonexempt employee does not work on a Company-recognized holiday due to office closure but would have normally been scheduled to work that day within his/her standard 40-hour workweek, he/she will receive a full day's pay.
- Nonexempt employees that would not have been regularly scheduled to work the actual holiday (not the recognized day, i.e., Sunday, recognized on Monday) will not receive holiday pay.
- Holiday pay (including that for bonus holidays) is not to be considered hours worked in the computation of overtime.

<sup>1</sup>Although recognized holidays, Independence Day (when not on a Sunday) and Memorial Day fall during the Company's peak season. As such, Start Technicians and/or Start Tech. Managers are expected to work and run routes until 4:00 pm local time those days. If eligible, according to the terms and conditions listed, Technicians working those days will receive 8 hours holiday pay plus straight pay for hours worked, unless otherwise dictated by state law. If not employed for at least 90 days, the employee would simply receive straight time for hours worked. Regular Technicians and/or other employees may also be scheduled to work these holidays according to business needs. Such requirements will be announced at least two weeks in advance.

**5.4 Family and Medical Leave Act (FMLA)**

The Family and Medical Leave Act ("FMLA") provides eligible employees the opportunity to take unpaid, job-protected leave for certain specified reasons. The maximum amount of leave you may use is either twelve (12) or twenty-six (26) weeks within a twelve (12) month period depending on the reasons for the leave.

**Employee Eligibility**

To be eligible for FMLA leave, you must:

- Have worked at least twelve (12) months for the Company in the preceding seven (7) years (limited exceptions apply to the seven (7) year requirement);
- Have worked at least 1,250 hours for the Company over the twelve (12) months preceding the date your leave would begin; and
- Currently work at a location where there are at least fifty (50) employees within seventy-five (75) miles.

All periods of absence from work due to or necessitated by service in the uniformed services are counted in determining FMLA eligibility.

### **Reasons for Taking Leave**

FMLA leave may be taken for the following reasons:

- Birth of an employee's child, including time for bonding with the child after birth (up to twelve (12) weeks). Such time is available to employees regardless of sex or gender.
- Placement of a child with an employee in connection with the adoption or foster care of the child by the employee (up to twelve (12) weeks). Such time is available to employees regardless of sex or gender.
- To care for an immediate family member (employee's spouse, child, or parent) with a serious health condition (up to twelve (12) weeks).
- Because of an employee's serious health condition that makes the employee unable to perform the functions of the employee's position (up to twelve (12) weeks).
- To care for a Covered Servicemember with a serious injury or illness related to certain types of military service (up to twenty-six (26) weeks) (see Military-Related FMLA Leave for more details).
- To handle certain qualifying exigencies arising out of the fact that the employee's spouse, son, daughter, or parent is on duty under a call or order to active duty in the Uniformed Services (up to twelve (12) weeks) (see Military-Related FMLA Leave for more details).

The maximum amount of leave that may be taken in a twelve (12) month period for all reasons combined is twelve (12) weeks, with one exception. For leave to care for a Covered Servicemember, the maximum combined leave entitlement is twenty-six (26) weeks, with leaves for all other reasons constituting no more than twelve (12) of those twenty-six (26) weeks.

### **Definitions**

A "Serious Health Condition" is an illness, injury, impairment, or physical or mental condition that involves either (i) an overnight stay in a medical care facility, or (ii) continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities for more than three (3) full calendar days. The continuing treatment requirement includes two (2) visits to a health care provider or one (1) visit to a health care provider and a continuing regimen of care. An incapacity caused by pregnancy or prenatal visits, a chronic condition (such as asthma, diabetes, or migraines) that continues over an extended period and requires periodic visits (at least two (2) per year) to a health care provider, permanent or long-term conditions requiring supervision but not active treatment by a health care provider, or absences due to multiple treatments ordered by a health care provider may also meet the definition of a Serious Health Condition.

### **Identifying the 12-Month Period**

The Company measures the twelve (12) month period in which leave is taken by the "rolling" twelve (12) month method, measured backward from the date of any FMLA leave with one exception. For leave to care for a Covered Servicemember, the Company calculates the twelve



(12) month period beginning on the first day the eligible employee takes FMLA leave to care for a Covered Servicemember and ends twelve (12) months after that date. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within twelve (12) months of the birth or placement.

### **Using Leave**

Eligible employees may take FMLA leave in a single block of time, intermittently (in separate blocks of time), or by reducing the normal work schedule (including the elimination of required overtime) when medically necessary for the serious health condition of the employee or immediate family member, or in the case of a Covered Servicemember, their injury or illness. Eligible employees may also take intermittent or reduced-schedule leave for military qualifying exigencies. Intermittent leave is generally not permitted for the birth of a child, to care for a newly born child, or for placement of a child for adoption or foster care; such leave must be taken in at least two (2) week increments. Employees who require intermittent or reduced-schedule leave for planned medical treatment must make a reasonable effort to schedule their leave so that it will not unreasonably disrupt the Company's operations. Intermittent leave is permitted in increments of at least one (1) hour.

### **Use of Paid Leave**

Depending on the purpose of your leave request, the Company may require you to use accrued paid leave (such as sick leave, vacation, or PTO), concurrently with some or all your FMLA leave. If the Company does not require you to do so, you may elect to substitute paid leave for FMLA leave, so long as you comply with the Company's normal procedures for the applicable paid-leave policy (e.g., call-in procedures, advance notice, etc.).

### **Maintenance of Health Benefits**

The Company will maintain coverage under the Company's group health plan during your FMLA leave on the same terms as if you had continued to work. If applicable, you must make arrangements to pay your share of health plan premiums while on leave. In some instances, the Company may recover premiums it paid to maintain health coverage or other benefits for you and your family. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of your leave. Consult the applicable plan document for all information regarding eligibility, coverage, and benefits.

### **Notice and Medical Certification**

When seeking FMLA leave, you must provide:

- Sufficient information for us to determine if the requested leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that you are unable to perform job functions, a family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. You must also inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified.

- Thirty (30) days advance notice of the need to take FMLA leave, if the need for leave is foreseeable, or notice as soon as practicable in the case of unforeseeable leave and in compliance with the Company's normal call-in procedures, absent unusual circumstances.
- Medical certification supporting the need for leave due to a serious health condition affecting you or an immediate family member within fifteen (15) calendar days of the Company's request to provide the certification (additional time may be permitted under certain circumstances). If you fail to do so, the Company may delay the commencement of your leave, withdraw any designation of FMLA leave or deny the leave, in which case your leave of absence would be treated in accordance with our standard leave of absence and attendance policies, subjecting you to disciplinary action, up to and including termination. Second or third medical opinions and periodic re-certifications may also be required.
- Periodic reports as deemed appropriate during the leave regarding your status and intent to return to work.
- Medical certification of fitness for duty before returning to work, if the leave was due to your serious health condition, as permitted by law. The Company will require this certification to address whether you can perform the essential functions of your position.

Failure to comply with the above requirements may result in delay, denial of leave, or disciplinary action.

### **Employer Responsibilities**

The Company will inform you whether you are eligible for leave under the FMLA. Should you be eligible for FMLA leave, the Company will provide a notice that specifies any additional information required as well as your rights and responsibilities. The Company will also inform you if leave will be designated as FMLA-protected and, to the extent possible, note the amount of leave counted against your leave entitlement. If you are not eligible for FMLA leave, the Company will provide a reason for the ineligibility.

