



# Employee Handbook





**TABLE OF CONTENTS**

	<b>Page</b>
INTRODUCTION .....	1
Handbook Overview .....	1
Company History .....	1
Our Vision, Mission and Values .....	2
PART I.    EQUAL EMPLOYMENT OPPORTUNITY POLICIES .....	2
Accommodation Policy .....	3
Harassment, Discrimination, Bullying Prohibited .....	3
Training on Prevention of Sexual Harassment .....	5
Open Door Policy .....	6
PART II.    EMPLOYMENT CLASSIFICATIONS AND COMPENSATION PRACTICES .....	6
Employment At-Will .....	6
Introductory Period .....	6
Employee Classifications .....	7
Exempt Employees: Salary Basis Policy .....	7
Paydays .....	8
Hours of Work .....	8
Timekeeping Procedures .....	9
Overtime Pay .....	9
Breaks and Meal Periods .....	10
Lactation Policy .....	11
Transfers and Promotions .....	12
Performance Evaluations .....	12
Personnel Information .....	13
Personnel Files .....	13
PART III.    ATTENDANCE AND LEAVE OF ABSENCES .....	14
Absenteeism and Tardiness .....	14
Call-Off Procedure .....	14
Job Abandonment .....	14
Family and Medical Leave Act .....	15

Non-FMLA Medical and Non-FMLA Personal Leaves of Absence Policy.....	21
Pay and Benefits During Leave .....	22
Bereavement Leave.....	25
Military Leave.....	26
Jury Duty Leave.....	28
FOREGOING JURY DUTY LEAVE: .....	28
Jury or Witness Duty Leave.....	28
Voting .....	28
<b>PART IV. BENEFITS .....</b>	<b>30</b>
Holidays .....	31
Paid Time Off .....	32
Extended Sick Time.....	34
Travel Policies and Expense Reimbursement Guidelines .....	35
Educational Reimbursement Assistance.....	36
<b>PART V. TECHNOLOGY POLICIES.....</b>	<b>38</b>
Use of Electronic Communication Systems and Equipment .....	39
Social Media and Networking .....	43
Prohibited Use of Cell Phones and Personal Digital Assistants While Driving.....	45
Personal Calls.....	46
<b>PART VI. EMPLOYEE CONDUCT AND WORKPLACE POLICIES.....</b>	<b>46</b>
Outside Employment .....	46
Employment of Relatives.....	46
Personal Relationships .....	46
Proprietary and Confidential Information.....	45
Employee Conduct.....	47
Solicitation and Distribution.....	49
Bulletin Boards .....	50
Dress Code/Grooming Policy .....	50
Termination of Employment.....	50
Employment References .....	51
<b>PART VII. HEALTH AND SAFETY.....</b>	<b>51</b>
Safety on the Job.....	51
Accidents and Injuries.....	53

Workers' Compensation .....	53
Fire Prevention.....	53
Housekeeping.....	53
Violence-Free Workplace .....	54
Concealed Weapons.....	55
Substance Abuse and Drug-Free Workplace Policy .....	55
No Tobacco Policy.....	59
Visitors.....	59
Company Property .....	59
Personal Belongings.....	59
HANDBOOK RECEIPT AND ACKNOWLEDGEMENT .....	60

## **INTRODUCTION**

### **Handbook Overview**

This employee handbook is intended to provide information about Kirkhill, Inc. current policies, benefits, and programs. As used in this handbook, the “Company” will refer to Kirkhill, Inc. This handbook supersedes any previous handbooks, policies and any past practices concerning the matters addressed in this handbook. Nothing in this handbook affects the applicability of the TransDigm Group Incorporated Code of Business Conduct and Ethics, Insider Trading Policy, or Whistleblower Policy.

From time to time, the Company may amend or change this handbook. Although the Company will attempt to give notice of significant changes, the Company reserves the right, at any time and without notice, to terminate or make any changes to the policies, procedures, benefits, and programs set forth in this handbook.

This handbook, and the language set forth in this handbook, is not intended to create, nor is it to be construed to create a contract of any kind between the Company and any or all its employees or a promise or contract of employment for any specified period of time.

