

# Welcome!

On behalf of your co-workers at *Company*, we welcome you to our company and wish you every success as a *Company* employee. We are glad you have chosen to be a member of our team. We believe that each employee contributes to our growth and success and, in turn, *Company* wishes to provide maximum opportunity and incentive for the growth and wellbeing of all our employees and their families.

This handbook was developed to describe some of our expectations and to outline employment policies, programs, and benefits available to eligible employees. We hope that this manual is, and will continue to be, helpful to you so that you will have a better understanding of *Company's* philosophy, what we stand for, and the way we operate. You should familiarize yourself with the contents of this manual as soon as possible and direct any questions you may have to your *supervisor*, terminal manager, or Human Resources.

In general, employees should raise concerns and questions with their *supervisor*. However, if an employee believes the matter should be discussed directly with *human resources* without first discussing the matter with his/her *supervisor*, he/she may do so.

In the event a satisfactory solution cannot be reached after an employee has discussed the matter with his/her *supervisor* and/or *human resources*, any one of the three may involve higher levels of management to reach a solution. Under no circumstances will *Company* tolerate retaliation against an employee who has raised a concern.

Our growth as a company and as individuals depends upon adherence to these guidelines, as well as respect for and cooperation with one another. We look forward to having you as a part of our team.

## Introduction

This manual is designed to acquaint you with *Company* and to provide you with information about working conditions, employee compensation and benefits, and some of the policies affecting your employment. *Company* is an "at-will" employer, and nothing in this handbook constitutes a contract or guarantee of employment. You should read and understand all provisions of this manual. No employee manual can anticipate every circumstance or question that may arise, and as *Company* grows, the policies may need to be changed. As a result, *Company* reserves the right to revise, supplement, or rescind any policy or portion of this manual, as it deems appropriate. These changes may be communicated to you verbally, in writing, or via future revisions to the manual.

If you have any questions, please contact your *supervisor*.

# *Company* Philosophy of Operations

Members of the *Company* team possess unique values that are essential to our success. These values form the basis of, and the philosophy behind, everything we do. They are fundamental to the way we do business. *Company* is committed to the continued development of the business, recognizing achievement, responding to concerns, exhibiting a commitment to professional and ethical behavior, and providing equal opportunity and respect to its employees.

Teamwork and results are important words at *Company*. Every member of this diverse, multi-cultural team is essential to our success. Each one has a right to be treated with dignity and respect and to receive fair compensation for work done.

At *Company*, we are committed to providing value-added, quality customer service in a positive working environment. Because our customers expect consistent quality and value, safety comes first. We can only meet our customers' expectations and lay a solid foundation for the continued growth of *Company* if we make safety a daily priority in the workplace.

## Patient Relations Statement

Patients are our reason for being. Consequently, they deserve to be greeted promptly and respectfully, whether in person, on the telephone, in chat, or in e-mail. Our services should be provided in a way that meets their needs for convenience, and our systems must be continually reevaluated to ensure that we are meeting our patients' needs and desires. Requests for adjustments to our usual procedures should be recognized and cheerfully granted whenever possible.

Patients who are ill, or who are concerned that they may be ill, are often not their normal selves. Staff should realize that anxiety sometimes results in behavior that seems rude or self-centered and should respond to patients' needs and not their behaviors.

All of our conversations with patients and with each other need to be conducted with an awareness of the message our behavior conveys. Patients should never hear staff discussing other patients among themselves. Personal conversations or personal telephone calls by the staff should occur out of the patients' hearing. Otherwise, patients may conclude that they are not our first priority.

# Section 1 – Employment Policies

## “At-Will” Employment

*Company* is an “at-will” employer. Employment at *Company* is at-will for an indefinite period of time until terminated by either the employee or the company, with or without cause. That means that either party may end the relationship. Nothing in this handbook constitutes a contract or guarantee of employment. Management reserves the right to modify, revoke, or replace any policies and procedures at any time. All policies and procedures are subject to applicable federal and state laws.

No oral or written representation by company personnel will create a contract of employment. No employment practice of the company is intended to create a contract of employment. No changes in the company’s employment-at-will policy will be effective unless executed in writing and signed by the company President and Chief Financial Officer.

## Proof of U.S. Citizenship and/or Right to Work

*Company* is committed to employing only United States citizens and aliens who are authorized to work in the U.S. We do not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility within three business days after beginning work. Former employees who are rehired must also complete the form, regardless of the length of time between termination and rehire. Employees with questions or those seeking more information on immigration law issues are encouraged to contact *Human Resources*.

## Equal Employment Opportunity

*Company* is committed to a policy of equal employment opportunity. This applies to all areas of employment, including recruitment, selection, hiring, training, transfer, promotion, termination, compensation, and benefits. This means that employment decisions affecting applicants and employees will not be based upon an individual’s race, color, religion, gender, national origin, age, disability, sexual orientation, pregnancy, childbirth, or related medical conditions, or any other unlawful basis. Employees who engage in unlawful discrimination will be subject to disciplinary action up to and including termination. If you feel you have been unlawfully discriminated against, you should notify your *supervisor*, terminal manager, *Human Resources*, or any other person in management whom you are comfortable in approaching.

## Reasonable Accommodation of Disability

*Company* does not discriminate against any applicant or employee in hiring or in the terms, conditions, and privileges of employment due to physical or mental disability. When *Company* becomes aware of any disability that prevents an otherwise qualified applicant or employee from performing a job, the company will assess whether any reasonable accommodation would allow the person to perform the job before refusing employment or making a distinction in terms, conditions, or privileges of employment because of the disability. An accommodation that creates an undue hardship on the company or which endangers health or safety is not a reasonable accommodation. The company will make any reasonable accommodation necessary to allow an otherwise qualified applicant or employee to perform the job.

An otherwise qualified applicant for employment or an employee with a disability who requires reasonable accommodation may inform his or her *supervisor* of the nature of the disability and the accommodation required. Employees with access to such information shall maintain the confidentiality of the information to the extent reasonably possible and shall not release the information to anyone who does not have the right or need to know.

## Pre-employment Inquiries

Except as may be required by the reasonable demands of a position (a bona fide occupational qualification), compliance with a lawful affirmative action plan, government reporting, or record-keeping requirements, *Company* will not elicit information concerning race, creed, color, religion, national origin, age, sex, disability, veteran, or current or future military status from applicants for employment. The company will obtain information required for tax, insurance, social security, compliance with garnishment or immigration laws, or other legitimate business purposes after employment.

## Employee Identification Numbers

*Company* assigns every new employee an Employee Identification Number (EIN). This six-digit number is randomly-generated and is permanently assigned to that employee. Employees will use their EIN to enter their hours in *Time Tracking Software Name* and to complete many company forms. A Social Security number (SSN) is required for the new hire process, on tax forms, and for other legal and financial documents, but some forms have been modified to replace SSN with EIN as much as possible. Payroll contacts in the departments also use the EIN as each employee's unique identifier.

## New Employee Orientation

Orientation is a formal welcoming process that is designed to make the new employee feel comfortable, informed about the company, and prepared for his or her position. New employee orientation is conducted by *human resources* and includes an overview of the company history and an explanation of the company core values, vision, mission, and company goals and objectives. In addition, the new employee will be given an overview of benefits, tax, and legal issues and complete any necessary paperwork.

*Company* employees may be issued an alarm code and keys to enter and exit their work location after hours. It is important that you do not write or affix your name or the company's name on the keys/card. If they get lost, others could have access to our facility. You are responsible for not lending your keys, codes, or access card for use by other employees or non-employees. Loaning or allowing another employee to use your keys, code, or access card may lead to disciplinary action up to and including termination. If you lose your access card, please report the loss promptly to your *supervisor* in order to ensure that the total security of our facility is maintained. It is also your responsibility to report to the office coordinator any person you see in the building who is not an employee.

## Introductory Period

New employees are subject to an introductory period of *90 days*. This gives a new employee and *Company* an opportunity to evaluate the employee's interest in the job and the ability to perform the work.

If at any time your work is unsatisfactory or you do not appear to be suited to the position, your status will be reviewed with you by your *supervisor*. Upon completion of the introductory period, the company will review your performance. If the company finds your performance satisfactory and decides to continue your employment (subject to termination at any time and for any reason), it will advise you of any improvements expected from you.

Upon satisfactory completion of the probationary period, a review will be given and benefits will begin as appropriate. All employees, regardless of classification or length of service, are expected to meet and maintain *Company* standards for job performance and behavior.

Completion of the introductory period or continuation of employment after the introductory period does not entitle you to remain employed by the company for any definite period of time. Both you and *Company* are free to terminate the employment relationship, at any time, with or without notice, and for any reason not expressly prohibited by law.

## Position Descriptions

Each employee is assigned to a specific position. Each position has an official description outlining the duties an employee in that position is expected to perform. The position description is the basis for assigning your position to a job classification. Each job classification is assigned to a pay grade that determines your pay range. Ask your *supervisor* for a copy of your position description.

When your duties change significantly, your position description should be updated accordingly, and a copy provided to *human resources*.

## Class Specifications

Specifications for all classes of positions in the competitive service are maintained by *human resources*. A class specification gives the official class title, the assigned pay grade, duties typically performed by employees in that class, employment standards that applicants for positions in that class must meet, and any licenses or certifications that are required.

# Pay Grade Reallocation

To determine whether a job class is allocated to the appropriate pay grade, *human resources* conducts market pay studies and regrade review requests. Requests for regrades are submitted in conjunction with each department's budget submission. The review may result in a class retaining its present pay grade assignment or being assigned a higher or lower pay grade, subject to approval by management.

The process of determining the appropriate grade for each class includes, but is not limited to, a review of prevailing pay rates for comparable jobs with other public and private employers in the appropriate job market area, internal alignment with closely related classes, and/or recruitment and retention difficulties. A regrade action affects all company positions assigned to the job class being regraded.

# Employment Classification

To meet its organizational needs, *Company* employs various types of employees as follows:

**Full-time** - Any employee regularly scheduled to work *forty (40)* or more hours per week on a continuing basis.

**Part-time** - Any employee regularly scheduled to work less than *forty (40)* hours per week on a continuing basis.

**Exempt Employee** – Any employee who is exempt from the overtime compensation provisions of state and federal wage and hour laws.

**Nonexempt Employees** - Any employee who is subject to overtime compensation, as provided by state and federal wage and hour laws.

**PRN Employees** - Any employee who is hired for a pre-established period, usually during peak workloads or for vacation relief. He or she may work a full-time or part-time schedule. Temporary employees are not eligible for company benefits.

**Supplemental** - Any employee who works on an "as needed" basis without a fixed schedule. Supplemental Employees are not eligible for company benefits.

**Temporary** - Any employee hired for a specific project, job, or assignment with the understanding that the assignment is anticipated to end within a short time.

**Contractor/Consultant** - Any employee hired for a period of time pursuant to an Independent Contractor Agreement to assist or complete specific projects or assignments.

**Regular Employees** - Any employee who is full-time or part-time who have successfully completed their introductory period.

Employees are also told whether you qualify for overtime pay.

If you are a part-time, supplemental, temporary, or contractor/consultant employee, you are not eligible for benefits described in this handbook, except to the extent required by state and federal laws.

# Employment Dates

Three different employment dates are used to calculate your eligibility for various benefits.

**Hire Date** - The original date you were hired by *Company*.

**Length of Service Date** - A revised hire date, which reflects a change from part-time to full-time employment, a leave of absence lasting more than ninety days, or the rehire of a former employee.

**Vesting Date** - The total amount of time an employee has worked for *Company* a full-time capacity, which has been adjusted for breaks in service, provided the employee has worked for a longer period of time than he was separated from the company. This date is used to calculate the employee's vested portion of the employer matching contribution made to the employee's 401 (k) Savings Plan. An employee vests 20% of matching contributions for each year of employment and is 100% vested after five (5) years.

## Meal and Break Periods

Employees who are scheduled to work eight (8) hours or more are entitled to take up to one (1) hour, and not less than thirty minutes, without pay for a lunch break, subject to applicable federal and state laws. Employees are allowed one (1) ten (10) minute paid rest period for each four (4) hours worked for personal needs, such as smoking, restroom stops or personal phone calls. Your manager will advise you of the meal and break schedule.

## Length of Service

*Company* recognizes and rewards long-term employment with the company. For this reason, as your length of service with the company increases, you will receive preferential considerations in the granting of some employee benefits, such as vacation and when employment decisions are made, such as transfers and adjustments in work force.

Your length of service date will be defined within your work groups and company-wide. The work groups are as follows:

- Pick-Up & Delivery (P&D) Group including P&D Drivers at each location.
- Freight Group including Dock Workers, Unloaders, and Spotters at each location.
- Line Group including Line Drivers in all locations.
- Maintenance Group including Mechanics, Tire Men, and Repairmen at each location.
- Office Group including Clerical, Administrative, and Managerial employees at each location.

**Effect of Transfers** – If you transfer to a new job *at the company's request*, there is no effect on your Company Length of Service. However, if you transfer to a new work group *on your own initiative* your Length of Service may be affected.

### Vacation Time

- If you transfer to a new work group on your own initiative and are in the P&D, Freight, Maintenance, or Office work group, your company length of service rights, as they apply to scheduling vacations, are temporarily suspended for six months.
- If you transfer into the Line Work group on your own initiative, company length of service rights, as they apply to scheduling vacation, are temporarily suspended until the next vacation rebidding process.

In either event, you may schedule vacations with *supervisor* approval even though company length of service rights are suspended.

### **Work and Vehicle/Equipment Assignment**

- In work groups where work assignments (start time, shift preferential, route selection, or runs) or assignment of vehicles and equipment are subject to bidding, the date you transfer into that work group establishes your work group length of service for bidding purposes.
- If you are in the Line work group and transfer to a new location on your own initiative, Work Group Length of Service rights are temporarily suspended for six months, as it applies to run assignments.

### **Workforce Adjustment**

- Should a workforce adjustment be necessary, your length of service accumulated at the location, not with the company, will be considered during a workforce adjustment.

## **Internal Job Transfers/Promotions**

*Company* wants to provide current employees with every opportunity to transfer and be promoted to jobs within the company that they are qualified to perform. Job openings are posted via bulletin boards and our web site. If you are interested in being considered for another job or work location, let your *supervisor* know of your interest. Jobs will be filled with the best-qualified candidate. If there are equally qualified applicants, priority will go to current employees from the work location where the vacancy exists, followed by current employees from other locations. However, the company reserves the right to fill open positions from outside the company when we feel that better qualified applicants are available.

Employees who are on a formal corrective action or who are on written notice under the Attendance Policy are not eligible to be considered for promotion or transfer.

## **Demotions**

With proper advance notice, you may be demoted because of unsatisfactory performance or for disciplinary reasons. Demotions may also be requested by the employee to reduce responsibility or change schedule.

## **Reductions in Force**

Occasionally, there will be a workforce adjustment that affects our staffing needs. An adjustment may result in a reduction of hours, a change in position, a change in shift, or termination. A change in



position may occur within a work group when an employee from one department is moved to another department.

When there is a need to decrease the number employed, the determining factors will be based on management's needs under the particular circumstances. The following procedure will generally be applied:

Employees under formal corrective action will be terminated or rolled back first. Next Temporary employees and those in their introductory period are laid off.