### **Job Restoration**

Except as otherwise provided by applicable law, upon returning from FMLA leave, you will be restored to the same or a comparable position as the position held prior to the leave.

### **Failure to Return after FMLA Leave**

If you fail to return to work as scheduled after FMLA leave or exceed the twelve (12) week FMLA entitlement (or in the case of military caregiver leave, the twenty-six (26) week FMLA entitlement), you will be subject to the Company's standard leave of absence and attendance policies. This may result in termination if you have no other Company-provided leave available to you that applies to your continued absence. Likewise, following the conclusion of your FMLA leave, the Company's obligation to maintain your group health plan benefits may end (subject to any applicable COBRA rights). If you are unable to return to work after FMLA leave, you must notify the Human Resources Manager. If the Company becomes aware of the need for additional leave, the Company will engage in an interactive process to determine whether the condition is a disability for which additional unpaid leave may be provided as a reasonable accommodation.

## **Other Employment**

While on a leave of absence, employees are prohibited from holding other employment, including self-employment, not held immediately prior to the start of the leave. In other words, an employee who has another job in addition to the employee's job with the Company may continue working that job while on leave from the Company if medically able to do so, but such an employee may not seek and hold other employment to replace the employee's employment with the Company while on leave. This policy remains in force during all leaves of absence including FMLA leave, and violation may result in disciplinary action, up to and including immediate termination of employment.

## **Fraud**

Providing false, misleading information, or omitting material information in connection with an FMLA leave will result in disciplinary action, up to and including immediate termination.

## **5.5 Military-Related FMLA Leave**

FMLA leave may also be available to eligible employees in connection with certain service-related medical and non-medical needs of family members. There are two forms of such leave. The first is Military Caregiver Leave, and the second is Qualifying Exigency Leave. Each of these leaves is detailed below.

## **Definitions**

A "Covered Servicemember" is either: (1) a current Servicemember of the Armed Forces, including a member of the National Guard or Reserves, with a serious injury or illness incurred in the line of duty for which the Servicemember is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list; or (2) a "covered veteran" who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

A "covered veteran" is an individual who was discharged under conditions other than dishonorable during the five (5) year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran. The period between October 28, 2009 and March 8, 2013 is excluded in determining this five (5) year period.

The FMLA definitions of "serious injury or illness" for current Servicemembers and veterans are distinct from the FMLA definition of "serious health condition." For purposes of Military-Related FMLA Leave, the term "serious injury or illness" means an injury or illness incurred by the Servicemember in the line of duty while on active duty in the Armed Forces that may render the Servicemember medically unfit to perform the duties of the Servicemember's office, grade, rank, or rating, or one that existed before the beginning of active duty and was aggravated by service in the line of duty while on active duty.

With regard to covered veterans, the serious injury or illness may manifest itself before or after the individual assumed veteran status, and is: (1) a continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the Servicemember unable to perform the duties of the Servicemember's office, grade, rank or rating; (2) a physical or mental condition for which the covered veteran has received a VA

Service Related Disability Rating (VASRD) of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; (3) a physical or mental condition that substantially impairs the veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would be so absent treatment; or (4) an injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

"Qualifying exigencies" include activities such as short-notice deployment, military events, arranging alternative childcare, making financial and legal arrangements related to the deployment, rest and recuperation, counseling, parental care, and post-deployment debriefings.

### **Military Caregiver Leave**

Unpaid Military Caregiver Leave is designed to allow eligible employees to care for certain family members who have sustained serious injuries or illnesses in the line of duty while on active duty. The family member must be a "Covered Servicemember," which means: (1) a current member or veteran of the Armed Forces, National Guard or Reserves, (2) who is undergoing medical treatment, recuperation, or therapy or, in the case of a veteran, who was a current member of the Armed Forces, National Guard or Reserves, who was discharged or released under conditions other than dishonorable at any time within five years prior to the treatment which an eligible employee requests; is otherwise in outpatient status; or is otherwise on the temporary disability retired list, (3) for a serious injury or illness that may render current member medically unfit to perform the duties of the member's office, grade, rank, or rating. Military Caregiver Leave is not available to care for Servicemembers on the permanent disability retired list. Serious injury or illness specifically includes, but is not limited to, aggravation of a preexisting condition while in the line of duty.

To be eligible for Military Caregiver Leave, you must be a spouse, son, daughter, parent, or next of kin of the Covered Servicemember. "Next of kin" means the nearest blood relative of the Servicemember, other than the Servicemember's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the Servicemember by court decree or statutory provisions; brothers and sisters; grandparents; aunts and uncles; and first cousins; unless the Servicemember has specifically designated in writing another blood relative as their nearest blood relative for purposes of Military Caregiver Leave. You must also meet all other eligibility standards as set forth within the FMLA Leave policy.

An eligible employee may take up to twenty-six (26) workweeks of Military Caregiver Leave to care for a Covered Servicemember in a "single twelve (12) month period." The "single twelve (12) month period" begins on the first day leave is taken to care for a Covered Servicemember and ends twelve (12) months thereafter, regardless of the method used to determine leave availability for other FMLA-qualifying reasons. If you do not exhaust your twenty-six (26) workweeks of Military Caregiver Leave during this "single twelve (12) month period," the remainder is forfeited.

Military Caregiver Leave applies on a per-injury basis for each Servicemember. Consequently, an eligible employee may take separate periods of caregiver leave for each Covered Servicemember, and/or for each serious injury or illness of the same Covered Servicemember. A total of no more than twenty-six (26) workweeks of Military Caregiver Leave, however, may be taken within any single twelve (12) month period.

Within the “single twelve (12) month period” described above, an eligible employee may take a combined total of twenty-six (26) weeks of FMLA leave including up to twelve (12) weeks of leave for any other FMLA-qualifying reason (i.e., birth or adoption of a child, serious health condition of the employee or close family member, or a qualifying exigency). For example, during the “single twelve (12) month period,” an eligible employee may take up to sixteen (16) weeks of FMLA leave to care for a Covered Servicemember when combined with up to ten (10) weeks of FMLA leave to care for a newborn child.

An employee seeking Military Caregiver Leave may be required to provide appropriate certification from the employee and/or Covered Servicemember and completed by an authorized health care provider within fifteen (15) days. Military Caregiver Leave is subject to the other provisions in our FMLA Leave Policy (requirements regarding employee eligibility, appropriate notice of the need for leave, use of accrued paid leave, etc.). Military Caregiver Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

### **Qualifying Exigency Leave**

Eligible employees may take unpaid “Qualifying Exigency Leave” to tend to certain “exigencies” arising out of the duty under a call or order to active duty of a “covered military member” (i.e., the employee’s spouse, son, daughter, or parent). Up to twelve (12) weeks of Qualifying Exigency Leave is available in any twelve (12) month period, as measured by the same method that governs measurement of other forms of FMLA leave within the FMLA policy (except for Military Caregiver Leave, which is subject to a maximum of twenty-six (26) weeks of leave in a “single twelve (12) month period”). The maximum amount of “Qualifying Exigency Leave” an employee may utilize to bond with a military member on short-term, temporary rest and recuperation during deployment is fifteen (15) days.

Although Qualifying Exigency Leave may be combined with leave for other FMLA-qualifying reasons, under no circumstances may the combined total exceed twelve (12) weeks in any twelve (12) month period (except for Military Caregiver Leave as set forth above). The employee must meet all other eligibility standards as set forth within the FMLA policy.