Although the Company hopes the employment relationship will be mutually rewarding, employment with the Company is on an at-will basis, meaning that both the employee and the Company may terminate the employment relationship at any time, with or without notice and with or without cause. The only individual authorized to modify an employee’s at-will status is the Company President, and any such exception must be in writing and signed by the Company President.

Nothing in this handbook is intended to prohibit or interfere with employee rights to engage in protected concerted activities or otherwise conflict with any applicable federal, state or local law.

This handbook contains many facts about the Company and its daily operation. However, it may not answer all employee’s questions. If this handbook does not include a matter in which you are particularly interested, or if you are still uncertain about something after you have read this handbook, please contact the Company Director of Human Resources.

### **Company History**

Kirkhill Inc. (formerly Kirkhill Elastomers or Kirkhill Rubber Company) is a leading diversified manufacturer of highly engineered, organic, and in-organic elastomer-based products. Founded in 1919 by Thomas Kirk Hill and located in Brea California since 1952, Kirkhill is a leading domestic producer of precision silicone seals for commercial and military aircraft, rocket and missile liner insulation material, and application specific engineered products serving the defense, industrial, and commercial markets. Kirkhill Inc. was acquired by TransDigm Group in March of 2018.

## Our Vision, Mission and Values



### VIVID DESCRIPTION



# KIRK HILL VISION

Kirkhill will be a great place to work. Employees will be proud to be part of the Kirkhill family, and will be excited to grow their careers and our business. We will bring a fun and innovative mindset to work every day. Talented people will seek us out and employees will feel that Kirkhill has contributed to their lives in a positive way. Our products and services will be irreplaceable due to innovation in material, design, process and quality. We will be very easy to do business with and the go-to company for our customers and suppliers.

### MISSION



Become the #1 innovator in everything we do

### CORE PURPOSE



To connect & protect the world and beyond

### CORE VALUES



#### Respect & Trust

Treat each other as we want to be treated and communicate transparently

#### Integrity & Honesty

Do the right thing for employees, customers, and suppliers even when no-one is watching

#### Growth & Development

Foster the development of our employees and provide opportunities for growth

#### Teamwork

No politics, no egos, just working together to achieve a common goal

#### Innovation

Innovation sets us apart and is at the foundation of everything we do

## PART I. EQUAL EMPLOYMENT OPPORTUNITY POLICIES

### Equal Employment Opportunity

The Company is an equal opportunity employer. It is the Company's policy to make all employment decisions without regard to an individual's sex, gender (including pregnancy, childbirth, breast feeding, and related conditions), reproductive health decision making, sexual orientation, gender identity, gender expression, race (including traits historically associated with race, including hair texture and protective hairstyles such as braids, locks and twists), creed, religion (including religious dress and grooming), color, national origin, ancestry (including association, affiliation, or participation with persons or activities related to national origin, English-proficiency or accent or immigration status), physical or mental disability, medical condition, genetic information, marital or domestic partner status, age, veteran or military status, and any other categories protected by applicable state, local, or federal law. Employees with questions or concerns about equal employment opportunity should bring them to the attention of the Director of Human Resources. No retaliation will be taken against any employee for reporting a concern under this policy.

## **Accommodation Policy**

It is the Company's policy to provide equal opportunity in employment for all qualified individuals regardless of disability. The Company will make reasonable accommodation for qualified individuals with disabilities unless it would result in undue hardship to the Company.

Employees who need a reasonable accommodation to perform the essential functions of their job should contact Human Resources. Any supervisor or manager who receives a request for an accommodation should refer the employee to Human Resources and notify Human Resources of the request. The employee requesting the accommodation should specify, if possible, the accommodation he or she is seeking to perform the job.

The Company is committed to participating in an interactive accommodation process with an individual who requests an accommodation.

An employee who requires an accommodation of a religious belief or practice should contact Human Resources. Any manager or supervisor who receives a request for accommodation for religious reasons should refer the employee to Human Resources and should notify Human Resources of the request.