Whenever it becomes necessary to decrease the work force permanently, the following factors shall be weighed in determining the selection of those employees to be retained: Demonstrated skill and efficiency in performing the particular work available and seniority. When demonstrated skill and efficiency in performing the particular work available are relatively equal between two or more employees, seniority shall be the determining factor.

For temporary layoffs, (those anticipated to last thirty (30) days or less), seniority shall be the factor in determining which employees shall be retained, provided the employees have clearly demonstrated their ability to perform all phases of the job and have a satisfactory performance and attendance record.

If the company changes your position, you will retain your company length of service date for work group changes. If you are displaced due to a workforce adjustment and are not in corrective action, you may apply for any open position that you are qualified to perform. If you are terminated due to a workforce adjustment but return to *Company* as either a full-time or part-time employee within ninety (90) days, you will retain your company length of service.

If you voluntarily terminate your employment with *Company* and subsequently return to work for the company, you will be given a new length of service date. Any time accrued during your prior employment with the company will not be included in your new length of service date.

## Termination Review Board

Any full-time hourly employee, subject to the exceptions set forth in this provision, who has completed ninety (90) days of employment, who feels he or she has been unjustly terminated, may request a review of the termination decision. The termination of an hourly employee due to the employee's failure to qualify to perform safety-sensitive functions or due to a past or present violation of a federal or state regulation, including but not limited to the regulations set forth by the Department of Transportation and the Federal Motor Carrier Safety Administration, as determined by the company, is not subject to review by a Termination Review Board. A decision by the company that an employee is not qualified to perform safety-sensitive functions or that an employee is or has been in violation of federal or state regulations is final and not appealable to the Termination Review Board.

Requests for a Termination Review Board must be made in writing and mailed directly to *human resources*. Requests must be postmarked within seven days after the effective date of the termination. Requests received after seven days will be denied.

The Termination Review Board, chosen by the hourly employee, is composed of three (3) hourly employees and three (3) salaried employees. A representative of the Human Resources Department,

chosen by the Vice President of Human Resources, is to act as a Review Board Coordinator. The Coordinator will not vote, but will be responsible for conducting the review proceedings.

Reviews may be conducted in one of two forms chosen by the terminated employee: written or telephonically. Due to the coordination of schedules required to conduct live termination review hearings, reviews conducted through a written submission of the parties, with any supporting documentation, are anticipated to be conducted more expeditiously than a telephonic termination review hearing. An employee may only choose one type of hearing before the Board to review his or her termination.

In a written termination review hearing, the employee and the company submit written statements to the Board setting forth their position, along with any supporting documentation, to be considered by the Termination Review Board. In a telephonic review, the hearing may be conducted through any technological means or telecommunications that allows direct, live communication among the employee, the company representative, and the board members. The employee will appear at the terminal at which he or she worked. The employee does not have a right to appear live in front of a convened Board or any member of the Board.

Regardless of the form of the hearing, a company representative will present all the facts and supporting evidence upon which the termination was based. Additional information obtained after the termination and which further supports the termination decision may also be introduced. The employee will be entitled to present his or her information and evidence, including additional information obtained after the termination, which the employee believes supports reinstatement.

Witnesses are not allowed to testify in any review hearing. Neither the company nor the appealing employee will be represented by legal counsel at the review proceedings. No transcription or tape recording devices will be allowed.

The Termination Review Board is responsible for reviewing the facts and for making a determination on whether to uphold the termination or reinstate the employee. If the Termination Review Board is deadlocked, the *Executive Review Committee* will cast the deciding vote. If the decision is made to reinstate the employee, the *Executive Review Committee* will notify the President, who has sole authority to reinstate.

## **Employment Outside the Company**

Any employee of *Company* must advise their *supervisor* in writing of any outside employment for which the employee receives compensation on either a salary or fee basis. The notification shall include a brief description of the work performed and the approximate number of hours per week devoted to it. Nothing in this requirement shall be construed to prohibit such employment, unless it interferes with the employee's performance of his or her job duties and responsibilities with the company, or if the nature of the outside employment is deemed to have a negative impact on the company or creates a conflict of interest.

If the company determines that an employee's outside employment interferes with performance or the ability to meet the requirements of the company, as may be modified from time to time, or the outside

employment is deemed to have a negative impact or creates a conflict of interest, the employee may be asked to terminate the outside employment if he or she wishes to remain employed at *Company*.

The company's office space, equipment, and materials are not to be used for outside employment.

## Resignation and Termination Notice

If circumstances force you to give up your job, please give at least two week's notice, so that we will have time to find a replacement for you. Failure to provide two week's notice may result in ineligibility for rehire with this company. All company property must be returned on your last day.

## Exit Interview

When an employee leaves our employ, management would like to discuss your reasons for leaving and any other impressions that you may have about the company. During the exit interview, you can express yourself freely. All information will be kept as confidential as is reasonably possible and will in no way affect any reference information that *Company* will provide another employer about you.

## Final Pay and Right of Offset

If you resign or are terminated, your final pay, whether by check or direct deposit, will be available to you on the next regularly scheduled payday (unless other arrangements have been made). All company property must be returned to your *supervisor* at the time your final check is released to you. To the extent allowed by law, any amounts owed to the company or the monetary value of any unreturned company property will be deducted from the employee's final paycheck. Any employee who has engaged in misconduct, such as intentional or deliberate conduct that causes injury, damage, or loss to the company, will have the monetary amount of any injury, damage, or loss as determined by the company offset from any final check and/or payment of accrued but unused vacation. To the extent the final paycheck is not enough to satisfy the amounts owed to the company by you, you agree to immediately pay such amount to *Company*.

## Employee References

All requests for references must be directed to *human resources*. No other *supervisor* or employee is authorized to release references for current or former employees.

## Unemployment Insurance

State law provides for unemployment compensation benefits if you lose your job through no fault of your own, such as a layoff due to lack of work. This benefit will provide you with a temporary income until you find other employment. State law determines the eligibility requirements and waiting period. *Company* pays all costs of unemployment insurance.

## Reinstatement

If you resign in good standing after completing your 12-month probationary period, but do not retire, you are eligible for consideration for reinstatement for one year from the effective date of your resignation. With the approval of the department head, you may be reinstated within that year to your former position or to another position in the same class if a vacancy exists.

## Retirement

If you plan to retire from *Company*, you should contact the Retirement Administration Agency approximately two months before your retirement eligibility date. The agency will provide you with an estimate and a retiree handbook that contains comprehensive information and application materials.

Your first monthly retirement check will arrive within six to eight weeks after your last day of work. Retirement checks are paid the last business day of each month.

## Retirement Refund

If you resign prior to becoming eligible for retirement, you may receive a refund of your contributions and interest, if applicable. You may also choose to defer taxes on your refund by having the Retirement Department transfer your funds directly into an Individual Retirement Account (IRA) or other employer's plan that will accept the contributions. The company's contribution is never included in a refund or direct transfer.

If you have at least five (5) years of service, you may elect to leave your contributions in the system, and you will receive a lifetime benefit with annual cost-of-living adjustments beginning when you turn 65.

If you later return to work in a position covered by the same retirement system after previously withdrawing your contribution, you may buy back your prior service. You may also be able to purchase prior service from another retirement system. Contact the Retirement Department for details. If you leave your contributions in the system, and later return to work in a position covered by the same retirement system, you must continue in the same plan you chose during your original employment.

## Deferred Retirement Option Program (DROP)

DROP provides the ability for an employee to retire for purposes of the pension plan, while continuing to work and receive a salary for a period of three years. During the DROP period, the pension plan accumulates the accrued monthly benefit into an account balance identified as belonging to the member. When the employee terminates he or she will choose from several distribution options for receipt of the DROP account balance.

## Returning Retirees

If you retire from *Company* and wish to return to company employment, you must check with the *human resources* and the Retirement Administration Agency regarding restrictions on the re-employment of retirees.

# Prohibitions Regarding Future Employment Activities

For one (1) year after your employment with *Company* ends, you cannot be involved in certain activities in your subsequent employment. You may not assist anyone for remuneration with respect to any proceeding, application, case, contract, or other matter you personally or substantially participated in while in *Company* service if your participation as a *Company* employee involved a decision, approval, or recommendation with respect to the matter. However, these provisions do not restrict a former *Company* employee who was laid off because of the award of a privatization contract from accepting employment with the contractor who is awarded the contract, unless he or she was involved personally and substantially in the selection of the contractor. Employees with questions on these restrictions should contact *human resources*.

## Employee Communications

Two-way communications between you and *Company* are important in developing successful and productive working relationships. These communications occur in a variety of ways.

**Open Door Policy** - The door is always open if you have suggestions for improvement, questions or concerns, or any work-related problem or issue. In most cases, you should meet with your *supervisor* first, as he or she knows you best, and is probably in the best position to address your concerns. If, however, you are unable to reach a satisfactory solution, or do not feel comfortable going to your *supervisor*, you can proceed to the next level of management or to anyone else in management with whom you feel comfortable, including *human resources*.

**Meetings** – Safety meetings may be regularly scheduled for all work groups. General meetings may be held periodically, giving you an opportunity to hear about new developments, express your opinions, and ask questions.

**Current Address Policy** – *Company* requests that employees provide their current address to the company. Important information may be mailed directly to your home address. In such instances, mail will be sent to the address on file with *human resources*. If your current address changes, please advise the company, so that you will not miss important mailings.

**Bulletin Boards** – *Company* uses bulletin boards to communicate important business information such as safety rules, statutory and legal notices, company policies, and management memos. Each employee has the responsibility to read the information that is posted. Employees may not post material on bulletin boards without the approval of their *supervisor*.

## Employment of Relatives

For purposes of this policy, relatives include any employee's spouse, child, parent, sibling (brother or sister), grandparent, grandchild, aunt, uncle, in-laws (parent or sibling), and step-relations (parent, child, or sibling). Relatives are permitted to work in the same terminal, department, or work location, but are not permitted to directly supervise other relatives. Additionally, no relative may discipline another relative.

*Human Resources* will review each employment relationship wherein one relative supervises another to evaluate whether a preexisting employment relationship between relatives will be permitted to continue under this policy. Coaching, disciplinary actions, and termination from employment of a relative should be conducted by, or directly involve, one level of management above the decision-making relative. The next two levels of management above the decision-making relative must sign performance reviews of a relative. No relative of an employee who appears before a termination review board may sit on the board or review the board's decision.

If you should become related to another employee, through marriage or adoption, while employed at *Company*, please notify *human resources* so that the affected *supervisors* can be advised and assisted in adhering to this policy. *Human Resources* must authorize the employment of any relative of a management employee in writing.

Any complaints concerning favoritism toward a relative should be reported to *human resources*.

## Personnel Records

*Company* maintains a personnel record on each employee. Employee personnel files include the following: job application, job description, résumé, records of participation in training events, salary history, records of disciplinary action, and documents related to employee performance reviews, coaching, and mentoring.

Personnel files are the property of *Company*, and access to the information is restricted. Management personnel of *Company* who have a legitimate reason to review the file are allowed to do so.

Employees who wish to review their own file should contact their *supervisor* or *human resources*. The employee may review his/her personnel file in the company's office and in the presence of his or her *supervisor* or *human resources*.

Changes in personal information, such as your address, telephone number, emergency contact information, marital status, or increase/decrease in family size, should be reported to *human resources* to maintain accurate records for tax and insurance purposes. Falsification of your application or other documents supplied as part of the hiring process will result in disciplinary action, up to and including termination.

## Office Hours

*Company* operates *twenty-four (24) hours per day, seven (7) days per week*. The standard workweek is *40 hours* of work. Pay periods begin at *12:00 a.m. each Sunday and end at 11:59 p.m. each Saturday night*. Hours in your workday vary, depending upon which shift you work.

*Supervisors* may need to adjust work hours or schedule additional hours in order to meet organizational needs. If schedule adjustments or additional hours are needed, the *Supervisors* will notify those individuals necessary to perform the work with as much notice as possible. You are expected to work the adjusted schedule or additional hours unless you have approval from your *supervisor*. Continued failure to work the adjusted schedule or additional hours may subject an employee to disciplinary action up to and including termination.

# Section 2 – Compensation Policies

## General

The goal of *Company's* compensation policy is to pay wages that are competitive with those in the community and the industry, recognizing individual effort and contribution to the company's overall success.

All salaries are strictly confidential. Discussion of any employee's salary with anyone, including but not limited to, other employees may result in immediate termination.

## Flexible Work Arrangements

There are several work arrangements that may be available for some positions to allow a better work/life balance.

**Alternate Work Schedules** – Some jobs may allow early or late start time or working longer hours on fewer days.

**Telework** – Some jobs may allow employees to work at home or another location during normal work hours instead of commuting to the main worksite. The most common telework arrangement is one to two days per pay period.

**Job Sharing** – Some jobs may allow an arrangement where two workers share the responsibilities of one full-time job. Employees may split each day or week, split the pay period, or work alternate days, as long as each employee is scheduled to work 40 hours each pay period. Benefits (such as leave and holidays) are prorated between the two employees.

## Overtime

Overtime may be required as necessary to satisfy the needs of our customers or the requirements of our business. Overtime is paid to hourly/nonexempt only. All overtime must be approved in advance by your *supervisor* and noted on the time reporting system. Holidays, personal leave, and other personal absences will not be counted as working hours when computing overtime pay. Overtime compensation will be one and one-half (1 ½) times the employee's regular pay rate and will not include any special form of compensation or bonuses.

## Records of Time Worked

All hourly employees must keep accurate records of their work time by scanning in the time clock system provided by company. This means that you should clock in at the start of your shift, clock out at the beginning of a meal break or whenever you leave work for personal business, clock in when you

return from your meal break or personal business, and clock out at the end of your shift. Employees are not permitted to work before their scheduled start time, unless a *supervisor* has approved it in advance.

Employees must never punch in or out for another employee. Any employee who falsifies his or her own time or who punches in or out for another employee will be subject to discipline up to and including immediate termination. If you make an error on your own time or mistakenly scan for another employee, contact your *supervisor* immediately.

Employees are not allowed to work additional hours unless a *supervisor* has approved it in advance. Each employee's time record should be accurately recorded to reflect all time worked. Under no circumstances should an employee work off the clock, and any such request from a *supervisor* should be reported to *human resources* immediately.

P&D drivers are expected to maintain manifests that accurately reflect the hours they work. When required under federal regulations, Line drivers, and P&D drivers are expected to also maintain logbooks to accurately reflect the hours worked and miles driven.

## Pay Periods and Payroll Deductions

All *Company* employees are paid on *Friday*. Payroll is one week in arrears for processing purposes. If you are absent on payday, your paycheck will be held for you. If payday falls on a holiday, the following schedule will be followed:

<b>Holiday</b>	<b>Payday for All Employees</b>
Thursday	Friday following holiday
Friday	Thursday preceding holiday
Thursday and Friday	Wednesday preceding holiday

The company will deduct amounts required by law, such as those for federal income tax and Social Security (FICA), or those ordered by a court, such as garnishment of wages. The company will also deduct amounts authorized by you in writing, such as for insurance costs, charitable deductions, employee purchases, and other fees. The company cannot authorize advances on paychecks or loans to employees.