Persons who can be ordered to active duty include active and retired members of the Regular Armed Forces, certain members of the retired Reserve, and various other Reserve members including the Ready Reserve, the Selected Reserve, the Individual Ready Reserve, the National Guard, state military, Army Reserve, Navy Reserve, Marine Corps Reserve, Air National Guard, Air Force Reserve, and Coast Guard Reserve.

A call to active duty refers to a federal call to active duty, and state calls to active duty are not covered unless under the order of the President of the United States pursuant to certain laws.

Qualifying Exigency Leave is available under the following circumstances:

- Short-notice deployment. To address any issue that arises out of short notice (within seven days or less) of an impending call or order to active duty.
- Military events and related activities. To attend any official military ceremony, program, or event related to active duty or a call to active-duty status or to attend certain family support or assistance programs and informational briefings.

- Childcare and school activities. To arrange for alternative childcare; to provide childcare on an urgent, immediate need basis; to enroll in or transfer to a new school or daycare facility; or to attend meetings with staff at a school or daycare facility.
- Financial and legal arrangements. To make or update various financial or legal arrangements; or to act as the covered military member's representative before a federal, state, or local agency in connection with service benefits.
- Counseling. To attend counseling (by someone other than a health care provider) for the employee, the covered military member, or for a child or dependent, when necessary, because of duty under a call or order to active duty.
- Temporary rest and recuperation. To spend time with a covered military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible employees may take up to fifteen (15) days of leave for each instance of rest and recuperation.
- Post-deployment activities. To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of up to ninety (90) days following termination of the covered military member's active-duty status. This also encompasses leave to address issues that arise from the death of a covered military member while on active-duty status.
- Mutually agreed leave. Other events that arise from the close family member's call or order to active duty, provided that the Company and the employee agree that such leave qualifies as an exigency and agree to both the timing and duration of such leave.

An employee seeking Qualifying Exigency Leave may be required to submit appropriate supporting documentation in the form of a copy of the covered military member's active-duty orders or other military documentation indicating the appropriate military status and the dates of active-duty status, along with a statement setting forth the nature and details of the specific exigency, the amount of leave needed and the employee's relationship to the military member, within fifteen (15) days. Qualifying Exigency Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

## **5.6 Medical Leave**

Some employees may not be eligible for medical leave under FMLA due to years of service, job status, number of hours worked in the preceding twelve (12) months or who have exhausted their FMLA entitlement. Employees may be granted an unpaid medical leave of absence at the Company's discretion and/or in accordance with the Americans with Disabilities Act (ADA), the Americans with Disabilities Act Amendments Act (ADAAA) or applicable state leave laws.

A medical leave of absence may be granted with the approval and at the discretion of management and Human Resources. Employees must submit medical certification that supports the need for the medical leave. In all cases, the required documents must be turned in no later than fifteen (15) calendar days from the date that the leave is requested to begin, unless the employee's need for leave is unforeseeable.

During this leave status, employees are expected to exhaust their available accrued unused sick or vacation time and are responsible for payment of the employee portion of their health insurance premiums. Human Resources may be consulted for details on the impact to employee benefits.

Leave requests must be made at least thirty (30) days in advance of the date the employee would like the leave to begin or, in emergency situations, with as much advance notice as is practicable. The Company will endeavor to place employees returning from medical leave in their former position or a position comparable in status and pay upon return from leave unless doing so would cause an undue hardship to the Company.

### **5.7 Personal Leave**

If employees are ineligible for any other leave of absence, the Company, under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. Granting of such leaves will depend upon the merits of each case; including the effect the employee's absence will have on the workload of other employees, the employee's job performance, absenteeism, and the department's ability to meet customers' needs. Personal leaves of absence are unpaid leaves, and they carry no job protection benefits or guarantees of reinstatement. A personal leave is defined as an absence of five (5) or more consecutive calendar days or longer. Personal leaves of absence can be up to 56 calendar days in duration in a rolling 12-month period however, a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to management and the request is granted. A personal leave of absence may be requested by employees with at least one (1) year of continuous service. Only in exceptional situations and with approval from senior management will a leave of absence be granted to an employee having less than one (1) year of continuous service.

All requests for personal leaves of absence are subject to management approval after considering Company and customer needs and the nature and length of the employee's request. A personal leave may be approved only with the understanding that the employee intends to return to work on an agreed date at the conclusion of the leave. Failure to return or request a leave extension by the agreed return date will be considered a voluntary resignation.

During this leave status, employees are expected to exhaust their available accrued unused sick or vacation time and are responsible for payment of insurance premiums. Human Resources may be consulted for details on the impact to employee benefits.

Reinstatement will not be guaranteed to any employee taking a personal leave of absence. Every effort is made to place the returning employee into the same or similar position, if possible. However, during any period of leave the Company retains the right to fill, alter, or eliminate a vacant position if required by business needs.

### **5.8 Military Leave**

The Company is committed to protecting the job rights of employees in the uniformed services. A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Eligible employees may take up to five (5) cumulative years of leave under this policy.

Advance notice of military service and a copy of service orders are required. Unless military necessity prevents such notice or it is otherwise impossible or unreasonable, notice must be provided within thirty (30) days of active service.

Military leave will be unpaid. Exempt employees will be paid as necessary to comply with federal and state wage and hour laws, therefore exempt employee's salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week. Employees may elect to use accrued paid time off for the absence. Except as otherwise indicated by company policy, benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon the employee's return to active employment.

Company health insurance coverage will continue until the end of the month following the month in which the employee last worked. The employee will be required to pay his or her normal employee share of the premium during this time. After this period, the employee has the right under COBRA to elect continuing group health insurance, at the employee's expense, for up to 24 months.

An employee who takes leave under this policy will be eligible for reemployment, provided that the employee was honorably discharged from military service and provides discharge documentation.

A returning employee must seek timely reinstatement depending upon the length of the military service, as follows, or defined by applicable state law:

Length of Service	Time Limit for Seeking Reinstatement
Less than 31 days	By the start of the first workday that begins at least eight hours after the completion of service
31 to 179 days	No later than 14 days following the completion of service
180 days or more	No later than 90 days following the completion of service

An employee who is hospitalized for an injury or illness incurred or aggravated during military service will have up to two (2) years following the completion of service to submit an application for reemployment to Human Resources.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA.

Length of Service	Reemployment Position(s)
90 or fewer days	Position that the employee would have held if employment had not been interrupted by military service; or Employee's previous position.
More than 90 days	Position that the employee would have held if employment had not been interrupted by military service; or a position of like seniority, status and pay for which the employee is qualified, with or without reasonable efforts by the Company to help the employee become qualified.



## **5.9 Jury Duty**

The Company recognizes the civic responsibility of jury duty service in the federal and state court systems by permitting time off from work when an employee is summoned to jury duty. Employees are encouraged to serve on jury duty when summoned and will not be penalized, terminated, or disciplined due to their jury duty service.

To provide income protection while an employee carries out his/her civic responsibility, the Company will provide up to 5 days paid time. Employees summoned to jury duty in excess of this paid leave will be granted unpaid leave unless applicable state or local law requires otherwise. Employees are not required by the Company but may request to use accrued paid time off during unpaid leave. Exempt employees will be paid as necessary to comply with federal and state wage and hour laws; therefore, exempt employee's salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week.

Employees requesting leave for these purposes will be required to provide a copy of the summons to serve on jury duty prior to commencement of the leave.