The company recommends and encourages its employees to utilize the convenience of direct deposit of paychecks, which allows an employee immediate access to those funds. The company will deposit your paycheck into one to three checking and/or savings accounts of your choice. Direct deposit will begin approximately 2 – 3 pay periods after receipt of the authorization form. If depositing in multiple checking accounts, a new Direct Deposit form is required for each account.

If a paycheck is lost or stolen, notify *human resources* immediately. The company may ask the employee to wait a reasonable amount of time to see if the check clears the bank. If it does not, the company will issue a new check.



## Performance Reviews and Pay Increases

Performance reviews and planning sessions are designed for the *supervisor* and the employee to discuss his/her current job tasks, encourage and recognize attributes, and discuss positive, purposeful approaches for meeting work-related goals. Together, employee and *supervisor* discuss ways in which the employee can accomplish goals or learn new skills. The planning sessions are designed for the employee and his/her *supervisor* to make and agree on new goals, skills, and areas for improvement.

*Supervisors* conduct performance reviews on an annual basis. *Supervisors* may conduct informal performance reviews and planning sessions more often if they choose. *Supervisors* conduct reviews of probationary employees at the end of their probationary period.

Merit increases are dependent on both employee and company performance, and are within the company's sole discretion.

If you receive a promotion, it may result in a change in your performance pay increase.

A special or annual evaluation for an employee may result in the *supervisor* requiring a performance plan, and/or an additional probationary period due to deficiencies in that employee's performance. Such a performance plan will be in writing, setting forth certain standards and goals that the employee will be expected to meet, and will specify the length of time for the additional probationary period. Both the *supervisor* and the employee will sign the performance plan before it is implemented.

## Compensatory Time

Compensatory time is defined as time off granted to an employee during one pay period in consideration for time worked and "banked" in another pay period. *Company* does not grant compensatory time to exempt or non-exempt employees.

# Section 3 – Benefits Policies

Separate *Summary Plan Descriptions (SPD) and Plan Documents* govern benefits. Please consult the appropriate SPD for a full explanation of these benefits. A copy may be obtained from *Human Resources*.

## Health, Dental, Vision, and Prescription Drug Insurance Plan

Full-time employees are eligible to participate in the company's health, dental, vision, and prescription drug insurance program after completing ninety (90) days of employment in a full-time classification. Participation in the company's health, dental, vision, and prescription drug insurance program is conditioned on the eligible employee paying a percentage of the costs for the insurance coverage. Details of these benefits are provided in the *Health Plan's Summary Plan Description*. Current cost information may be obtained from your *supervisor* or the *human resource* department. Employees on a leave of absence may also be subject to additional requirements for participation, subject to applicable federal and state laws. Please contact *human resources* for additional information regarding benefits for employees on leave.

One of the many benefits of working in a medical office is access to medical care. *Company* will write-off 100% of employee medical expenses incurred in our office. The company will also write-off 100% of immediate family office visits. However, if we must send items to another facility, such as a reference lab, the employee is responsible for the charge incurred and should pay the company directly. Immediate family consists of spouse and children up to age 21 or until married. Employees are required to set an appointment so as to not disrupt the overall schedule of the office.

## COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under *Company's* health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination (for reasons other than gross misconduct), death of an employee, a reduction in an employee's hours or a leave of absence, an employee's divorce or legal separation, and a dependent child no longer meeting eligibility requirements.

The company provides each eligible employee with a written notice describing rights granted under COBRA when employees become eligible for coverage under the company's health insurance plan. The notice contains important information about employees' rights and obligations. You will have 60 days from the date you lose coverage or 60 days from the date you receive such information, whichever is later, to elect continued coverage.

Under COBRA, the employee or beneficiary pays the full cost of coverage at the company's group rates plus an administration fee. Coverage will end if any of the following events should occur: the company no longer provides group health coverage to any of its employees; the premium for continued coverage

is not paid; you become eligible as an employee or otherwise under another group health plan; or you become eligible for Medicare.

## Life and Accidental Death and Dismemberment Insurance

*Company* provides basic life insurance and accidental death and dismemberment insurance to full-time employees. Details of this benefit can be obtained by contacting *human resources*.

## Short-Term Disability Benefits

If you become disabled because of a non-occupational illness or injury and cannot work, you may be eligible for Short-Term Disability (STD). STD benefits help replace a portion of your lost income. Your STD benefits will be reduced by the amount of other income benefits you receive while disabled. Please consult the *Summary of Benefits*, which can be obtained from *human resources*.

## Long -Term Disability Benefits

Long-Term Disability (LTD) benefits extend your income protection if your period of non-occupational disability lasts more than one (1) year. If eligible, benefits begin after you have been totally or residually disabled for three hundred and sixty-five (365) days, known as the elimination period. Please consult the *Summary of Benefits*, which can be obtained by contacting *human resources*.

## Optional Voluntary Life Insurance and Accidental Death and Dismemberment Insurance

Full-time employees have the option to purchase additional term life insurance at competitive group rates. Premiums are deducted from the employee's paycheck. For additional information, please contact *human resources*.

## On-the-Job Injury/Workers' Compensation Benefits

Any employee reporting an on-the-job injury or illness will receive immediate and appropriate medical treatment. All applicable federal, state, and local laws or regulations pertaining to occupational injuries or illnesses will be followed at all times.

It is the responsibility of all employees to report immediately to their *supervisor* all on-the-job injuries or illnesses regardless of how insignificant or minor the injury or illness may appear at the time. The employee's personal physician must be notified immediately. If it is necessary for the employee to be seen by the doctor or go to the hospital, a family member will be called to transport the employee to the appropriate facility. *Company's* employees will not be responsible for transportation of another employee due to liabilities that may occur.

When employees sustain an injury or illness that requires outside medical treatment or is involved in an accident that results in significant property damage, the employees may also be subject to a screening

for the presence of drugs and/or alcohol in their system, provided state law permits these tests. Any employee who refuses screening for the presence of drugs and/or alcohol will be subject to immediate termination.

*Company* provides either on-the-job injury benefits or worker's compensation coverage for employees who have been injured on the job or who have sustained an occupational illness. Every employee who is injured on the job should report the injury immediately to his or her *supervisor* and submit to a drug and alcohol test. The *supervisor* will complete an Employee Incident Investigation Report, arrange an alcohol and substance abuse test, and coordinate with the Safety Department to complete necessary paperwork to apply for either on-the-job injury or worker's compensation benefits.

A physician's "return to work" notice may be required.

## Employee Assistance Program

At some time, most of us experience problems in our lives such as family or marital difficulties, problems with alcohol or drug abuse, emotional illness, financial or legal worries, or difficulties with stress on the job. *Company* offers a free, confidential Employee Assistance Program (EAP) to help employees deal with personal problems before they result in deterioration of health, family life, or job performance.

The EAP covers all employees and extends to spouses and other dependents in the immediate household. It offers assessment, short-term counseling, and referral for personal problems of employees or family members. EAP also offers work/life referral services for child care, adoption, elder care resources, college planning and private school resources, health and wellness resources, preventive medicine, pet services, and other convenience services.

Individuals who access EAP services will have the opportunity to speak openly and confidentially with an EAP counselor who will help to assess and define the problem, offer support and understanding, and give professional guidance and referral.

Appointments can be made with EAP counselors who have regular office hours during the work week. Employees may see a counselor during their lunch hour or before or after work. However, if the appointment is made during working hours, the employee must use personal leave.

You can contact EAP by telephone at 1-555-555-555, TTY 555-555-5TDD, or via e-mail at xyz@mail.com.

## 401(K) Retirement Savings Plan

*Company* has established a 401(k) Savings Plan to provide employees a means of saving for retirement. Participation in the plan is voluntary, and employee contributions are made by payroll deduction. Contributions are pretax with an option for after-tax contributions.

Full-time employees, who are at least twenty-one (21) years of age, are eligible to enroll in the Plan to make individual contributions after ninety (90) days of full-time employment. A participating employee vests twenty percent (20%) per year, with the employee vesting fully in five (5) years.

The company provides a matching contribution on employee savings, up to a maximum of 5% of an employee's annual salary. The matching contribution ranges from 50% to 100% of eligible savings,

depending on the quarterly Operating Ratio, which is a measure of the profitability of the company. The matching contribution begins after an employee has been employed for one (1) year. The matching contributions are made quarterly and only apply to employee contributions made after one year of employment, provided the employee is actively employed as of the last date of the quarter.

The 401(k) Savings Plan offers features including self-direction in a number of funds ranging from conservative to aggressive, loan provisions, and rollover options.

## Stock Options

Full-time employees are given an opportunity for equity ownership. Upon hire, full-time employees are granted a non-statutory stock option to purchase shares of stock. Grants are issued on a four year vesting schedule.

## Holidays

The following holidays will be observed as paid holidays: *New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Eve, and Christmas Day*

Each holiday will be compensated using the employee's hourly pay rate at eight (8) hours for full-time employees plus holiday pay. Part-time, temporary, and supplemental employees and employees on leave of absence or suspension are not eligible for holiday pay.

To receive holiday pay, you must work both the scheduled workday prior to and the scheduled workday following the holiday, unless you have your *supervisor* permission not to work.

Holidays are not included as "hours worked" for purposes of calculating overtime pay. If a holiday falls during your scheduled vacation period, the day will be counted as a holiday, rather than a vacation day. Holidays falling on a Saturday or Sunday may be celebrated on Friday or Monday, at the company's discretion.

The company recognizes that some employees may wish to observe certain days, as periods of worship or commemoration, that are not included in the company's holiday schedule. Employees who would like to take a day off for such reasons may be permitted to do so if the employee's absence from work will not result in an undue hardship in the operation of the company's business and if prior approval has been obtained from the employee's *supervisor*. Employees may use their paid vacation on such occasions, or they may take such time off as an unpaid, excused absence.

## Vacation

Paid vacation is provided to full-time employees to allow a reasonable period of time to be free of job responsibilities and to enjoy rest and relaxation. Vacation will be compensated using the employee's hourly pay rate at eight (8) hours per day.

Vacation is accrued and earned on the anniversary date of each employee's most recent date of hire and is based on an employee's length of full-time services:

1 <sup>st</sup> year anniversary	(5 days per year)
2 <sup>nd</sup> anniversary	(5 days per year)
3 <sup>rd</sup> – 8th anniversaries	(10 days per year)
9 <sup>th</sup> – 15 <sup>th</sup> anniversaries	(15 days per year)
16 <sup>th</sup> anniversary and beyond	(20 days per year)

Employees do not accrue and are not entitled to vacation time during the first year of employment. Beginning in the second year of employment, employees may take vacation earned on the previous anniversary date. Employees may not take vacation time that has not been earned, without approval of the Vice President of Human Resources.

Vacation not used within one year of the date on which it is earned cannot be carried forward and will result in forfeiture, unless state law requires otherwise.

Paid vacations normally must be taken in the vacation year in which it accrues, except that an employee may carry over up to forty (40) hours of unused paid vacation for six (6) months into the next vacation year. Employees will not be paid for any unused vacation, except as required by law.

All requests for vacation must be submitted no later than January 31 of each year, and such vacations will be granted based upon work schedules and Length of Service date. Employees returning from a leave of absence must wait at least four (4) weeks before taking vacation time unless staffing and scheduling needs allow earlier vacation to be taken.

All employees are to take vacation time in weekly increments, unless other increments are approved by *human resources*. However, vacation time taken may not exceed two consecutive weeks at any one time. Employees that accrue more than two (2) weeks vacation may schedule the balance of their vacation in discretionary increments as approved by their *supervisor*. Accrued vacation will be applied to any unpaid leave of absence, unless otherwise prohibited by applicable state or federal law. However, any vacation pay used while on a leave of absence, regardless of the reason for the leave, cannot exceed the amount of vacation time the employee has actually accrued, but not used, at the beginning of the leave period. If you are absent from work due to an on-the job injury, you will continue to accrue vacation during the leave of absence, subject to applicable federal and state laws.

Vacation is a time for employees to rest, relax, and pursue special interests. Therefore, pay will not be given in lieu of taking a vacation.

When you leave your employment at *Company*, you will be paid for any unused vacation earned through the last anniversary date. Any vacation time taken in excess of the amount earned will be treated as an advance of wages. If the employee leaves his or her employment, voluntarily or involuntarily, prior to earning the vacation time on his or her anniversary date, an amount equal to the hours taken in excess of those earned at the employee's current hourly rate will be withheld from the employee's final paycheck.

## Flexible Time Off (FTO)

Full time employees are eligible to accrue FTO during the first full pay period. The FTO accrual rate is based on your length of employment, as follows:

Years of Continuous Employment	FTO Accrual Rate Per Month
Less than five (5) years	10.00 hours (1.25 days per month) (3 weeks per year)
Five (5) years or more	13.34 hours (1.67 days per month) (4 weeks per year)

FTO cannot interfere with your department's operation and, therefore, must be approved by your *supervisor* at least two (2) weeks in advance, when possible. If FTO is used for employee illness, employees should notify their *supervisor* as soon as possible. Exempt employees must use FTO in full day increments. Non-exempt hourly employees must use FTO in four-hour increments.

You may not receive advance FTO pay (for FTO time taken in excess of your FTO accrual balance). If non-exempt employees request and receive FTO leave in excess of their FTO balance, they will be docked for any excess hours or days taken in excess of their accrued FTO. Exempt employees shall not be docked pay for any partial day absences in the event that they exhaust their FTO leave.

If you are on an approved leave of absence (such as a medical leave of absence) for less than thirty (30) days, your FTO accrual will not be affected; should the leave extend beyond thirty (30) days, FTO time will not continue to accrue.

If a company paid holiday falls during your scheduled FTO period, you will be paid for the holiday and the holiday will not be counted as a FTO day.

## Sick Leave

Sick leave benefits provide income protection in the event you become ill or disabled. Full-time employees will begin accruing 5 days sick leave after one year of employment. Sick leave payment is calculated based on your base hourly rate, exclusive of overtime and bonuses. Employees are eligible to use sick leave as it is accrued. If all sick leave is not used at the end of the year, up to 3 days will be carried over to the next year up to a maximum of 10 days.

Accrued sick leave is to be used in the event of illness, disability, and medical appointments, and in conjunction with applicable federal or state leave provisions. To receive sick pay, you must notify your *supervisor* on the first day of absence and each subsequent day.

*Company* reserves the right to require written certification as to the bona fide nature of an illness or injury from an attending physician, and/or a release from the physician to return to your normal duties. Unused sick leave will not be paid upon termination.

## **Service Awards**

*Company* values its employees and strives to recognize those who achieve established milestones. As an example, milestones in years of service are recognized.

## **Child Care Services**

*Company* operates a child care center for the children of its employees and offers a variety of other child care services for local residents.

The School Age Child Care program offers before school, after school, winter, spring, and summer camp programs for children at elementary schools. Professional child care is provided for kindergarten through 6th grade, as well as children and youth, ages five to twenty-one with multiple disabilities at two centers. For enrollment information, call 555-555-5555. Information is also available at [www.website.com](http://www.website.com).

## **Educational Assistance**

*Company* recognizes that the skills and knowledge of its employees are critical to the success of the company. The company offers educational assistance programs, the GED Program and tuition reimbursement. The company offers educational assistance programs to encourage personal development, improve job-related skills, and enhance an employee's ability to compete for reasonably attainable jobs in the company.

The company also encourages its employees who are interested in continuing education and job specific training to research these further and get approval before signing up for the seminars or courses.

## **Employee Discounts**

*Company* allows full-time employees the benefit of shipping freight with the company for personal use or consumption at a discounted rate of 65% of the published tariff rates.

## **Credit Union**

The company Credit Union is a cooperative association established to promote savings and provide a source of loans for its members. Persons who live, work, worship, attend school, or volunteer in the county can join by depositing a minimum of \$25 in a share savings account. Company retirees and family members of these groups are also eligible to become members.

As a member, you can take advantage of services such as direct deposit, online bill payer, ATM service, checking accounts, money market accounts, savings accounts, vacation and holiday clubs, certificates of deposit, living trust accounts, VISA cards, Roth and traditional Individual Retirement Account certificates, car loans, mortgages, home equity loans, notary service, wire transfers, and travelers checks.



The Credit Union is run by a volunteer board of directors and a supervisory committee. There are several branches locally and Credit Union affiliates nationwide. For more information, call 555-555-5555 ext. 5555, or visit [www.website.com](http://www.website.com)

## **Transportation Benefits- Parking and Ridesharing**

Free employee parking is provided at all sites. Spaces are limited at some facilities. *Company* strongly encourages employees to vanpool or carpool. Reserved spaces are available at some work areas for vehicles with two or more riders. The Department of Transportation assists interested employees in coordinating vanpools and carpools. For free ride-matching assistance or for information about reserved parking for carpools and vanpools, call 555-555-5555.

The company offers a transportation subsidy to all employees who commute by bus, rail, or vanpool at least three times a week. This subsidy of up to \$105 per month may be used to purchase bus, rail, and vanpool fares. For more information about the SmartBenefits Transportation Program, see your department payroll contact or call the Department of Transportation at 555-555-5555. For information about bus or rail transit service, call the Information Center at 555-555-5555.

## **Employee Fitness Center**

The Employee Fitness and Wellness Center is located at: 5555 Address Road, Your Town, CA 92037. Current company employees and retirees are eligible to use the facility. Membership is available for a small fee and includes use of the shower, locker rooms, classes, and cardiovascular and strength training equipment. For additional information, call 555-555-5555, or send an e-mail to [email@email.com](mailto:email@email.com).

## **Cafeterias**

There are cafeterias in Building A, Building B, and Building C. All serve breakfast, lunch, and snacks. You can see daily menus and prices, a catering menu, and hours of operation on the Cafeterias web page.

# Section 4 – Leave Policies

## Funeral Leave

*Company* provides up to three (3) days of paid bereavement leave per calendar year to employees in the event of the death of the employee's spouse, mother, father, sister, brother, or child.

## Family and Medical Leave/Disability Leave

*Company* complies with the provisions of the Family and Medical Leave Act (FMLA) of 1993 and applicable state laws, which provide that eligible employees may take leaves of absence for specific reasons.

**Employee Eligibility.** An employee is not eligible to take a FMLA leave unless he or she (1) has worked at *Company* for at least 52 weeks; (2) worked at least 1,250 hours in the twelve months prior to when the leave will commence; (3) has not used all available FMLA leave in the twelve months looking back from the date the requested leave will commence; and (4) there is a qualifying event.

**Qualifying Event.** Under FMLA, there are only four qualifying events: (1) birth care of the employee's newborn child; (2) placement of a child with the employee for adoption or foster care; (3) caring for the employee's spouse, child, or parent with a serious health condition (this does not include in-laws); or (4) the employee's own serious health condition that prevents him or her from performing the essential functions of the job.

**Amount of Leave.** Eligible employees may take up to twelve (12) weeks of leave during a rolling twelve (12)-month period, subject to applicable state law, and pregnancy disability leave for up to four months in accordance with applicable state laws. The twelve (12)-month period is determined by measuring backward from the date an employee takes any FMLA leave. Spouses who are employed by *Company*, and who request FMLA leave for the birth, adoption, or foster care placement of a child with the employee, are eligible for a combined twelve (12) weeks between the two employees.

**Employee Notice.** If the reason for the FMLA leave is foreseeable, the employee is to give *Company* thirty-days (30) notice. If the need for leave is not foreseeable, the employee is expected to notify the company as soon as possible, no more than two (2) days after knowing of the need for leave. Notice to the company is accomplished by completing and submitting a Leave of Absence (LOA) Request Form, which can be obtained from the employee's *supervisor*. If the reason for the leave is a family member's serious health condition or that of the employee, the employee may be required to complete a Certification of Health Care Provider form, which must be returned to the *supervisor* within fifteen (15) calendar days from the request for leave. Requests for Leave will be granted for no more than thirty-day (30) periods of time.

Failure to provide the required medical certification may result in the denial of foreseeable leaves until such certification is provided. In the case of unforeseeable leaves, failure to provide the required medical certification within fifteen (15) days of being requested to do so may result in a denial of your continued leave.

The medical certification for employees, as well as a child, spouse, or parent with a serious health condition shall include (a) the date on which the serious health condition commenced; (b) the probable duration of the condition; and (c) a statement that, due to the serious health condition, you are unable to perform the functions of your position.

If additional leave is required, extensions of no more than thirty-day periods may be granted by *Human Resources* by completing and submitting a new LOA Request Form at least five (5) days prior to the expiration of the current leave period. However, the leave period under FMLA will not exceed a maximum of twelve (12) weeks, subject to FMLA and applicable state law.

**Pay and Benefits during FMLA Leave.** FMLA leave is unpaid. However, the eligible employee must use earned but unused vacation, sick, or FTO during the absence. The employee's health plan coverage will be maintained during the leave under the same conditions as if the employee had continued to work. This means that the employee must continue to pay the portion he normally pays toward the insurance costs or risk cancellation of health benefits coverage during the leave. If an employee's premium is more than thirty (30) days late, his or her health plan benefit coverage will cease. Information on how and when to make insurance payments will be provided to the employee in writing at the beginning of the FMLA leave. Benefits do not accrue during an FMLA leave. An employee on FMLA leave is not eligible for holiday pay for a holiday that falls during the FMLA leave.

**COBRA Rights.** FMLA does not constitute a qualifying event triggering continuation of health benefit provisions under the Consolidated Omnibus Budget Reconciliation Act (COBRA). If an employee resigns for any reason during an FMLA leave, he or she would be eligible for COBRA coverage by paying his or her full share of health care costs, plus a 2% administrative charge. Employees who are terminated for gross misconduct will not be eligible for COBRA coverage.

**Reduction in Force.** The Company will not offer any special protection to you while you are on FMLA leave at the time of a layoff. The *supervisor* will make the same decisions that they would have made if the employees had not been on FMLA leave.

**Return to Work.** The employee should notify the company of his or her intent to return to work two (2) weeks prior to the anticipated date of return. Under certain circumstances, employees may also be required to submit to a medical examination before returning to work. If the employee returns to work prior to the expiration of available FMLA leave, the employee will normally be returned to his or her former position or a comparable position. If, however, the employee cannot return to work prior to the expiration of the FMLA leave, employment will be automatically terminated.

## Medical Leave Due to On-the-Job Injury

An employee who suffers an on-the-job injury may be permitted to take a medical leave of absence, subject to applicable federal and state laws if the employee's medical condition prevents him or her from performing the essential functions of the job. Time spent on a leave of absence due to an on-the-job related injury will also count as leave under the Family Medical Leave Act.

Employees on leave due to on-the-job injuries may take up to six (6) months leave during a twelve (12) month period, while the employee remains under the care of a physician and restricted from working.

The employee's health plan coverage will be maintained during the leave under the same conditions as if the employee had continued to work for the first twelve 12 weeks of leave. This means that the employee must continue to pay the portion he normally pays toward the insurance costs or risk cancellation of health benefits coverage during the leave. After twelve weeks of medical leave, the employee is responsible for paying the insurance costs, including the portion paid by the company if the employee was working, for the remaining duration of the medical leave. Payments for insurance costs will be due monthly. If an employee's premium is more than thirty days (30) late, his or her health plan benefit coverage will cease. Information on how and when to make premium payments can be obtained from *Human Resources*. Benefits, such as vacation, continue to accrue for medical leave due to on-the-job injuries.

The employee will be retained on work-related disability leave status until one of the following circumstances occurs:

- The employee is released to work with no restrictions.
- The employee is released to work with some restrictions and the employer offers work that is consistent with the restrictions.
- Medical evidence establishes that the employee is permanently disabled from returning to usual duties even with reasonable accommodation.
- The employee informs the employer of the intent not to return to work (either directly communicating to the employer or by actions inconsistent with intent to return, such as moving out of state or accepting other employment).

*Company* may require a fitness for duty certification from the employee's health care provider verifying the ability to return to work, with or without reasonable accommodation of the employee's disability, if any. Under certain circumstances, employees may also be required to submit to a medical examination before returning to work. If the employee returns to work prior to the expiration of the medical leave, the employee will normally be returned to his or her former position or a comparable position. After the expiration of six (6) months of leave for an on-the-job injury, the employment of an employee who is unable or fails to return to work will be automatically terminated.

## Jury/Witness Duty

An employee who is called to serve on a jury will be granted time off to fulfill his or her civic duty in accordance with applicable federal and state laws. A copy of the jury summons or witness subpoena must be submitted to his or her *supervisor* to be eligible for jury or witness leave. The employee serving on a jury may receive paid time off for a maximum of 4 days. Subject to applicable state law, an employee may use accrued vacation time for the days he or she spends on jury service or appears as a witness. On any day or half-day you are not required to serve, you are expected to return to work.

## Military Leave

In accordance with Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and applicable state statutes, *Company* applicants and employees who apply or perform military service, whether on a voluntary or involuntary basis in a uniformed service, will not be denied initial employment, re-employment, retention in employment, promotion, or any benefit of employment on the basis of the performance of military service.

Eligible military service includes performance of duty on a voluntary or involuntary basis in a uniformed service, including active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and a period of time for which the employee is absent to determine fitness for duty. Any employee who enters the uniformed services of the United States will be granted a military leave of absence. To qualify for re-employment, an employee must have the following:

- Written notice given to the employee's *supervisor|variable=supervisor* in advance of service, unless the giving of notice is precluded by military necessity.
- A cumulative length of absence, including any previous military absence while employed by the company, which does not exceed five years.
- Applied for re-employment with the company according to these guidelines:
  - Length of service less than 31 days – Return to work no later than the next regular work day after completion of service and time to travel from place of service to residence, plus eight hours.
  - Length of service more than 30 days but less than 181 days – Submit application for re-employment with *Human Resources|variable=human resources* and be prepared to return to work fourteen (14) days after completion of service;
  - Length of service more than 180 days – Submit application for re-employment with *Human Resources|variable=human resources* and be prepared to return to work within ninety (90) days after completion of service.

If you are a full-time employee and are inducted into the U.S. Armed Forces, you will be eligible for re-employment after completing military service, provided:

1. You show your orders to your *supervisor|variable=supervisor* as soon as you receive them.
2. You satisfactorily complete your active duty service.
3. You enter the military service directly from your employment with the company.
4. You apply for and are available for re-employment within ninety (90) days after discharge from active duty. If you are returning from up to six (6) months active duty for training, you must apply within a reasonable time (usually thirty (30) days) after discharge.

Upon return to work, the employee will be placed in the position he would have attained were it not for the break in employment, unless the employee is not qualified to perform that job and cannot be trained through reasonable efforts of the company. If not so qualified, the employee will be placed in the position the employee held when the military leave commenced, or a position of like seniority, status, and pay. If a disability incurred during or aggravated by military service prevents the employee from performing the job he or she would have held were it not for the break in service, despite the company's efforts at reasonable accommodations of the disability, the employee will be placed in a position of like seniority, status, and pay, if one is available. If no such position is available, the employee will be placed in a job, which is the nearest approximation of like seniority, status, and pay.

Military leaves are unpaid, but the employee may use accrued vacation pay during the absence. An employee will be allowed to continue health care insurance coverage at their current level of coverage by paying the employee portion of the insurance costs during the absence for the first twelve (12) weeks of military leave. Thereafter, the employee must pay one hundred and two percent (102%) of the insurance costs to continue health care insurance coverage at their current level of coverage. Coverage will continue until the earlier of: (1) eighteen (18) months from the date the military absence began; or

(2) the day after the date on which the employee was to have applied for re-employment as defined above. An employee will not continue to accrue vacation time while on leave. Upon re-employment, any break in employment due to military service will not be treated as a break in service for purposes of determining forfeiture of accrued benefits and accrual of benefits under any retirement plan.

## **Military Reserves/National Guard Leave of Absence**

If you serve in U.S. military organizations or state militia groups, you may take the necessary time off to fulfill this obligation and will retain all your legal rights for continued employment under existing laws. Upon presentation of satisfactory military pay verification data, you will be paid the difference between your normal base compensation and the pay (excluding expense pay) received while on military duty. The portion of any military leaves of absence in excess of two weeks will be unpaid. For this excess time, you may use any available accrued FTO/vacation for the absence, but you are not obligated to do so.

If your leave is extended for more than thirty (30) days, FTO/vacation and other benefits will not continue to accrue.

If you are on two (2) week active duty training assignments or inactive duty training drills, you are required to return to work for the first regularly scheduled shift after the training, allowing reasonable travel time. For longer military leave, you must apply for re-employment in accordance with all applicable state and federal laws. Every reasonable effort will be made to return you to your previous position or a comparable one.

You are expected to notify your *supervisor* as soon as you are aware of the dates you will be on duty so that arrangements can be made for replacement during this absence.

## **Volunteer Leave**

Volunteer activity leave, not to exceed sixteen (16) hours per leave year, may be used to participate in volunteer activities and initiatives to support the neighborhoods in which we live and work, including assisting educational and charitable institutions and religious/faith-based and community service events.

## **Administrative Leave**

Administrative leave is any paid leave authorized by your *supervisor* that is not otherwise classified. Some possible reasons for administrative leave are:

- An award for length of service or outstanding performance.
- Participation in the medical donor program.
- Facility closing for reasons such as lack of heat, water, or air conditioning.
- Investigation of an alleged improper act.
- Serving as a poll worker in a county polling place.

## Coordination of Benefits

A leave of absence for a disability will be coordinated with workers' compensation, short-term and long-term disability if applicable, and any other benefits provided to the employee to minimize the impact of the leave of absence for both the employee and the company. Health and other insurance benefits ordinarily provided by the employer and for which the employee is otherwise eligible will be continued during the period of the leave if the employee elects to continue paying his or her share of the premiums for such coverage. The cost of dependent coverage normally borne by the employee will remain the sole responsibility of the employee. The employee should make arrangements with *Human Resources* to pay the cost of such coverage before the leave begins.

## Communications during Leave

*Company* may contact you about every thirty (30) days while you are on leave to check on your status and your intention to return to work. The company may request medical recertification for any of the following reasons:

1. You request a leave extension.
2. Circumstances described by the original certification have changed significantly.
3. The Company receives information that casts doubt upon the continuing validity of the certification.
4. You are unable to return to work after leave because of the continuation, recurrence, or onset of a serious health condition.