The Company does not require employees to reimburse the Company for the stipend amount issued by the court for their service. Employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless the Company notifies employees of other arrangements, whenever employees are receiving pay from the Company during leave, the Company will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working. If leave is unpaid, employees must pay their portion of the group health premium. Employees excused from jury service before the halfway point of their scheduled workday are required to contact their supervisor/manager to find out if they should report for work.

## **5.10 Subpoenaed Witness Leave**

Employees subpoenaed as a witness to testify, assist, or participate in a court hearing will be given an unpaid leave, unless applicable state or local law requires otherwise. Employees are not required by the Company but may request to use accrued paid time off. Exempt employees will be paid as necessary to comply with federal and state wage and hour laws, therefore exempt employee's salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week.

Employees requesting leave for these purposes will be required to provide a copy of the subpoena to appear as a witness prior to commencement of the leave.

Employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless the Company notifies employees of other arrangements, whenever employees are receiving pay from the Company during leave, the Company will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working. If leave is unpaid, employees must pay their portion of the group health premium.

Employees excused from a subpoenaed witness before the halfway point of their scheduled workday are required to contact their supervisor/manager to find out if they should report for work.

The Company prohibits discrimination against employees who are subjected to a valid subpoena. Employees subpoenaed as a witness in court will not be penalized, terminated, or disciplined due to their request for witness duty.

### **5.11 Bereavement Pay**

Part- or full-time employees may receive up to five (5) days of paid bereavement leave, which should include the day of the funeral, upon the death of the following persons: brother/sister, parent-in-law, brother/sister-in-law, son/daughter-in-law, aunt/uncle, niece/nephew, spouse, registered domestic partner, parent/stepparent, child/stepchild, grandparent, or grandchild. Refer to the Bereavement Policy Form to determine eligibility.

The employee is responsible for notifying his or her supervisor/manager as soon as possible when death occurs in the immediate family. In the event an employee requests additional time off or attends the funeral of other family members or friends, the supervisor/manager may permit time off without pay or permit the employee to use accrued sick or vacation time. In all cases the employee is responsible for keeping the supervisor/manager informed of the anticipated duration of absence.

The Company reserves the right to request proof of relationship and/or proof of attendance at the funeral, such as an obituary clipping, funeral card, or similar.

## **6. BENEFITS**

### **6.1 Employee Benefits**

The Company offers eligible employees the benefits listed below:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Life Insurance

Benefit eligibility is described in the Summary Plan Description (SPD) associated with the benefit plan and is dependent upon many factors, such as the number of hours worked. For a detailed description of the benefit plans and eligibility rules, please refer to each plan's SPD. For more information about the Company's benefits listed above, including a copy of the SPD associated with the benefit plan(s), please contact Human Resources.

Eligible employees have 30 days from time of hire to enroll in the Company's benefit programs. Plan changes outside of this window must meet the conditions of a "Qualified Life Event" as outlined by the Summary Plan Description or wait until the annual Open Enrollment period.

Benefits begin on the first of the month following 60 days from the date of eligibility.

### **6.2 Health Insurance Portability and Accountability Act (HIPAA)**

The Company is committed to maintaining a work environment that follows all Federal and/or State guidelines regarding the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Company will protect Personal Health Information (PHI).

The Company will comply with the standards and other requirements of the regulations. The Company reserves the right to change the terms of this notice and to make the new notice provisions effective for all PHI that it maintains.

### **6.3 Continuation of Benefits (COBRA)**

The Consolidated Omnibus Budget Reconciliation Act (COBRA) is a federal law that requires most employers sponsoring group health plans to offer temporary extension of health coverage under certain circumstances in which the coverage would otherwise end. This is called continuation coverage.

Through COBRA, eligible employees and their eligible dependents may have the right to continuation coverage under the Company's group health insurance program at their own cost for a maximum period of 18 to 36 months (length of time depends on the qualifying event) after a qualifying event that causes an individual to lose health coverage. Qualifying events are:

- The death of the covered employee
- The termination of the employee
- A reduction in the employee's hours, so that the employee or dependent is ineligible for coverage
- The divorce or legal separation of the covered employee and his or her covered spouse
- For eligible spouses and eligible dependents, the employee's entitlement under Medicare in certain situations
- A dependent child who ceases to be a dependent under the terms of the plan

For certain qualifying events, eligible employees or an eligible dependent must report a qualifying event to Human Resources within 60 days after the date the event occurs.

COBRA continuation is limited to those employees and/or dependents under specific events such as when eligible to receive Medicare benefits.

### **6.4 Employee Assistance Program**

The Company recognizes that a wide range of problems - such as marital or family distress, alcoholism, and drug abuse - not directly associated with an individual's job function can nonetheless be detrimental to an employee's performance on the job. Consequently, we believe it is in the interest of employees and the Company to provide an effective program to assist employees and their families in resolving problems such as these as the need arises. To this end, the Company provides an Employee Assistance Program (EAP) for employees and their eligible family members. The EAP is designed to provide voluntary, private, confidential, and professional counseling outside the workplace for any type of personal problem. The EAP provides consultation services for referrals to local community treatment sources. All employees are eligible to use this program and are encouraged to do so. Employee visits to the EAP are held in confidence to the maximum possible extent.

Participation in the EAP does not excuse employees from otherwise complying with company policies or from meeting normal job requirements during or after receiving assistance. Additionally, participation in our employee assistance program does not prevent the Company

from taking disciplinary action against any employee for performance problems that occur before, during, or after the employee seeks assistance through the program.

The EAP can be accessed from the ADP Workforce Now® portal under Resources, My Tools.

## **6.5 Employee Discount Program**

Through ADP all employees are eligible to participate in a discount program. Employees can sign up by logging into ADP Workforce Now® portal then clicking on the “LifeMart” ad. Employees can receive discounts of up to 40% on over 4 million products and services including groceries, travel, entertainment, family, financial services, home and auto, and health and wellness.

## **6.6 Workers’ Compensation Insurance**

The Company maintains workers’ compensation insurance which provides payment of medical expenses and partial salary continuation to employees in the event of a work-related accident or illness. The amount of benefits payable and the duration of payment depend on the nature of the injury or illness. Employees who are injured or become ill on the job, must immediately report such injury or illness to their supervisor/manager and Human Resources. This ensures that the Company can assist in obtaining appropriate medical treatment. Failure to follow this procedure may result in the appropriate workers’ compensation report not being filed in accordance with the law, which may consequently jeopardize the employee’s right to benefits in connection with the injury or illness.

# **7. COMPANY PROPERTY**

## **7.1 Personnel File Access**

The Company maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Employees who wish to review their own file or request a copy should contact Human Resources. With advanced notice, as required by state or local law, employees may review and/or request a copy their own personnel files in the Company offices and in the presence of an individual appointed by the Company to maintain the files. Employees may not add anything to or remove anything from their personnel file. Employees may take notes while reviewing their personnel file, but they may not write notes on anything in their personnel file.

The Company will restrict disclosure of employees’ personnel file to authorized individuals within the Company. Any request for information contained in personnel files must be directed to the Human Resource Department. Only the Human Resource Department is authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited. However, the Company will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

## **7.2 Use of Company Resources**

All employees, contractors, consultants, temporary and other workers at the Company, including all personnel affiliated with third parties must adhere to this policy. This policy applies to assets owned or leased by the Company or reside at the Company site.