If at any time you give an unequivocal notice that you will not be returning to work, the company will request a written resignation. The company's obligation to maintain health benefits and to restore you to your prior position ends at that point.

## Recovery of Premium

*Company* may recover premiums it paid for maintaining your health benefits if you fail to return to work after the leave entitlement has expired, unless the reason you do not return to work is due to:

- The continuation, recurrence, or onset of a serious health condition affecting you or your child, spouse, or parent.
- A sudden change in your circumstances beyond your control during leave.

If you do not return to work within thirty (30) calendar days after the FMLA leave expires, you will be considered to have failed to return to work.

## Intermittent or Reduced Leave Schedules

Under certain conditions, *Company* may allow you to take intermittent leave or work on a reduced schedule. "Intermittent leave" is leave taken in separate blocks of time rather than one continuous period of time. It may range from an hour or more to several weeks. The company may allow intermittent leave to be taken on an occasional basis for medical appointments or leave taken several days at a time spread over a period of months.

A “reduced leave schedule” is one that reduces the usual number of hours/days per workweek or hours per workday. It could include a schedule of a three (3)-day week or working only mornings or afternoons to meet your requirements. When requesting intermittent leave, you are requested to cooperate with your *supervisor* to find a mutually agreeable time for the leave.

The company does not set a limit on the size of an increment of leave for an intermittent or reduced leave schedule. This type of leave will not reduce the total amount of leave available to an employee. Only the time actually taken is charged against the employee’s entitlement to twelve (12) weeks of leave.

## Employee Transfer

If you select intermittent leave or a reduced work schedule, *Company* has the right to transfer you to a job that is more suitable to recurring periods of leave. There are two conditions for this transfer:

- The equivalent position must have equivalent pay and benefits, but it does not have to have equivalent duties. Equivalent pay is defined as equal “hourly rate”. Therefore, you may receive the same hourly wages, but based upon the intermittent leave or reduced work schedule, you may receive less wages per pay period.
- You must be qualified to perform the job.

## Return to Work Certification

*Company* will require a fitness-for-duty certification with regard to the particular health condition that was the cause for the employee’s leave. All information obtained in a fitness-for-duty certification will be treated as a confidential medical record.

## Restoration to Prior Position

On return from leave, *Company* may restore you to the position you held when the leave began or to an equivalent position, with equivalent benefits, pay, and other terms and conditions of employment. You have no right, however, to be returned to the same position. An equivalent position will involve the same or substantially similar duties and responsibilities and will include substantially equivalent skill, effort, responsibility, and authority.

You are also entitled to be returned to the same shift or equivalent schedule and will have the same opportunity for bonuses and other non-discretionary payments.

If special qualifications are required for the position, and they have lapsed during your leave, you will be given a reasonable opportunity to fulfill the requirements after returning to work.

## When Restoration Rights Are Denied

There are four reasons why you may not be restored to your former positions at the end of leave:

1. You cannot perform the essential functions of the former position, with or without accommodation.
2. You would pose a significant risk to the safety of other employees.



3. Your position was eliminated or you were laid off because of business conditions.
4. You were identified as a “key” employee and informed of this designation before or during the leave. Your return to the former position would represent an economic hardship for the company.

If you have any questions about this policy or your rights and responsibilities, please contact your *supervisor*.

## **Accepting Other Employment/Going into Business While on Leave of Absence**

If you accept any employment or go into business while on a leave of absence from *Company*, you will be considered to have voluntarily resigned from employment with *Company* as of the day on which you began your leave of absence.

# Section 5 – Safety Policies

## Safe Work Practices

All employees are expected to work safely. Unsafe work practices will not be tolerated. A vital part of our continued success depends on how safely we work together as a team. Each of us is responsible for observing safe work practices. This includes wearing protective clothing, footwear, eyewear, earplugs, etc., as working conditions may require. It includes maintaining a clean and orderly environment. It includes familiarizing ourselves with all printed and posted material concerning workplace safety before we attempt a task.

Another aspect of safe work practices concerns proper maintenance and use of tools and equipment. Each of us is responsible for making sure we know how to properly use the equipment we handle during work. Do not attempt to use any tool or piece of equipment unless you know how to do so safely and properly. Check the condition of the tools and equipment you use at the beginning of your shift every day. Do not attempt to use damaged, broken, or improperly adjusted or calibrated tools and equipment. Such tools and equipment should immediately be taken out of service and reported to your *supervisor*.

If your assignment involves the use of hazardous or toxic materials, you must comply with all laws, rules, and regulations concerning their safe handling and disposal, as published by the company and governmental agencies having jurisdiction over such matters. Consult your *supervisor* for full details, including Material Safety Data Sheets, container labeling, and training that includes information regarding exposure to and handling of such materials.

If you have any questions concerning safe work practices, ask your *supervisor* for assistance. If you observe any unsafe work practices, notify your *supervisor* immediately. If you discover tools or equipment, which do not appear to be in proper working order, report it to your *supervisor* immediately. If you are injured on the job, contact your *supervisor* immediately to report the injury and submit to the required drug and alcohol testing.

Employees should become familiar with the emergency exits and evacuation procedures for the facility.

## Inspections and Internal Audits

Safety audits may be conducted from time to time anywhere on *Company* premises or in company property, including inspections for drugs and drug paraphernalia, handguns, firearms, ammunition, or other prohibited weapons of any kind. Refer to policies entitled “*Drugs and Alcohol*” and “*Weapons*”

Packages, lunch boxes, and other containers carried into and out of the workplace are subject to the inspection by security personnel and *supervisors*. *Company’s* lockers used by employees are subject to inspection by security personnel and *supervisor*.

Employees are required to cooperate in any inspection or audit. Failure to cooperate will result in corrective action.

# Section 6 – Standards of Conduct and Corrective Action

*Company* requires its employees to conduct themselves with integrity, show respect for their fellow employees and comply with *Company* policies. The standards discussed in the policy are not all inclusive. Check with your *supervisor* for safety and conduct policies specific to your department. In any event, the company reserves the right to discipline any employee, up to and including termination, for any act or omission that the company deems in its sole discretion to be contrary to the company's interests. Nothing is intended to or does alter an employee's "at-will" employment status.

## Attendance

*Company* expects regular and timely attendance from all employees, including those on Restricted Duty due to an on-the-job injury. Excessive absences and tardiness burden your co-workers and will be a significant factor in your continued employment, performance appraisals, salary reviews, and in evaluating advancement opportunities.

Absence is the failure to report for work or to remain at work as scheduled. It includes late arrivals and early departures as well as absence for an entire day.

The company recognizes there may be justifiable causes for absence on occasion and, therefore, adopts a system of progressive discipline. Absenteeism will result in a series of warnings and ultimately termination from employment if there is no improvement as follows:

2 Accumulated Occurrences	Verbal Counseling
3 Accumulated Occurrences	Written Counseling
4 Accumulated Occurrences	Final Written Warning
5 Accumulated Occurrences	Termination from Employment

Occurrences will be counted over a twelve-month rolling period of time. Absences, which count as occurrences, accumulate as follows:

Absence with notice and approval by the employee's <i>supervisor</i> prior to the date of the absence	0 Occurrences
Absence with notice but no approval	
On a Friday, Monday, or the day preceding or after a holiday, unless a physician's note is provided to	2 Occurrences

document the illness	
All other absences with notice to the employee's <i>supervisor</i> , but no approval	1 Occurrence
Absence without notice to the employee's <i>supervisor</i> or approval	2 Occurrences
Late arrival or early departure with notice to the employee's <i>supervisor</i> and approval	0 Occurrences
Late arrival or early departure with notice to the employee's <i>supervisor</i> , but no approval	
Less than one hour	1/2 Occurrence
One hour or more	1 Occurrence
Late more than one hour without notice to the employee's <i>supervisor</i> or approval	2 Occurrences

An employee who will be absent for more than one day is expected to contact his or her *supervisor* daily unless other arrangements have been made. A doctor's statement may be required for documentation. For unapproved absences, late arrivals, or early departures for reasons other than a medical condition, the employee will continue to accrue occurrences in accordance with the list above for each day the employee is absent, arrives late, or leaves early from a shift.

All absences for reasons other than unexpected illness, injury, or other emergency must be scheduled and approved in advance with your *supervisor* and will be counted as a vacation day. On those occasions when you are unable to report to work due to unexpected illness, injury, or other emergency, you must personally notify your *supervisor* two (2) hours before your scheduled starting time. If your *supervisor* is not available, notify the *supervisor* on duty.

Employees are expected to obtain approval from his or her *supervisor* to leave their work locations for reasons other than lunch, breaks, or conducting department business.

Two consecutive scheduled workdays of absence without proper notification will be treated as a voluntary resignation. Employees who receive two final written warnings or two no call/no shows within a twelve month period or two occurrences within their first ninety days of employment will be subject to termination.

## **Inclement Weather**

At times, emergencies such as severe weather, fires, or power failures can disrupt company operations. The decision to close the office will be made by the Management. When the decision is made to close the office, employees will receive official notification from their *supervisor*.

Employees are expected to report to work during severe weather conditions if *Company* does not declare an emergency closure. During inclement weather periods, employees are responsible for contacting the company regarding opening or closing hours. Nonexempt employees who are unable to report because of weather conditions will be granted an authorized unpaid absence. Nonexempt employees who are late due to weather conditions will be provided a chance to make up their missed time, if work schedules and conditions permit.

## Dress Code

*Company* reserves the right to determine appropriate dress at all times and in all circumstances and may send employees home to change clothes should it be determined their dress is not appropriate. Employees will not be compensated for this time away from work.

Clothing must not constitute a safety hazard. All employees should practice common sense rules of neatness, good taste, and comfort. Provocative clothing is prohibited. Employees must avoid extremes in dress and behavior. Flashy, skimpy, or revealing outfits and other non-business-like clothing are unacceptable.

All employees must wear appropriate clothing for their job position and maintain a clean and professional appearance. P&D drivers who have frequent contact with customers are provided with uniforms by the company.

## Housekeeping

Employees are responsible for maintaining their work place and equipment in a clean and orderly fashion.

## Company Property Policy

You are provided desks, cabinets, computers, computer memory, office supplies, and other equipment for your use during work. These and other furniture remain *Company's* sole property. Prohibited materials, including weapons, dangerous materials, alcohol, and non-prescribed drugs or medications, may not be stored on company premises. The company is not responsible for any personal articles that are lost, stolen, or destroyed while on company premises.

The company reserves the right to open and inspect desks, cabinets, other furniture, and office equipment as well as any contents, effects, or articles they contain. This includes all computers (including all files, whether or not password protected), and other data-retrieval equipment, voicemail, and e-mail.

The company can conduct an inspection of all such items including furnishings, voicemail, e-mail, computers, or computer files at any time, with or without advance notice or consent, and without the employee present. An inspection can be conducted during, before, or after working hours by any *supervisor* or other personnel designated by the company. Employees who fail to cooperate in any inspection will be subject to disciplinary action, up to and including suspension or termination.

# Use of Computers

## E-Mail and the Internet

Access to computers, E-mail and the Internet has been provided to some employees for the benefit of *Company* and its customers. Every employee who uses these systems is responsible for seeing that they are used in a responsible and productive way. The company's computers, e-mail and Internet access is part of the company's business equipment and should not be used for personal business, personal gain, or the advancement of personal views. Additionally, employees are to be mindful that all documents created on company equipment, including e-mail messages sent within the company, constitute business records.

Employees do not have privacy rights in any matter created, received, or sent via the company's equipment. The company reserves the right to monitor and access any message created, received, or sent on our systems, to ensure superior service to our customers and to enforce this policy.

Employees should take special care when downloading large files of any type, downloading executable files, and using Web services that continually send data to our network. These activities have the capability of involving the company in controversial, non-business matters or reflecting poorly on the company, and/or negatively impacting our network and response time, and should be avoided. All access to the Internet is through the company-provided proxy server, which allows the company to monitor bandwidth usage and to log and report on all Internet usage by individuals at the company's discretion.

The company must know any passwords you use, as your mailbox may need to be accessed in your absence. Your passwords should not be disclosed to unauthorized personnel to protect the security of the system for all users. All messages you create must be transmitted under your name, rather than an assumed name or an obscured name.

Creating, sending, or forwarding messages which are offensive, intimidating, or hostile, on the basis of race, gender, color, religion, national origin, age, disability, or any other protected status is grounds for disciplinary action, up to and including immediate termination from employment. The same prohibition applies to messages that solicit for personal business, religious, political, or other matters unrelated to the company's business.

The e-mail system may not be used to send, receive, or forward copyrighted materials, trade secrets, proprietary financial information, or other confidential information without proper authorization.

The company will access files for circumstances such as but not limited to:

- Retrieving missing business data in an employee's absence.
- Investigating possible employee theft or espionage.
- Ensuring that the company's systems are not used to transmit discriminatory, offensive, or illegal messages.
- Ensuring that illegal software is not installed on any computer assigned to an employee.
- Ensuring that the company's systems are not used for the benefit of or to develop business unrelated to the company's business.

While some of these systems may have procedures by which the employee can prevent unauthorized access, the company reserves the right to override these procedures and access the system at any time.

Users should not alter or copy a file belonging to another user without first obtaining permission from the owner of the file. The ability to read, alter, or copy a file belonging to another user does not imply permission to read, alter, or copy that file.

A user's ability to connect to other systems through the network does not imply a right to connect to those systems unless specifically authorized in writing by the operators of those systems.

Without prior written authorization, the company's computer system may not be used for storage of commercial or personal advertisements, solicitations, promotions, destructive programs (viruses and/or self-replicating code), political material, outside employment, or any other unauthorized or personal use. You are not allowed to load peer-to-peer or other information sharing software on company systems unless approved by your *supervisor*.

Any employee, who becomes aware of misuse of computers, e-mail, or Internet access should promptly notify *Human Resources*.

## Software Code of Ethics

Unauthorized duplication of copyrighted computer software violates the law and is contrary to our organization's standards of conduct. We disapprove of such copying and recognize the following principles as a basis for preventing its occurrences:

- We will neither engage in nor tolerate the making or using of unauthorized software copies under any circumstances.
- We will provide legally acquired software to meet the legitimate software needs in a timely fashion and in sufficient quantities for all our computers.
- We will comply with all license or purchase terms regulating the use of any software we acquire or use.
- We will enforce strong internal controls to prevent the making or using of unauthorized software copies, including effective measures to verify compliance with these standards and appropriate disciplinary measures for violation of these standards. Users may not install software onto their individual computers or the network without first receiving written authorization to do so from an Officer of *Company*.

Internet users should take the necessary antivirus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses. All compressed files are to be checked before and after decompression.

## Telephone

Employees do not have a right of privacy regarding telephone calls made using company equipment. In order to ensure that the telephone is available for customers' business purposes, the frequency and length of personal telephone calls must be limited. Employees may make personal phone calls from designated phones or their personal cellular phones during lunch and break times. The privilege of making outgoing phone calls during working hours, including calls made on a personal cellular phone, is not to be abused. Long distance calls may not be made from company phones without permission.

For purposes of this policy, communications through two-way radios will be treated the same as cellular telephone calls. No employee is to engage in the use of a cellular phone for business or personal purposes while operating a commercial motor vehicle, unless the phone is equipped and used with a hands-free device, and even in those instances, the driver should find a “safe haven” to stop the commercial motor vehicle as soon as possible for the duration of the phone conversation. Calls should be made by the driver when the commercial motor vehicle being operated by him or her is not in motion.

## **Mail**

The use of company-paid postage for personal correspondence is permitted only if the employee repays *Company* for the postage immediately. The postage due should be given to the secretary at the time the letter is sent.

## **Facsimile (Fax)**

Transmissions using *Company's* facsimile machine are to be made for business purposes only. All company policies apply to the material transmitted from this office. Improper use of company communication services will subject the employee to disciplinary action, up to and including termination.

## **Cellular Phones**

*Company* may issue cellular telephones to employees if necessary for the efficient conduct of company business. Use of the cellular telephones must be restricted to company business. Employees should provide cellular telephone numbers only to persons with whom the company is conducting business.

## **Voice Mail**

Our voice mail system is designed to increase productivity. You should always treat employees with respect when leaving messages. Do not leave curt or last-minute messages for anyone. Do not use the voice mail system to hide from co-workers or customers. If you are at your desk, you are generally expected to answer your telephone.

The voice mail system is not to be used for personal messages such as soliciting contributions for your favorite charity, arranging for after work get-togethers, or the like.

Messages may be randomly monitored to determine whether any outsiders are using the system, or whether any violations of company policy have occurred.

## **Supplies, Expenditures, and Obligating the Company**

Only authorized persons may purchase supplies in the name of *Company*. No employee whose regular duties do not include purchasing shall incur any expense on behalf of the company or bind the company by any promise or representation without written approval.



Expenses incurred by an employee must have prior approval by a *supervisor*. Reimbursements under \$25.00 will be included in the employee's next regular paycheck. An example of such an expense would include mileage. If the amount is more than \$25.00, the reimbursement request will be processed like an invoice. All completed reimbursement request forms should be turned in to the Accounts Payable/Payroll Department.

## Solicitation and Distribution

In order to avoid disruption of work, no employee shall be permitted to engage in solicitation for any purpose or distribution of any material during his or her working time and in working areas without authorization from his or her *supervisor*. Literature, notices, or other material of any kind may not be posted or distributed in the working areas of any employees at any time. Persons who are not employees of the company will not be permitted to come upon company premises for the purposes of making solicitations of any kind to employees or posting or distributing literature, notices, messages, or material of any kind.

Working areas include all offices, conference rooms, reception areas, docks, shops, supply and printing areas, warehouse facilities, etc. Employee break rooms, rest rooms, lunchrooms, rest areas, exterior seating areas, and parking lots are ordinarily not working areas. Working time includes all times from the beginning to the end of the work shift, excluding meal and break times. If an employee is working extended hours, it includes all time while the employee is performing work outside the regular work shift. It also includes all time on duty in jobs regulated by the Department of Transportation.

Solicitation by employees may be authorized only in accordance with the following conditions:

5. All on-site solicitations must have written prior approval of *Human Resources*.
6. Solicitation and distribution of literature or materials is prohibited during "work time" of either the employee making the solicitation or distribution or the targeted employee. The term "work time" does not include an employee's authorized meal/break.
7. Distribution of unauthorized literature is prohibited in work areas (offices, workstations, etc.) at all times.
8. The distribution of unauthorized literature or materials in such a manner as to cause litter on company property is prohibited.
9. *Company* maintains bulletin boards to communicate company information to employees and to post notices required by law. These bulletin boards are to be used only for the posting of company information and company approved notices.

## Non-Union Status

*Company* is a non-union company. It prefers to deal directly with its employees, without the need of a third party. The company believes that its employees can better convey and address any issues that may arise with the company better than a union could. The involvement of unions creates delays in addressing issues as they arise and unnecessary expenses, including union dues paid by the employee. All employees are free to deal directly with the company without any outside party coming between them.

# Harassment

*Company* will not tolerate harassment of its employees, whether committed by a fellow employee, a member of management, or a visitor to our workplace, such as a vendor, or customer. Due to the company's commitment to creating a positive working environment for its employees, all *supervisors* undergo diversity and anti-harassment training. All employees are responsible for ensuring that the workplace is free from harassment, especially when such conduct is based upon gender, race, age, religion, national origin or ancestry, disability, or other protected categories. This includes sexual harassment, gender harassment, and harassment due to pregnancy, childbirth, or related medical conditions. Other harassment includes harassment due to physical or mental disability, marital status, age, sexual orientation, veteran, current, or future military status, or any other basis protected by federal, state, or local law or ordinance or regulation. All employees, including *supervisors*, will be subject to disciplinary action for any act of harassment they commit, up to and including termination from employment.

Harassment is defined as verbal, visual, or physical conduct that belittles, demeans, or shows hostility or aversion toward an individual for reasons including, but not limited to his/her gender, race, religion, color, national origin, age, sexual preference, or disability, or that of his/her relatives, friends, or associates, and that:

- Has the purpose or effect of creating an intimidating, hostile, or offensive work environment.
- Has the purpose or effect of unreasonably interfering with an individual's work performance.
- Otherwise adversely affects an individual's employment opportunities.

Examples of prohibited unlawful harassment include, but are not limited to, any of the following when they relate to any of the protected characteristics listed above:

- Verbal conduct such as derogatory jokes, comments, or slurs.
- Visual conduct, such as derogatory and/or sexually oriented posters, photography, cartoons, drawings, or gestures.
- Physical conduct, such as unwanted touching, blocking normal movement, interfering with work, or assault.
- Unwanted sexual advances or invitations, threats or demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors.
- Retaliation for having reported or threatened to report harassment.

If you believe you have been the subject of harassment or if you have knowledge of harassment of a co-worker, you should let the other person know that their behavior is unwelcome. You are free to try to resolve the problem with the other person or persons. Otherwise, immediately bring it to the attention of your *supervisor*. If for any reason you do not feel comfortable discussing the matter with your *supervisor*, contact *Human Resources* or any member of management whom you feel comfortable in approaching. All reports will be promptly investigated in as confidential a manner as possible. Based upon the findings of the investigation, the company will take prompt and appropriate action to remedy any violations of this policy. Offenses by vendors, clients, or customers will be handled through the offender and his or her company, if appropriate.

No employee who brings a good faith report of harassment to the attention of the company will suffer retaliation or other adverse employment action as a consequence. Any employee, including *supervisors*, who is found to have retaliated against an employee who reported a violation of this policy in good faith will be subject to discipline up to and including termination from employment. It is important for employees to report incidents of harassment, because without your assistance, violations could go undetected and unremedied.

You are encouraged to use the company's procedure as outlined above for reporting any incidents of harassment so that complaints can be quickly and fairly resolved. However, you should also be aware that the Federal Equal Employment Opportunity Commission and the State Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for making a complaint, you may file a complaint with the appropriate agency. You may contact *Human Resources* for further information.

## Violence in the Workplace

*Company* has developed this policy for workplace violence because we recognize workplace violence as a growing national problem that needs to be addressed by all employers. In accordance with this policy, acts or threats of physical violence, including intimidation, harassment, and coercion that involve or affect the company, anyone involved in the company's operations, or occur on company property will not be tolerated.

Acts or threats of violence include conduct, which is severe, offensive, or intimidating enough to alter the employment conditions at the company or to create a hostile, abusive, or intimidating work environment for one or more employees. Examples of workplace violence include but are not limited to:

- Threats or acts of violence occurring on company premises, regardless of the relationship between the company and the parties involved in the incident.
- Threats or acts of violence occurring off company premises involving someone who is acting as a representative of the company.
- Threats or acts of violence occurring off company premises involving an employee of the company if the threats or acts affect the company's legitimate interests.
- Threats or acts resulting in the conviction of an employee, an agent of the company, or an individual performing services for the company on a contract or temporary basis under any criminal code provision relating to violence or threats of violence that adversely affect the company's legitimate interests and goals.

Examples of conduct, which may be considered threats or acts of violence include, but are not limited to:

- Hitting or shoving an individual.
- Threatening an individual or his/her family, friends, associates, or property with harm.
- The intentional destruction or threat of destruction of company property.
- Harassing or threatening phone calls.
- Harassing surveillance or stalking.
- The suggestion or insinuation that violence is appropriate.

Violation of this policy by any individual on company property, by an individual acting as a representative of the company while off company property, or by an individual acting off company property when his/her actions affect company business interests, will lead to disciplinary action up to and including termination, and/or legal action, as appropriate. No provision of this policy shall alter the at-will nature of the employment relationship at the company.

## Theft

Internal theft is a serious problem for many businesses. Although taking small items of company property may seem inconsequential, the cumulative effect can be very large. Losses from theft immediately affect our ability to increase salaries and can jeopardize the profitability of the company.

*Company* will not tolerate property theft of any type. We consider property theft to include the unauthorized use of company services or facilities or the taking of any company property for personal use.

Violators of this policy will be subjected to disciplinary action, up to and including termination.

## Drugs and Alcohol

*Company* has a viable interest in maintaining safe, healthy, and productive working conditions for its employees. Being at work under the influence of a controlled substance/illegal drug or alcohol poses serious safety and health risks, not only to the user, but also to all those who work with the user. Moreover, the unauthorized use, possession, distribution, or sale of such substances is not only unlawful; it poses unacceptable risks to the efficient operations and reputation of *Company*. These substances also results in increased injuries on the job, absenteeism, health care and benefit costs, theft, decreased morale and productivity, as well as a decline in the quality of the products and services provided. With these basic concerns, *Company* has adopted a zero tolerance policy with regard to the violation of its Drug and Alcohol policy. Any employee in violation of this policy is subject to disciplinary action, up to and including termination from employment. Employees in the P&D, Line, Freight, and Maintenance Groups are subject to random alcohol and drug testing. The company hereby further establishes the following guidelines:

### Alcohol and Controlled Substances/Illegal Drugs

Possession, sale, manufacture, distribution, or being under the influence of controlled substances/illegal drugs (including inhalants) or being under the influence of alcohol while performing company business and/or on company premises is prohibited. For purposes of this policy, the misuse of illegal drugs/controlled substances or alcohol during an employee's normal workday (which includes reporting for duty, the employee's normal work shift, meal hour, or any required overtime) constitutes violation of this policy. Possession means within the physical possession of the employee, including the employee's personal effects or vehicle.

For drivers of commercial vehicles, the prohibition extends to include all time and duties listed in 49 CFR § 382.107 of the Federal Motor Carrier Safety Administration Regulations and the Company Driver Information Packet on Alcohol and Drug Abuse. The company's policy prohibits a driver from consuming any amount of alcohol within eight (8) hours of performing a safety-sensitive function.

## Voluntary Drug Treatment

Regardless of whether you violated the company's drug free work place policy, if you believe you have a problem with drugs and/or alcohol, you are encouraged to voluntarily seek diagnoses and treatment by a qualified professional. You may also request to be referred to the Employee Assistance Program (EAP).

### Definitions

**Legal Drugs.** Prescribed drugs and over-the-counter drugs that have been legally obtained, are being maintained in their original container, and are used for the purpose for which they were prescribed or manufactured. Such drugs are excluded from the definition of controlled substances or illegal drugs under the terms of this policy. An employee who is prescribed or using legal drugs may continue to work as long as it has been determined that the employee does not pose a threat to his or her own safety, or the safety of co-workers or others, including vendors, customers, and the public, and that the employee's job performance is not significantly affected by the legal drug. Otherwise, the employee may be required to take a leave of absence. It is clearly understood that legal drugs are permissible only if such drugs are being used/consumed for the purpose intended and in the amount prescribed. Drivers who are taking prescription drugs or over-the-counter medications must adhere to the requirements expressed in the Driver Information Packet on Alcohol and Drug Abuse.

**Controlled Substances/Illegal Drugs.** Any drug or controlled substance, the sale, possession, or consumption of which is illegal, or a prescribed or over-the-counter drug that is legally obtained, but not being used for its intended purpose or by the person to whom it was prescribed.

**Company Premises.** All company-owned or leased real estate, buildings and surrounding areas, such as sidewalks, walkways, driveways, and parking lots under the company's ownership or control. Company vehicles or leased vehicles are covered by this policy at all times regardless of whether they are on company property at the time.

**Drug Testing/Screening.** Testing for a controlled substance/illegal drug. The substances tested shall be for drugs and alcohol as defined in the Standards for Workplace Drug and Alcohol Testing Act, including controlled substances approved for testing by rule by the State Commissioner of Health.

All applicants for employment shall be required to submit to and pass a controlled substance/illegal drug screening as a prerequisite to employment. All offers of employment will be contingent upon a negative result to the test. Employees returning from leaves of absence of thirty days or longer may be subject to testing.

The company will require drug/alcohol testing of any employee for reasonable cause, which may include an employee who demonstrates reduced ability to perform work in a safe and productive manner such as unusual behavior, impairment of physical or mental abilities, slurred speech, difficulty maintaining balance, any detectable level of alcohol or controlled substances/illegal drugs, or the discovery of drug paraphernalia in the workplace. The company may require drug/alcohol testing following an accident that results in bodily injury requiring medical attention or significant property damages. Additionally, testing will be required following on-the-job injury accidents (vehicular or otherwise) where an employee's actions or failure to act caused or contributed to the accident and may require testing for a non-injury accident. Testing may also be performed on a periodic basis.

An employee returning to work following voluntary participation in a drug or alcohol rehabilitation program will be subject to initial and periodic follow-up testing.

All employees who operate a commercial motor vehicle and/or perform safety-sensitive functions, as that term is defined by the Federal Motor Carrier Safety Administration (FMCSA) regulations, are subject to Department of Transportation (DOT) controlled substance and alcohol testing. As a result, these employees will be subject to pre-employment testing, random testing, post-accident testing, reasonable cause testing, return to duty testing, and follow-up testing allowed under DOT, FMCSA, and any other applicable federal or state regulations.

Testing procedures comply with Department of Transportation regulations, as well as applicable federal and state regulations, to ensure the integrity of the processes, the validity of the test results and that results are attributed to the correct employee.

All sample collection and testing for drugs will be conducted by a qualified testing facility in accordance with applicable laws and regulations. Confirmation of a positive drug test result will be by use of a different chemical process than was used in the initial test.

The company will pay the costs of the testing required under this policy, including any confirmation test that may be required by state law. Any employee or applicant for employment who requests a retest of a sample in order to challenge the results of a positive test shall pay all costs of the retest, unless the retest reverses the findings of the challenged positive test. In such case, the company will reimburse the employee or applicant for employment for the costs of the retest.

**Test results.** Results of all testing for a controlled substance/illegal drug. All test results and related information will be kept confidential within reasonable limits as required by applicable state and federal law. Positive confirmed test results will be reported in writing to the employee or applicant for employment within five (5) working days after the company's receipt of the results. These records and related information are the property of the company.

An employee or applicant for employment will, upon request, be permitted to inspect and copy such test results and related information maintained by the company regarding that applicant's test. All employees or applicants for employment have the right to explain, in writing, a test result in confidence within ten (10) working days of notification of a test result.