The Company strives to ensure that each employee has access to the resources needed to perform his/her job, however the Company also expects all employees to understand that use of those resources is limited to the performance of their jobs.

Employees are responsible for items issued to them by the Company or in their possession or control. When material or equipment is used by or assigned to an employee for company business, it is the employee's responsibility to see that such equipment is used properly. Company property and equipment assigned to an employee remains the property of the Company and is subject to reassignment and/or use by the Company without prior notice or approval from the employee. This includes but is not limited to computer equipment and data stored thereon, voice mail, records, and employee files.

Additionally, the Company provides shipping and mailing resources for company use only and does not provide stamps or allow shipping personal packages at all. These resources are for company use only and are available to meet missions, goals, and initiatives and must manage them responsibly to maintain the confidentiality, integrity, and availability of its assets. This policy requires the Company employees to comply with company policies and protects the company against damaging legal issues.

Company resources may not be used for any unlawful or prohibited purpose. Any unauthorized use, retention or disclosure of any company resources or property will be regarded as theft warranting disciplinary action up to and including termination and may prompt various civil and/or criminal legal actions.

The Company does not assume any responsibility for personal property of employees.

## **8. COMPANY VEHICLE POLICIES**

### **8.1 Company Vehicles**

All employees authorized to drive company-owned or leased vehicles or personal vehicles in conducting company business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately. An employee must have a valid driver's license in his or her possession while operating a vehicle off or on company property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers demonstrate safe driving habits. While all employees are responsible for reading and understanding the vehicle policy, those in driving roles will be required to pass exams and inspections related to the safe operation, maintenance, and accountability of their company vehicle.

### **8.2 Weapons**

Weapons of any kind are prohibited from any company vehicle regardless of employment position. This includes company vehicles and personal vehicles utilized for company business.

Box cutters and pocketknives up to a 3” blade used only for the purposes of company work are allowed. In no circumstances should these tools be used in a threatening manner. If these tools are used in a threatening manner this may result in disciplinary action up to and including termination.

### **8.3 Cleanliness**

Company policy has always been that the employee is both responsible for maintenance and upkeep of his/her assigned vehicle. Company vehicles are to be cleaned daily. Vehicle inspections will be done by service managers or branch managers throughout the month. Failure to keep the company vehicle clean and maintained to an acceptable standard will result in disciplinary action up to and including termination.

### **8.4 Personal Use**

Employees will be allowed to drive their company vehicle to and from work. Vehicles are to be driven by the employee while coming and going between work and their place of residence. Vehicles are not to be driven outside of the branch service area. In the case that the employee needs to make a stop after work, the stop is permissible if the company vehicle is not taken more than five miles out of the way of the route to the employee’s residence. The following is a list of acceptable stop locations. Any other use must have written approval from branch manager.

- Grocery store
- Gas station
- Bank
- Drive-thru restaurant

Taking a company vehicle home is a privilege and can be removed at the discretion of the Company. No passengers are allowed to ride in company vehicles other than company employees. When a vehicle is parked at home, the employee should to the best of his/her ability park it in an area that is not susceptible to accidents, vandalism, or break-in. Vehicle damage, theft or burglary at home may result in the loss of take-home privileges.

### **8.5 Gas Cards**

Company gas cards are only to be used for company vehicles. Gas cards may be used for personal vehicles on company business with the expressed written approval from a Regional Manager or above. Driver PIN’s are only to be used by the individual employee they are assigned to. The employee is required to report accurate vehicle mileage at the time of fill up. Any misuse or abuse of a company gas card may lead to disciplinary action up to and including termination.

### **8.6 Toll Roads**

Toll roads in some cases cause unnecessary expenses that can be avoided. If possible, toll roads should not be used. If a toll road is necessary, the employee should have approval from a Regional Manager or above. When a toll road is necessary and usage is approved, the employee should utilize a toll pass to minimize expenses.

## **8.7 Portable Communication Device Use While Driving**

Employees who drive on company business must abide by all state or local laws prohibiting or limiting portable communication device (PCD) use, including cell phones or personal digital assistants, while driving. Further, even if use is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking, or listening to another person or sending an electronic or text message via the PCD. Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is necessary while the employee is driving, and permitted by law, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly. Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs. Since this policy does not require any employee to use a PCD while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions. Texting and emailing while driving are prohibited in all circumstances.

## **8.8 Distracted Driving**

Any activity that distracts a driver from safe driving is prohibited. This includes but is not limited to eating, listening to loud music, adjusting dials/mirrors, filling out paperwork, using a PCD, putting on makeup, shaving and looking at scenery. Music should not be audible outside the vehicle. The employee is a representative of the Company and should exhibit professional behavior. Violation of this policy may lead to further disciplinary action up to and including termination.

## **8.9 Safe Driving**

Employees who drive company vehicles must always drive safely. This includes obeying all traffic rules, including speed limits, traffic signs, and traffic signals. Speed limits should be followed as written. Moreover, employees should adjust their driving behavior accordingly to ensure safe driving when driving conditions are less than optimal, such as during inclement weather or poor road conditions. Road rage or obscene gestures are prohibited. Employees should always maintain a safe driving distance from the vehicle in front of them. A safe driving distance follows the three-second rule. The three-second rule is a rule of thumb by which a driver may maintain a safe trailing distance at any speed. The rule is that a driver should ideally stay at least three seconds behind any vehicle that is directly in front of his or her vehicle. In times of less-than-optimal weather conditions this distance should increase to five seconds.

Employees may never leave an unattended vehicle idling under any circumstances. Keys should never be left in the ignition or cab unattended.

## **8.10 Backing**

If possible, employees should attempt to pull through a parking space to avoid backing. If backing is necessary, the employee should back in instead of backing out. This will present a much safer driving scenario. This applies to all company vehicles and personal vehicles used for company business.

## **8.11 Vehicle GPS**

As part of the Company's goal to improve sales and service efforts, promote safety and minimize risk, the Company has installed (or may install) a Global Positioning System ("GPS System") on every company vehicle for the purpose of tracking the vehicle's location and driving patterns. This GPS System will provide the Company with information regarding the vehicle's location at any given time, the direction the vehicle is traveling, the approximate speed of the vehicle, and the approximate mileage of the vehicle. The GPS System will report each location where the vehicle has stopped, along with the amount of time spent at a specific stop and the number of miles logged by the vehicle since the last stop. The GPS system will also report various safety data including but not limited to hard braking incidents and excessive acceleration. As an employee of the Company, we expect that you will comply with all instructions regarding the use and operation of the GPS System. You should not tamper with or disconnect the GPS System under any circumstances. Failure to comply with these guidelines may result in discipline up to and including immediate termination.

## **8.12 Motor Vehicle Record Checks**

Driving role job offers will be conditional pending a cleared Motor Vehicle Record (MVR) screening (supplemental to any background or drug screening required by the Company). The Company will periodically run MVRs for their driving population to capture any recent changes in driver history per their auto insurance carrier's requirements. If at any time an employee's driving history is adversely changed resulting in loss of company auto insurance coverage, the Company reserves the right to enforce action, including changes to job roles and/or disciplinary action up to and including termination. If an employee wishes to challenge the results of his/her MVR, the Company's MVR Release Consent Form must be filled out and submitted. Pending the findings once records are released, the Company will take the appropriate action.