Any employee or applicant for employment who, as a result of testing, is found to have detectable levels or identifiable trace quantities of a prohibited drug or substance in his or her system, regardless of when or where the drug or substance entered that person's system, without an explanation satisfactory to the company, will be considered in violation of this policy, and the conditional job offer may be withdrawn to an applicant for employment or may subject the employee to disciplinary action, up to and including termination.

**Negative Dilute Policy.** Employees that receive a negative dilute drug screen result during a pre-employment or random drug screen test will be immediately retested. A negative dilute test result on the second random test may result in immediate termination or further testing. A second negative dilute test result on a pre-employment test will disqualify the applicant from employment.

**Violation of Drug and Alcohol Policy.** An employee who receives a positive drug or alcohol test indicating the presence of controlled/illegal substances or alcohol in his or her body. An employee with a violation during working hours will be subject to disciplinary action up to and including termination from employment. An employee, who distributes, is in possession of, or uses unauthorized controlled illegal drugs or alcohol on company property or while conducting company business will be terminated. The company will notify local law enforcement officials of any illegal drug or drug paraphernalia found on the premises, surrender these items to the custody of these officials, and cooperate fully in the prosecution of the individuals involved.

Drug Paraphernalia includes, but is not limited to:

- Blenders, bowls, containers, spoons, and mixing devices used or intended for use in compounding controlled substances.
- Capsules, balloons, envelopes, jeweler's zip-lock baggies, and other containers used or intended for use of concealing or packaging small quantities of controlled substances, including scales for weighing or measuring quantities of controlled substances.
- Hypodermic syringes, needles, or other objects designed or intended for injecting controlled substances into the human body.
- Objects used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing marijuana, cocaine, hashish, hashish oil, etc., into the human body such as: pipes (metal, wooden, glass, acrylic, stone, plastic, or ceramic, with or without screens), water pipes, carburetion tubes and devices, smoking and carburetion masks, roach clips or other objects used to hold smoking materials: chamber pipes, electric pipes, air/driver pipes, bong, ice pipes, and rolling papers (e.g. Zig-Zag, E-Z Wider, Job, Joker, etc.) not associated specifically with tobacco products.

Commercial motor vehicle operators found to be in violation of this policy will be relieved of duties immediately and will be subject to the processes outlined in the Company Driver Information Packet on Alcohol and Drug Abuse.

**Searches.** In connection with this policy, the company and/or authorized agents may search any area on the premises or in company-owned or leased commercial motor vehicles at any time, for the presence of alcohol, drugs, and drug paraphernalia prohibited under this policy. Applicants and current employees agree, as a condition of continuing employment, to consent to searches, including but not limited to (1) searches of their person and personal belongings, including but not limited to, purses, briefcases, backpacks, toolboxes, and lunch boxes; (2) searches of work areas, including but not limited to, desks, cabinets, lockers, storage areas, and closets; and (3) vehicles on the premises of the company of which the company has reasonable suspicion that the contraband items are inside the vehicle or any part thereof. The company may take into custody any illegal, unauthorized, or prohibited items or substances and may turn them over to the proper law enforcement agencies.

Searches of an employee's person or clothing will be conducted privately by a company representative of the same sex as the employee being searched. An employee who refuses to consent to a search will be subject to disciplinary action, up to and including immediate termination.

**Substance Abuse Evaluations.** Any employee who engages in prohibited conduct shall be provided with the names, addresses, and telephone numbers of qualified substance abuse professionals. If the person desires to become requalified for employment, then he/she must be evaluated by a substance abuse

professional and submit to any treatment the substance abuse professional prescribes. The costs of any evaluation by a substance abuse professional or the prescribed treatment shall be paid by the individual and not the company. The company does not guarantee or promise re-employment.

**Refusal to Test.** Refusal to submit to the drug test required by the company may result in the withdrawal of a conditional offer of employment to an applicant for employment and may subject an employee to disciplinary action, up to and including termination. A “refusal to test” is defined to be conduct that would obstruct the proper administration of a test. A delay in providing a urine, breath, or saliva specimen may be considered a refusal. If an employee or applicant for employment cannot provide a sufficient quantity of urine or breath, he or she will be evaluated by a physician of the company’s choice. If the physician cannot find a legitimate medical explanation for the inability to provide a specimen, it will be considered a refusal to test.

**Off-the-Job Substance Use and Activity.** Employees who use drugs, alcohol, or chemical substances off the job run the risk of jeopardizing the safety of themselves, their families, the public, and the company. Whenever such usage adversely affects public trust in the company or otherwise interferes with the company’s ability to carry out its responsibilities, or increases potential liability for the company, the company may be forced to take disciplinary action against the offending employee, up to and including termination.

Employees who are arrested, convicted, or plead guilty or no contest because of off-the-job activities (drug or alcohol related) may be considered in violation of this policy. Upon arrest of a crime related to or involving drugs and alcohol, the employee has a duty to disclose the arrest. Failure to disclose the arrest may be considered in violation of this policy. In deciding what action to take, the company will consider the nature of the charges and other factors relative to the impact of the employee’s conviction or plea upon the conduct of the company’s business.

**Coordination with Other Laws and Regulations.** This policy is applicable to all employees and applicants for employment. Some employees may be subject to other laws and regulations because of the job duties those employees perform. In the event there is any inconsistency between this policy and other applicable laws and regulations, those laws and regulations will control.

Laws and regulations governing the matters addressed in this policy may change from time to time. In the event of such changes, this policy will be deemed to have been amended or modified by the company on the effective date of the law or regulation. The company will use its best efforts to disclose and disseminate such changes to all affected employees and applicants for employment.

If any part of this policy is held invalid by a competent authority, such part may be reformed to the maximum restrictions which are allowed by law. The remainder of the policy will continue in full force and effect.

## **Drug and Alcohol-Free Workplace and Testing Policy Acknowledgement Form**

I hereby state that I have received a copy of the Drug and Alcohol-Free Workplace and Testing Policy, dated Month day, year. I understand it is my responsibility to read and comply with the policy, and I agree to follow the policy. I have been given an opportunity to ask any questions I have about the policy.



I hereby agree to submit to a test and to furnish a sample of my urine, breath, hair, and/or blood for analysis. I understand and agree that if I at any time refuse to submit to a test under *Company* policy, or if I otherwise fail to cooperate with the testing procedures, or if I violate the policy, I may be subject to immediate termination or the withdrawal of a conditional job offer. I further authorize and give full permission to have the company and/or its physician send the specimen or specimens collected to a laboratory for a screening test for the presence of any prohibited substances, and for the laboratory or other testing facility to release any and all documentation relating to such test to the company and/or to any governmental entity involved in a legal proceeding or investigation connected with the test. Finally, I authorize the company to disclose any documentation relating to such test to any governmental entity involved in a legal proceeding or investigation connected with the test.

I agree to hold harmless the company, its *supervisors*, employees, officers, directors, shareholders, and physicians. I agree not sue or hold responsible such parties for any alleged harm to me that might result from such testing, including loss of employment or any other kind of adverse job action that might arise as a result of the test. I will further hold harmless the company, its *supervisors*, employees, officers, directors, shareholders, and physicians for any alleged harm to me that might result from the inadvertent release or use of information or documentation relating to the test.

In addition to random and periodic testing, I understand that the company may require a test under this policy whenever I am involved in an on-the-job accident or injury under circumstances that suggest possible involvement or influence of drugs or alcohol in the accident or injury event.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name (Printed) \_\_\_\_\_

## Conflict of Interest Policy

Employees of *Company* are expected to conduct the business of *Company* with total objectivity. A conflict of interest may exist where an individual stands to gain or lose personally from a *Company* business decision; or where an employee or member of his or her immediate family has an interest, direct or indirect, in an entity dealing with *Company*, and the interest is of such an extent or nature that his or her decision might be affected or determined by it; or an employee serves in an advisory, consulting, technical, or management capacity for any non-affiliated business organization that does significant business with or is a competitor of the company. If a conflict of interest or appearance of conflict is unavoidable, an employee should inform his or her *supervisor* immediately.

To minimize the possibility of a conflict of interest, each employee is required to inform his or her *supervisor* of all other jobs the employee has while working at *Company* and the hours worked for his or

her other employers. The appearance of a conflict of interest may be just as damaging to the company's reputation as a real conflict. All employees are expected to take an objective look at their actions from time to time to determine whether a reasonable observer would have any grounds to believe a conflict of interest exists.

Conflicts of interests or unethical behavior may take many forms including, but not limited to, the acceptance of gifts or compensation from competitors, vendors, potential vendors, or customers of *Company*. Gifts may only be accepted if they have a nominal retail value, but employees are not to accept any form of compensation.

Employees are prohibited from engaging in financial participation, outside employment, or any other business undertaking that is competitive with, or prejudicial to, the best interests of *Company*. Employees may not use proprietary and/or confidential information for personal gain or to the company's detriment, nor may they use the company's assets or labor for personal use.

Other employment in and of itself is allowed unless the employee's work with company is adversely affected. However, employment or any involvement with a competitor is considered a conflict of interest and is prohibited.

If an employee or someone with whom the employee has a close personal relationship has a financial or employment relationship with a competitor, vendor, potential vendor, or customer of *Company*, the employee must disclose this fact in writing to *Human Resources*. *Company* will determine what course of action must be taken to resolve any conflict it believes may exist, up to and including requesting the employee to tender his/her resignation. *Company* has sole discretion to determine whether such a conflict of interest exists.

Employees are encouraged to seek assistance from their *supervisor* with any legal or ethical concerns. However, the company realizes this may not always be possible. As a result, employees may *Human Resources* to report anything that they feel they cannot discuss with their *supervisor*.

## Confidential Information

From time to time, you may work with, or have access to, information that is confidential. All *Company* employees are expected to maintain the confidentiality of proprietary information. Employees with access to such confidential information are responsible for its security and are required to sign confidentiality agreements upon employment. The company's business plans, sales and marketing activities, pricing information, financial information, and customer lists are examples of proprietary information. Upon termination, employees are expected to return to the company any documents or items containing business information about the company.

Depending upon the nature of your job, you may have access to personal information about employees of the company. This may include, but is not limited to, financial and medical information. You may have access to confidential information of a business nature involving employees of the company. This may include, but is not limited to, anticipated employment decisions. You are expected to maintain the confidentiality of all such information and any documents or records containing such information. Any medical information is to be maintained in a separate confidential file, segregated from safety, personnel, and other administrative files.

Personnel files and medical information will not be produced or disclosed to third parties without a subpoena or other appropriate court order or legal requirement.

Please note that, should your employment be terminated, whether voluntarily or involuntarily, you are still under an obligation to maintain the confidentiality of information obtained through the course of your employment and are required to return to your *supervisor* all company documents, including but not limited to documents that contain information that is confidential or not otherwise made available to the public.

Employees are prohibited from using any information from the employee's former employer in the course of their employment at *Company*, which was considered confidential by or trade secrets of such employer.

Even within *Company*, confidential information should be discussed only on a "need-to-know" basis. Employees should refrain from responding to questions relating to *Company* from newspapers, magazines, radio, television talk shows, or any type of journalists, unless first clearing your response through an officer of *Company*.

Everyone in *Company* shares the responsibility of preserving the confidentiality of information. Therefore, as a condition of employment, you are required to sign and submit a Proprietary Information and Inventions Agreement (PI&I) when you are hired. Should you leave *Company*, you are not permitted to take any material which concerns or relates to the affairs of *Company* or its business contracts. Reports, files, correspondence, memoranda, visual aids, manuals, and other material are the property of *Company*.

The failure to comply with this policy by an employee may result in immediate termination and legal action to prevent the disclosure or use of the confidential information. Access to confidential information is restricted and any employee attempting to access such information for which he or she is not authorized, may be subject to disciplinary action up to and including immediate termination.

## Personnel File Contents and Inspection

*Company* is required by law to maintain certain information on each employee. A personnel file for each employee is kept in *Human Resources*. The personnel file is a collection of only the most essential documents such as applications, payroll information, performance reviews, and disciplinary records.

An employee may make an appointment to inspect his or her personnel file. A *Human Resources* representative (or designee) will monitor the inspection to ensure the integrity of the file is maintained. Employees are entitled to a copy of documents they have signed within a reasonable time period of a making a request.

## Standards of Conduct/Prohibited Conduct

To ensure orderly operations and provide the best possible work environment, *Company* expects employees to follow rules of conduct that will protect the interests and safety of all employees and the company. There are many employees working together at the company, and we need to safeguard our security, personal safety, welfare, and company operations. While it is not possible to list all forms of

conduct that are considered unacceptable in the workplace, the following examples are provided to demonstrate what conduct will not be tolerated and can result in disciplinary action, up to and including immediate termination. Other types of conduct detrimental to security, personal safety, employee welfare, and the company's interests may also be prohibited:

10. Driving under the influence of alcohol and/or intoxicants, illegal drugs, controlled substances, or narcotics while operating a company commercial motor vehicle.
11. Improper completion, misrepresentation, omission, or falsification of employment application, expense reports, timecards, trip sheets, or any other company records or reports.
12. The destruction, abuse, misuse, theft, or unauthorized removal, use, or possession of property belonging to the company, another employee, or a company account or customer. An employee in violation of this policy may also be subject to criminal prosecution.
13. Gambling, lottery, or any other games of chance on company or customer property (including tractor or trailer), on company time or while representing the company.
14. Threatening or intimidating conduct, including fighting, horseplay, and practical jokes which adversely affect operations, damage company property or endanger persons on the company's premises.
15. Threats, coercion, or use of insulting, offensive or abusive language or conduct toward others, including employees, *supervisors*, or customers. An employee in violation of this policy may also be subject to criminal prosecution.
16. Insubordination, including refusal or failure to perform work in accordance with instruction.
17. Use of company material, time, or equipment for the manufacture or production of an article for unauthorized purposes or personal use.
18. Immoral or indecent conduct in the workplace or any involvement in illegal activities.
19. Performance which does not meet the requirements of the job.
20. Possessing, distributing, selling, transferring, using, or being under the influence of an illegal drug or controlled substance while on company time, business, or property, or while representing the company, including the possession of empty containers used to contain the items listed here in violation of the company's Drugs and Alcohol Policy. An employee in violation of this policy may also be subject to criminal prosecution.
21. Deviation from assigned work schedule, leaving the job or work area without *supervisor's* approval, or sleeping on duty.
22. Refusal to take, failure to cooperate in taking, falsification of, altering or tampering with the substance abuse or alcohol test, specimen, or results.
23. Failure to report to the employee's *supervisor* by the next business day, and no more than 72 hours after the loss, revocation, or suspension of driver's license or any other license or certification required to drive a company vehicle, including a commercial motor vehicle or rental car for company business.
24. Failure to report an incident or collision regardless of its severity while driving a company vehicle or rental car on company business.
25. Tampering with company equipment.
26. Destruction of company equipment or property. An employee in violation of this policy may also be subject to criminal prosecution.
27. Committing an unsafe act that results in, or may result in, serious injury of one's self or other employees or destruction of company property.
28. Dishonesty.
29. Refusal to work required hours, including overtime, as scheduled.
30. Failure to cooperate in a company investigation.
31. Offering to sell, selling, offering to buy, or buying while in the course and scope of employment, what a "reasonable person" would believe to be stolen or misappropriated

merchandise; or attempting to remove or removing, attempting to accept or accepting any such product being transported. An employee in violation of this policy may also be subject to criminal prosecution.

32. Disclosure of trade secrets or other confidential information.
33. Performing other work, whether or not it is self-employment or the employee's own business enterprise, while on any leave of absence (except military duty while on military leave of absence) or during scheduled work hours.
34. Unauthorized physical contact with a company employee, customer, vendor, or a member of the motoring public; or assault, battery, violence, or threats of violence. An employee in violation of this policy may also be subject to criminal prosecution.

This statement of prohibited conduct does not alter the company's policy of employment at-will. Either you or the company may terminate the employment relationship at any time, for any reason, with or without cause or with or without prior notice.

## Tobacco Use

Tobacco use of any kind may not be used in a manner that interferes with productivity or otherwise creates an unprofessional atmosphere. In the interest of everyone's safety, health, and comfort, smoking has been restricted to specified areas. Smoking is not permitted in the break and lunchrooms, conference rooms, hallways, offices, docks, shops, guardhouses, trailers/bobtails, restrooms, dispatch and dock offices, flammable areas, dorms, and company vehicles designated as non-smoking. Smoking breaks that are excessive in frequency or length will be treated as an attendance issue. Smokeless tobacco users must utilize nontransparent containers that will not spill if accidentally knocked over. Smokeless tobacco may not be spit into or on any other surface, including but not limited to trash cans, sinks, or trailers.

## Weapons

*Company* prohibits all persons who enter company premises from carrying a handgun, firearm, or prohibited weapon of any kind, regardless of whether the person is licensed to carry the weapon or not. This policy applies to all company employees, contract and temporary employees, visitors on company property, and customers on company property, regardless of whether they are licensed to carry a concealed weapon. The only exceptions to this policy are police officers, security guards, or other persons who have been given consent by the company to carry a weapon on the premises. Additionally, employees may not transport weapons in company-owned or leased commercial motor vehicles or vehicles used to perform work at a terminal.

Prohibited weapons include any form of weapon or explosive restricted under local, state, or federal regulation. This includes all firearms, knives with blades over three inches in length, or other weapons covered by law. Legal chemical dispensing devices, such as pepper sprays, which are sold for personal protection, are not covered by this policy. Company property covered by this policy includes, without limitation, all company-owned or leased buildings and surrounding areas, such as sidewalks, walkways, driveways, and parking lots under the company's ownership or control. company-owned or leased commercial motor vehicles and vehicles used to perform work at a terminal are covered by this policy at all times regardless of whether they are on company property at the time.

The company reserves the right to conduct searches of any person, vehicle, or object that enters onto company property in order to enforce this policy. Items that may be searched include, but are not limited to, lockers, desks, purses, briefcases, baggage, toolboxes, lunch sacks, clothing, vehicles parked on company property, and any other item in which a weapon may be hidden. Company management or local authorities may conduct searches. To the extent the search is requested by company management and the employee is present, the employee may refuse the search. However, such refusal can result in termination from employment for refusal to cooperate.

If an employee is unsure whether an item is covered by this policy, please contact your *supervisor*. Employees are responsible for making sure that any item they possess is not prohibited by this policy.

## Noise Control (Radios, Etc.)

At *Company's* discretion, the use of radios, tape/CD players, and headphones may be prohibited or restricted in the dock, shop, and any other areas where heavy equipment or activities require safety-sensitive procedures. Additionally, use of radios and tape/CD players may be restricted where either the volume or content of the music or broadcast interferes with productivity or otherwise creates an unprofessional atmosphere. Any issues raised regarding noise control should be directed to the employee's *supervisor*.

## Pets

The presence of pets at the workplace can create a potential hazard or distraction that interferes with the operation of *Company* business and the productivity of employees. Unless used by a disabled person as a guide or service dog, pets or other animals are not permitted in company buildings.

## Security

*Company* is committed to providing a safe and secure work environment for all employees and visitors. The company provides security coverage at many facilities and a security committee regularly assesses the need for both short-term and full-time security coverage at all facilities. Each employee is also responsible for supporting the security program by taking reasonable precautions which include, but are not limited to:

- Keeping valuable items and documents secure.
- Reporting any unusual incidents.
- Questioning any unusual activity or unknown visitors.
- Controlling access to office areas.
- Securing offices when not occupied.
- Avoiding isolated areas when alone.
- Knowing what to do and where to go in an emergency.

Many departments provide security awareness training throughout the year.

The last employee, or a designated employee, who leaves the office at the end of the business day assumes the responsibility to ensure that all doors are securely locked, the alarm system is armed, thermostats are set on appropriate evening and/or weekend setting, and all appliances and lights are

turned off, with exception of the lights normally left on for security purposes. Employees are not allowed on company property after hours without prior authorization from a *supervisor*.

## **ID Cards**

*Company* identification cards are issued to all employees. To have a card made, you must have proof of identification and a Request for Employee Identification Card form completed by your *supervisor*. Check with your payroll contact for schedule and location to be photographed for the card.

## **Visitors**

To provide for the safety and security of employees, visitors, and the facilities at *Company*, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps ensure security, decreases insurance liability, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances. Therefore, all visitors should be requested to check in at the terminal reception area or front office. Non-employee visitors must have approved business reasons to be permitted on company premises and must be escorted by a designated company representative.

Visitors must sign in with the receptionist. Visitors, including employees' family members, must be escorted at all times while on company property. Children are not allowed onto docks or other locations outside the terminal office areas. Anyone not accompanied should be assisted to their company contact. Unaccompanied strangers should be immediately reported to the Terminal Manager or security personnel. All visitors are subject to being searched for weapons, drugs, drug paraphernalia, or other contraband.

Where visitor identification badges are issued, visitors are required to wear them at all times. Anyone not wearing a badge should be asked to wait in the reception area or front office and should be escorted to that location. All visitors must enter through the main entrance.

The company cooperates with law enforcement agencies, including Customs Agents. Direct any such individuals to your *supervisor*. The company does not allow private process servers onto company premises to serve papers on employees.

Unauthorized use, removal of, and/or destruction of any property (i.e., tools, equipment, personal property, records, and confidential information) is prohibited.

## **Personal Property**

*Company* assumes no risk for any loss or damage to personal property. All employees should be sure that their own personal insurance policies cover the loss of anything occasionally left at the office.

## **Parking**

Employees must park their cars in areas indicated and provided by *Company*.

## Driving on the Job

Certain employees operate company vehicles to perform their jobs, or while representing *Company* on official business. You must hold a valid driver's license to drive a company vehicle. If you operate a company vehicle on a regular basis as part of your job, you must sign a release authorizing the company to obtain your driving record transcript from the Department of Motor Vehicles.

While driving, you are required to obey all traffic laws and drive defensively. The driver and the front seat passengers of a vehicle are required by law to use safety lap belts and shoulder harnesses. For a complete listing of driver safety requirement please contact the Risk Management Division.

There is an Accident Report Kit in the glove compartment of each company vehicle. The kit includes forms and procedures to be followed if an accident occurs.

*Company* does not insure employees' personal vehicles for damages sustained while used for company business. As a result, when possible, it is strongly encouraged that vehicles from the company's pool be used to conduct business. In the event of an accident, contact your own insurance company. You are covered under a company liability policy, but only for auto liability in excess of your own policy coverage. Fill out the company Vehicle Accident Report form and submit all copies to the company claims manager in the *Risk Management Division*. The use of motorcycles for company business travel, with the exception of security officers in the performance of their duties, is strongly discouraged.

## Commercial Motor Vehicle Safety Act (Government Only)

The Commercial Motor Vehicle Safety Act (CMVSA) applies to all employees who operate Company vehicles that: have a gross weight rating of 26,001 or more pounds; are designated to transport 16 or more people; or are used to transport hazardous materials. Drivers of fire-fighting equipment and emergency vehicles are exempt while performing emergency service duties.

All employees who drive commercial motor vehicles for *Company* will be required to obtain a Medical Examiner's Certificate (medical card). All employees must successfully undergo a physical examination to obtain the medical card. The medical card is to be carried at all times by the employee when driving a commercial motor vehicle.

Employees who drive these types of commercial vehicles, including auto mechanics that test drive such vehicles and individuals who load them, must meet the requirements for a Commercial Driver's License (CDL). Such employees are also subject to the drug/alcohol testing requirements outlined in this manual. Further information is available from your *supervisor*.

## Alcohol/Drug Testing for Commercial Drivers' License Holders

Under federal regulations, *Company* is mandated to perform drug/alcohol testing for employees who are required to have a commercial driver's license (CDL) and who perform safety-sensitive functions for



the company. Requirements include pre-employment, random, reasonable suspicion, return to duty, and follow-up tests (following a positive test result).

The company provides written information on testing requirements and an opportunity to ask questions at the time of employment to employees who must be tested. Questions on drug/alcohol testing for CDL holders should be directed to your *supervisor* or the *Risk Management Division*. Positive tests will result in disciplinary action up to and including termination. The disciplinary action taken will be determined by the department.

## Transporting Personal Items in Commercial Motor Vehicle

Employees are prohibited from transporting any personal items in the load area of any trailer or truck without the written authorization of the employee's *supervisor*. This authorization must be obtained prior to transportation of goods. The authorization applies both when the employee is working on the clock and during off-duty hours.

Employees are allowed to transport small personal items in the cab of the tractor or truck as long as no safety issue arises with regard to operation of the equipment.

In addition, during normal business hours, employees are prohibited from buying or transporting goods, which are intended to be resold.

## Corrective Action

*Company* holds each of its employees to certain work rules and standards of conduct. When an employee deviates from these rules and standards, the company expects the employee's *supervisor* to take corrective action.

Corrective action at the company is progressive. That means that the action taken in response to a rule infraction or violation of standards typically follows a pattern increasing in seriousness until the infraction or violation is corrected.

The usual sequence of corrective actions includes an oral warning, a written warning, probation, and finally termination. In deciding which initial corrective action would be appropriate, the *supervisor* will consider the seriousness of the infraction, the circumstances surrounding the matter, and the employee's previous record.

The company considers certain rule infractions and violations of standards as grounds for immediate termination. These include but are not limited to theft in any form, insubordinate behavior, vandalism or destruction of company property, being on company property during nonbusiness hours, the use of company equipment and/or company vehicles without prior authorization, untruthfulness about personal work history, skills, or training, divulging company business practices, and misrepresentations of the company to a customer, a prospective customer, the general public, or an employee.

All discipline is documented in your personnel file.

# Grievances

If you encounter a problem concerning a condition of employment or treatment by management or other employees, bring the matter to the attention of your *supervisor*. If you are unable to resolve the matter to your satisfaction after informal discussion, you may investigate the possibility of using the company's grievance procedure. Access to the grievance procedure (except for discrimination complaints) is limited to merit employees who have completed their initial 12-month probationary period.

The grievance procedure consists of a series of meetings with various levels of management in an attempt to resolve the complaint. Grievances that are not handled to your satisfaction within your department can go to the Civil Service Commission for hearing.

Not all matters are covered by the grievance procedure. Some nongrievable issues include the contents of personnel regulations and ordinances and the setting of wages, salaries, and benefits.

Timeliness of filing complaints is critical. In most cases, the grievance must be initiated within 20 business days of the event. Instructions on the grievance procedure, as well as the appropriate forms, are available online and from the Employee Relations Division of Human Resources or the Office of Equity Programs.

Discrimination complaints are filed with the Office of Equity Programs. Merit employees, including those who are probationary, are eligible to grieve discrimination based on age, sex, sexual harassment, race, color, religion, national origin, disability, marital status, and political or union affiliation. These complaints may also be filed with the U. S. Equal Employment Opportunity Commission (EEOC).

## Alternative Dispute Resolution

Conflicts naturally arise in the workplace. They may stem from differences in communication styles, work styles, cultural frames of reference or values, preferences regarding the work environment, supervisory styles, or misunderstandings related to roles and responsibilities.

To offer support in maintaining effective, collaborative relationships among co-workers, to promote positive and productive workplace behaviors, and to encourage the use of conflict resolution techniques, Company has established the Alternative Dispute Resolution Program (ADR). The program offers *Company* employees an alternative means of addressing and resolving workplace complaints. "Workplace complaints" include complaints covered by the company's grievance procedure as well as disputes or disagreements not covered by the grievance procedure. Mediation is the primary dispute resolution process used. It is a confidential and voluntary process in which the parties in conflict mutually agree to meet face to face to discuss their situation and look for a solution with the assistance of a trained, impartial third party.

During mediation, all parties agree to discuss issues openly, honestly, and confidentially in a courteous and respectful environment. Trained mediators guide the discussion and help the parties develop the solution themselves. Requests for mediation must be processed through the ADR Program Coordinator who will determine the appropriateness of the issues for mediation and the willingness of the parties to

explore a resolution to their conflict. To request mediation or to obtain more information, contact the office of the Alternative Dispute Resolution Program at 555-555-5555.

## Employees Advisory Council and Employee Organizations

The Employees Advisory Council (EAC) is the official voice of *Company* employees. The EAC was established by the company to provide a continuing medium through which employees may contribute their advice and suggestions for the improvement of the career merit system and other aspects of the company. Members of the EAC represent designated groups of employees and serve to assist with employee issues.

The council serves as a link between employees and company officials and meets regularly with the Human Resources director and the company executive. In an effort to contribute to employee well-being and morale, the EAC may sponsor voluntary recreational or other activities.

Other employee associations, operating in an unofficial capacity, represent personnel in various agencies. The organizations' activities range from charitable, community, and social functions to assisting members with job-related concerns. You have the right to join or refrain from membership in these organizations.

## Section 7 – Employee Acknowledgement Form

I have received a copy of the Employee Handbook (“Handbook”) of *Company*. The Handbook describes important information about my employment at *Company*, and I understand that it is my responsibility to read and comply with the policies contained in this Handbook and any revisions made to them. I understand that my failure to comply with any of the policies in this Handbook may result in disciplinary action, up to and including termination. I understand that I should consult my *supervisor* regarding any questions not answered in the Handbook.

I understand *Company* has the right, in its sole discretion, to amend, alter, supplement, change, or revise any such rules, regulations, or policies at any time without advance notice.

Since the information, policies and benefits described are necessarily subject to change, I acknowledge that revisions to the Handbook may occur. All such changes will be communicated through proper notices, and I understand that revised information may replace, modify, or eliminate existing policies.

I understand that nothing in this Handbook nor any policies of *Company* are intended to create a contract of employment. I understand that my employment at *Company* is at-will and may be terminated at any time with or without cause or notice by *Company* or me. I further understand that the at-will nature of my employment cannot be modified, either expressly or by implication, including any statements, comments, or actions by any representative, *supervisor* of *Company*, except the General Manager. Any such modification by *Company* will be effective only if in writing and signed and dated by me (the employee) and by my *supervisor*.

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EMPLOYEE SIGNATURE

DATE

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EMPLOYEE'S NAME (TYPED OR PRINTED)