# **9. COMMUNICATION AND INFORMATION SYSTEMS**

## **9.1 Electronic Communication and Information Systems**

Company communication and computer systems are intended primarily for business purposes; however limited personal usage is permitted if it does not hinder performance of job duties or violate any other company policy. This includes the voice mail, email, and Internet systems. Users have no legitimate expectation of privacy regarding their use of the Company systems.

The Company may access the voicemail and email systems and obtain the communications within the systems, including past voicemail and email messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include but are not limited to maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

Further, the Company may review Internet usage to ensure that such use with Company property, or communications sent via the Internet with Company property, are appropriate. The reasons for which the Company may review employees' use of the Internet with Company property include



but are not limited to maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

The Company's policies prohibiting harassment, in their entirety, apply to the use of Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on any characteristic protected by federal, state, or local law.

Further, since the Company's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is prohibited.

No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.

Violators of this policy may be subject to disciplinary action up to and including termination.

## **9.2 Social Media**

Social Media is defined as any social networking site or other virtual tool by which individuals are able to actively engage in communication with one another that can either automatically, or with discretion, be shared with other known and unknown users. Email is a social networking tool which enables access to and use of social media. Facebook, LinkedIn, Twitter, blogs, chat rooms and web bulletin boards are forms of social media, as well as others.

The purpose of this policy is to assist employees in making responsible decisions about their professional and personal use of social media. Pursuant to the Company's Communication and Information Systems Policy, company provided electronic equipment (which may include desktop computers, laptop computers, tablets, and smart phones) is the property of the Company and may, without notice, be monitored, and employees do not have any privacy right in content transmitted through or stored on the Company's systems. Employees must cooperate in such monitoring. Employees are not permitted to use company provided electronic equipment to access or post on personal social media.

In accordance with this policy, the following would constitute irresponsible use of social media, and may subject employees to disciplinary action:

- The intentional or inadvertent disclosures of any company trade secret
- Criticism or disparagement of competitors, customers, or suppliers of the Company
- Disclosure of copyrighted materials or other intellectual property of someone other than the employee
- Displaying false information about the Company, any affiliated business entity, employee, supplier, or customer

- The expression of one's own opinion or viewpoint as a position, viewpoint, statement, opinion or conclusion of the Company or any affiliated business entity, employee, supplier, or customer
- Electronic harassment, bullying, discrimination, or retaliation that would not be permissible in the workplace
- The use of a company email address to register on social networking sites, blogs or other online tools utilized for personal use

Employees may not use the Company's name to endorse or promote any product, commercial enterprise, opinion, or cause. If an employee's post or entry mentions the Company, s/he must also identify his/her real name. Links to other websites or locations are also subject to this policy.

This policy applies to all blogs and networking sites, without regard to whether they are accessible by the public or require a password.

Remember, employees are personally responsible for any posting that they make. The Company is not responsible for protecting employees from the consequences of any information that they post.

Please consider messages carefully prior to publishing on both external and internal networking sites.

### **9.3 Telephone Use**

Telephones play an important role in the Company's business. While phone usage is intended for job-related activities, incidental and occasional brief personal use of the office telephone is permitted within reasonable limits. The Company's policies prohibiting harassment apply to the use of the Company's telephone systems. Employees are prohibited from using the Company's telephone systems in a manner that may be considered as harassing or offensive based on a protected characteristic.

Telephone records are subject to periodic review by management. The Company reserves the right to access any employee's voicemail without notice, if it is deemed to be in the best interest of the business.

Employees may have their telephone conversations and/or voicemail monitored, recorded, or reviewed. Monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our customers' image of the Company as well as their satisfaction with our service.

Personal calls during work hours can interfere with employee productivity and can be distracting to others. Personal cell phones are only permitted to be used during breaks and meal periods unless there is an emergency or are permitted for occasional brief personal use within reasonable limits. This also applies to using a cellular phone or other handheld electronic device for texting, taking pictures, playing music, watching videos, playing games, accessing the internet, etc.

Company-provided cell phones are intended to be used for business purposes. However, occasional brief personal use of a company-provided cell phone is permitted within reasonable limits. Only apps that are authorized for use on Company cell phones are permitted. Downloading or using any other app on a company cell phone that is not approved is a violation of this policy

and may lead to disciplinary action. The Company provides an allotted amount of data usage for work purposes, employees who exceed the monthly allotment may be personally responsible for the overage costs. We recognize that texting is a form of telephonic communication available to anyone with a mobile phone. In this regard, employees are reminded that all communications via company-provided cell phones (including texts) may be monitored and there should be no expectation of privacy regarding those communications. Employees are further reminded that, as with email communications, Company telephones, cell phones and texts shall not be used to or any illegal activity. Further, the transmission of sexually explicit images, messages, cartoons, or other such items or messages that may be construed as bullying, harassment, or the disparagement of others based on a protected characteristic, are prohibited on company-provided mobile devices.

Upon termination of employment, or at any time upon request, employees may be required to return the company-provided cell phone to the supervisor/manager or Human Resources. If company-provided cell phones are lost, damaged due to negligence, or not returned, employees may be responsible for the cost of replacement, unless state or local law require otherwise.

Employees must adhere to all federal, state, or local rules and regulations regarding the use of cell phones while driving. Accordingly, employees must not use cell phones if such conduct is prohibited by law, regulation, or other ordinance. If employees are not sure whether the use of a cell phone while driving is prohibited in a particular area, please check with Human Resources for guidance.

If employees must use cell phones while in their cars, they should use a hands-free phone, always keep their eyes on the road, and avoid complex or stressful conversations. While hands-free phones are not required in many states with cell phone laws, they are considered safer than hand-held cell phones. Other electronic devices such as, laptop computers, personal data assistants, tablets, etc. must not be used while driving. Texting and emailing while driving is prohibited in all circumstances.

Employees whose job responsibilities do not specifically include driving as an essential function, but who are issued a cell phone for business purposes, are also expected to abide by the provisions above. Under no circumstances are employees allowed to place themselves at risk to fulfill business needs.

#### **9.4 Information Security/Confidentiality**

Employees have been entrusted with one of our most valuable assets -- information -- and they have the responsibility to protect it and to see that it is used only for its intended business purpose. We use information daily that could be useful to competitors and others who would misuse it.

Confidential information may include, but is not limited to:

- Computer records (including screen shots)
- Word processing documents
- Other documents (spreadsheets, PowerPoints, etc.)
- Letters and memos
- Paper reports
- Electronic Data Storage

- Conversation
- Passwords and access codes
- Employment records and applications
- Customer information (Social Security numbers, phone numbers, account numbers, etc.)

The confidential information must be protected from disclosure to competitors and those who would misuse it. Whether employees work with paper records, at a computer, or spend most of their day on the phone, employees are part of the Company's information security systems. All employees, regardless of position, will review and sign a "Confidential Information & Employee Agreement." Breaching the terms of this agreement may subject the employee to disciplinary action, up to and including termination. This does not include the sharing of information regarding wages, hours, or other terms and conditions of employment. Here are the general rules regarding handling confidential information:

- Do not disclose to anyone outside the Company any business-related information relating to the Company that has not been disclosed to the public, without appropriate management approval or as required by law, at any time during or after their employment. Do not share this information with other employees unless they have a business need to know about it. This does not include employee communication of information regarding wages, hours, or other terms and conditions of employment.
- Routinely take precautions to keep confidential information from being disclosed. This includes making sure such information is not displayed on our desks or in their work area where it can be seen by anyone. Employees should also avoid transmitting information via a computer or by fax in ways that might make it available to unauthorized people.
- Require third-party recipients of restricted company information to keep such information confidential.
- Do not reveal company trade secrets or the trade secrets of a previous employer or accept improperly obtained proprietary information about another company.
- Maintain the confidentiality of private information and proprietary information from customers, suppliers and other third parties that comes to our attention under an understanding of confidentiality. We must maintain the proprietary nature of such information and not use or disclose it without proper written authority.
- Log off from your computer when leaving a work area.
- Make sure that hard copies of member, employee or applicant information are kept in a locked area when employees are away from their work area.
- Always shred any paperwork that includes any confidential information. Do not throw this into the regular trash cans or bins.
- Be mindful of clearing items from office equipment (fax/copier) and mail stations.
- Staff should never ask employees for their Windows password and sensitive information, in person, over the phone or via email. Unusual requests should be verified in dual with the requestor's manager and the employee's manager.

## **9.5 Security of Company Property**

Company property and equipment identified for a specific job, such as computers, should be stored in a secured area with controlled access to prevent theft of such equipment.

Laptops and electronic devices issued by the Company can be stolen or lost; therefore, these devices must remain in employee's possession always or be secured in a locked office or cabinet if employees leave them unattended. If employees must leave their laptop or mobile device in a vehicle, lock them in the trunk and out of plain sight; never leave them overnight in a vehicle. Do not check a laptop or mobile device as baggage on any form of transportation or leave it in a hotel luggage storage area.

Every time employees leave their workspace, they must lock their computer. Employees must log off the computer when they leave work for the day.

All employees are required to follow the established procedures for removing company property - whether equipment, tools, or scrap -- from the workplace.

Employees who observe anyone removing property from company premises without proper authorization, must report it to their manager.

## **9.6 Use of Personal Electronic Devices**

Use of cell phones, smart phones, tablets, or other electronic devices during work time including texting, emailing, taking pictures, playing music, watching videos, playing games, and accessing the internet during the work hours can interfere with employee productivity and can be distracting to others. Incidental and occasional brief personal use of cell phones, smart phones, tablets, or other electronic devices during work time is permitted within reasonable limits. Abuse of this policy may subject an employee to disciplinary action, up to and including termination.

## **9.7 Bring Your Own Device**

Employees may have the opportunity to use their personal devices for work purposes when authorized in writing, in advance, by the employee and management. Personal electronic devices include but are not limited to personally owned cell phones, tablets, laptops, and computers.

While at work, employees are expected to exercise the same discretion in using their personal devices as is expected for the use of company devices. Company policies pertaining to harassment, discrimination, retaliation, trade secrets, confidential information and ethics apply to the use of personal devices for work-related activities. Excessive personal calls during the workday, regardless of the phone used, can interfere with employee productivity and be distracting to others. Employees are encouraged to make any other personal calls on non-work time where possible and to ensure that friends and family members are aware of the Company policy.

Nonexempt employees may not use their personal devices for work purposes outside of their normal work schedule without authorization in advance from management. This includes but is not limited to reviewing, sending, and responding to emails or text messages, responding to calls, or making calls. Employees may not use their personal devices for work purposes during periods of unpaid leave without authorization from management.

Employees who have not received authorization in writing from management and who have not provided written consent will not be permitted to use personal devices for work purposes.

Employees may receive an agreed-upon monthly stipend to use personal devices based on the position and estimated use of the device. If an employee obtains or currently has a plan that exceeds the monthly stipend, the Company will not be liable for the cost difference.

To ensure the security of company information, authorized employees are required to have anti-virus software installed on their personal mobile devices. Due to security issues, personal devices may not be synchronized to other devices in employees' homes. Employees may not use unsecure internet sites.

Employees whose personal devices have camera, video or recording capability are restricted from using those functions anywhere in the building or on company property at any time unless authorized in advance by management. This policy is not intended to restrict communications protected or required under federal, state, or local law.

No employee should expect any privacy except that which is governed by law. The Company has the right, at any time, to monitor and preserve any communications that utilize the Company's networks in any way, including data, voicemail, telephone logs, Internet use, network traffic, etc., to determine proper utilization. Management reserves the right to review, retain or release personal and company-related data on personal devices to government agencies or third parties during an investigation or litigation. Management may review the activity and analyze usage patterns and may choose to publicize these data to assure that Company's resources in these areas are being utilized according to this policy. Furthermore, no employee shall knowingly disable any network software or system identified as a monitoring tool.

All employees are expected to follow applicable state or federal laws or regulations regarding the use of cell phones or PDAs.

Employees whose job responsibilities include regular or occasional driving are expected to refrain from using their phone while driving – use of a cell phone or PDA while driving is not required by the company. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call or use hands-free operations, refrain from discussion of complicated or emotional matters and keep their eyes on the road. Special care should be taken in situations where there is traffic, inclement weather or the employee is driving in an unfamiliar area.

Employees who are charged with traffic violations resulting from the use of their phone or PDA while driving will be solely responsible for all liabilities that result from such actions.

The Company will not be responsible for loss or damage of personal applications or data resulting from the use of company applications.

Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the personal device for inspection. All company data on personal devices will be removed upon termination of employment.

Failure to follow policies and procedures may result in disciplinary action up to and including termination.

## **10. WORKPLACE SAFETY**

### **10.1 Personal Security**

The Company is committed to providing a secure environment for all employees and visitors. That requires not only everyone's support and cooperation, but also the commitment to take personal responsibility for security.

Employees are expected to obey all safety rules and be careful at work. Employees must immediately report any unsafe condition to the appropriate supervisor/manager. Violation of company safety standards may subject an employee to disciplinary action, up to and including termination. Violations include causing a hazardous or dangerous situation, not reporting a hazardous or dangerous situation, and not correcting a problem even though the employee could have corrected it.

### **10.2 Workplace Searches**

To safeguard the property of our employees, our customers, and the Company, and to help prevent the possession, sale, and use of illegal drugs on the Company's premises, in keeping with the spirit and intent of the Company's drug- and alcohol-free workplace policy, the Company reserves the right to question employees and all other persons entering and leaving our premises, and to inspect any packages, parcels, purses, handbags, briefcases, lunchboxes, or any other possessions or articles carried to and from the Company's property.

In addition, the Company reserves the right to search any employee's office, desk, files, locker, or any other area or article on our premises. In this connection, it should be noted that all offices, desks, files, lockers, and so forth, are the property of the Company, and are issued for the use of employees only during their employment with the Company. Inspections may be conducted at any time at the discretion of the Company.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy will not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as employees who after the inspection are believed to be in possession of stolen property or illegal drugs, will be sent immediately to Human Resources and be subject to disciplinary action up to and including termination.

### **10.3 Workplace Violence and Weapons**

The Company strives to maintain a safe and productive work environment that is free from violence and/or the threat of violence. This commitment is extended to our employees, vendors, customers, and visitors. Threats or acts of violence against company property or the property of any employee, vendor, customer, or visitor will be taken seriously and not tolerated.

Weapons are not permitted on company property at any time unless applicable state or local law requires otherwise. The term "weapon" includes a gun, knife, or any other instrument which may inflict bodily injury.

Any person who makes substantial threats, exhibits threatening behavior, engages in violent acts, or other such unacceptable behavior on company property shall be removed from the premises as quickly as safety permits and shall remain off the premises pending the outcome of an investigation.

Employees are responsible for notifying a supervisor/manager of any threats that they have witnessed, received, or have been told that another person has witnessed or received. Even without an actual threat, employees should also alert appropriate individuals to any behavior they have witnessed which they regard as threatening or violent, when that behavior is job-related or might be carried out on a company-controlled site or is connected to company employment.

Employees are responsible for making this report regardless of the nature of the relationship between the individual who initiated the threat or threatening behavior and the person(s) who were threatened or were the focus of the threatening behavior. The supervisor/manager is required to notify Human Resources of all employee security concerns.

If an investigation substantiates that violations of this policy have occurred, the Company will initiate a decisive and appropriate response. This response may include, but is not limited to, suspension and/or termination of any business relationship, reassignment of job duties, suspension, or termination of employment, and/or seeking the arrest or prosecution of the person or persons involved. Where appropriate, the Company will report the transfer, sale, or use of weapons or dangerous instruments to the local law enforcement authorities.

#### **10.4 Work-Related Injuries and Illness**

The Company expects all employees to follow established safety protocol including reporting unsafe condition(s) on company or customer premises. Any employee who is injured on the job or who becomes ill due to direct or indirect contact with materials on the job is to report the injury or illness to his/her supervisor/manager immediately. The injured or ill employee must complete a company accident report and submit the document to his or her supervisor/manager immediately, or as soon as possible if an emergency event prohibits the employee from doing so.

If an injury or illness requires emergency medical treatment, this treatment is to be provided immediately by whatever means are necessary. If it is not an emergency, the employee is required to see a physician or visit a medical facility at the earliest possible time. The doctor or medical facility must be told that the visit may be a pending workers' compensation claim.

The injured or ill employee must report to his or her supervisor/manager immediately following the medical treatment with a status update. If the employee's regular working hours have expired before a report can be made to the supervisor/manager, the employee must contact his/her supervisor/manager or Human Resources immediately at the start of his/her next regularly scheduled work shift. The supervisor/manager or Human Resources will advise the employee of further steps he or she should follow.

#### **10.5 Injury and Illness Prevention**

It is the goal of the Company to strive to operate effectively and ensure that all essential services are continuously provided and that employees are safe within the workplace. Safety and health in our business must be part of every operation. Without question, it is every employee's responsibility at all levels.



It is intent of the Company to comply with all laws. To do this, we must constantly be aware of conditions in all work areas that can produce injury or illness. No employee is required to work at a job he/she knows is not safe. Your cooperation in detecting hazards and, in turn, controlling them, is a condition of your employment. Inform your supervisor/manager immediately of any situation beyond your ability or authority to correct.

The personal safety and health of each employee of the Company is of primary importance. Prevention of occupationally induced injuries and communicable diseases is of such consequence that it will be given precedence over operating productivity, whenever necessary. To the greatest degree possible, management will provide all mechanical and physical activities required for personal safety and health, in keeping with the highest standards.

The Company requires cooperation in all safety matters, not only between supervisor and employee, but also between each employee and his/her co-workers. Employees should follow safe practice rules, render every possible aid to safe operations, and report all unsafe conditions or practices. Horseplay, scuffling, and other acts that tend to have an adverse influence on the safety or well-being of the employees are prohibited. Assignments should be well planned and supervised to prevent injuries in the handling of materials and in working together with equipment. No employee will knowingly be permitted or required to work while the employee's ability or alertness is so impaired by fatigue, illness, or other causes that it might unnecessarily expose the employee or others to injury. Employees should ensure that all guards and other protective devices are in proper places and adjusted. When lifting heavy objects, the large muscles of the leg instead of the smaller muscles of the back shall be used. Materials, tools, or other objects shall not be thrown from buildings or structures until proper precautions are taken to protect others from the falling objects.

The Company will also take proactive steps to protect the workplace in the event of an illness or communicable disease. A communicable disease is one that is spread from one person to another or from an animal to a person. The spread often happens via airborne viruses or bacteria, but also through blood or other bodily fluid. The terms infectious and contagious are also used to describe communicable disease.

Employees are encouraged to engage in good hygiene practices while at work, especially hand washing with soap and water or, if water is not available, using alcohol-based disposable hand wipes or gel sanitizers. Employees should use good judgment when deciding whether to come to work with cold, flu, or other communicable diseases (including lice, bedbugs, MRSA, measles, chicken pox, etc.).

To prevent the spread of an airborne communicable disease, sneeze or cough into your elbow, not your hands or consider wearing a respiratory mask. Sterilize office equipment such as phone, keyboard, and computer mouse. Talk to your healthcare provider about vaccination recommendations such as the flu vaccine to help ward off epidemics.

In the event that an employee is suffering from a communicable disease (regardless of severity) that employee may be asked to leave work in order to protect the health and well-being of others, and asked to present a medical release from their healthcare provider indicating they are fit for duty, before returning to work.

## **10.6 Crisis Management Plan**

As a company that cares about the well-being of its employees, customers, and its neighbors in the communities where we do business, we work hard to ensure that crises are prevented. But no matter how thorough our preventive practices, certain crisis situations can occur.

Crises are incidents that could seriously harm the Company's employees, customers, operations, property and/or reputation. They include, but are not limited to, serious injuries or injuries involving multiple people, acts of nature, major information systems failures, explosions, product failures or tampering, employment-related issues such as strikes, workplace violence, sabotage, or chemical discharges in the communities where we do business.

If a crisis develops, employees should gather as much information as possible without exposing themselves or others to harm or injury. Employees must then immediately contact Human Resources or their immediate supervisor/manager.

## **EMPLOYEE HANDBOOK ACKNOWLEDGMENT**

By signing below, I acknowledge that I received a physical or electronic copy of the Shield Co Management, LLC's ("Company") Employee Handbook and that it is my responsibility to read and become familiar with its contents.

I understand it is my responsibility to follow the Company policies and to get clarification on any items that I do not understand. I agree to contact Human Resources with any questions that may arise.

Except for the at-will policy, I understand the Company reserves the right to make changes at any time and that this information is provided on an advisory basis.

I acknowledge that nothing in the Employee Handbook creates or is intended to create a promise or representation of continued employment and that my employment, position, and compensation at the Company are at-will, shall be for no specific duration, and may be changed or terminated at the will of the Company. Both I and the Company have the right to terminate my employment at any time, with or without cause or prior notice. By signing below, I certify that I understand that employment at-will is the sole and entire agreement between myself and the Company concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations (whether written or oral) concerning the duration of my employment with the Company and/or the circumstances under which my employment may be terminated. My employment-at-will status may only be changed in a written document signed by the Chief Executive Officer/Chief Financial Officer of the Company.

**MY SIGNATURE BELOW ATTESTS TO THE FACT THAT I HAVE READ, UNDERSTAND, AND AGREE TO BE LEGALLY BOUND TO ALL OF THE ABOVE TERMS.**

**DO NOT SIGN UNTIL YOU HAVE READ THE ABOVE ACKNOWLEDGMENT AND AGREEMENT.**

\_\_\_\_\_  
Print Full Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

[RETAIN IN EMPLOYEE PERSONNEL FILE]



verifies the Electronic Signature of this document

## SIGNATURE

<b>Signer Name:</b>	Brian Morrill
<b>User ID:</b>	Moncrief14
<b>Date Electronically Signed:</b>	Jan 21, 2022 11:05 AM EST
<b>File Name:</b>	tsc federal employee handbook v11.1.21-adpdms-317.pdf
<b>Display Name:</b>	TSC Federal Employee Handbook 11.1.21