## **Harassment, Discrimination, Bullying Prohibited**

The Company is committed to maintaining a work environment that is free of harassment based on sex, sexual orientation, gender, gender identity, gender expression, pregnancy, childbirth, breast feeding and related medical conditions, reproductive health decision making, as well as harassment based on such factors as race (including traits historically associated with race, including hair texture and protective hairstyles such as braids, locks and twists), color, creed, religion (including religious dress and grooming), national origin, , ancestry (including association, affiliation, or participation with persons or activities related to national origin, English proficiency or accent, or immigration status), age, physical disability, mental disability, medical condition, genetic information, marital or domestic partner status, veteran or military status, or any other basis protected by federal, state, or local law. Any such harassment of any employees, applicants, contractors, interns, or customers is prohibited by this policy, regardless of whether or not the conduct also violates applicable law. Conduct prohibited by this policy includes, but is not limited to, the following:

- Unwelcome verbal conduct such as offensive sexual remarks, innuendoes, or comments; sexual, racial, or ethnic jokes; derogatory remarks, threats, epithets or slurs based on an individual's sex, race, religion, national origin, disability, age, genetic information or other protected status.
- Use of offensive stereotypes and/or other offensive conduct pertaining to race, color, sex, religion, age, national origin, disability, genetic information or other protected status.
- Unwelcome and offensive physical conduct, such as assault, unwanted touching, or blocking an employee's normal movement.



- Unwelcome and offensive written communications containing statements or materials that may be offensive to individuals in a particular protected group, such as racial or ethnic caricatures.
- Use of the Company's electronic communication systems or equipment or use of social media to post, transmit, communicate, or receive sexually suggestive, pornographic or sexually explicit pictures, jokes or messages or other offensive or derogatory materials pertaining to race, color, national origin, religion, age, disability, genetic information or other protected status.
- Unwelcome and offensive visual conduct such as leering, indecent gestures, displaying or showing sexually suggestive or demeaning or offensive posters, pictures, calendars, graffiti or objects.
- Making unwanted sexual advances, propositions or demands for sexual favors.
- Where submission to or rejection of unwelcome sexual conduct is used explicitly or implicitly as a factor in any employment decision.
- Retaliation or threatening retaliation because of individual's unwillingness to respond to requests for sexual favors; and
- Retaliation or threatening retaliation for complaining about or for reporting a complaint under of this policy.

Sexual harassment need not be motivated by sexual desire to be prohibited by this policy.

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination.

All employees are covered by this policy and are prohibited from engaging in any form of harassing conduct. No supervisor or other member of management has the authority to suggest to any employee or applicant that his or her employment, advancement or any term or condition of employment will be affected in any way by the individual's entering (or refusing to enter into) any form of personal relationship with the supervisor or management member and/or engaging in any type of sexual conduct.

If employees have complaints of suspected harassment or retaliation, employees may file complaints with the California Civil Rights Department and/or the Equal Employment Opportunity Commission.

Bullying, gossip, profanity, abusive conduct, and negative comments are destructive to the Company's culture, create false rumors, disrupt workplace operations, interfere with others' privacy, and hurt other people. You may not bully, gossip, engage in abusive conduct or make unnecessary, profane, or disrespectful comments about other employees of the Company.

Bullying is defined as repeated intentional and malicious behaviors by an employer or employee at the workplace, directed at an employee, that is intended to degrade, humiliate, embarrass, or otherwise undermine the employee's performance in a manner unrelated to legitimate business interests. It may include verbal abuse (such as repeated derogatory remarks, insults, or epithets), offensive conduct or behaviors which a reasonable person would find to be threatening, humiliating or intimidating. It may also include work interference, gratuitous sabotage or undermining of a person's work performance without legitimate business purpose. A single act does not constitute abusive conduct unless it is especially severe or egregious.

### **Complaint Procedure**

The Company's policy is to conduct a fair, timely and thorough investigation that provides all parties appropriate due process and reaches reasonable conclusions based on the evidence collected. It is also the Company's policy to take appropriate action if misconduct is found, to remedy incidents of harassment or bullying, including any incidents of employee harassment or bullying created by a non-employee such as a customer or vendor. To accomplish this, however, harassment and bullying must be brought to the attention of management. Accordingly, employees who have complaints of conduct prohibited by this policy or who witness or are aware of such conduct must bring any such conduct to management's attention. All complaints and reports of conduct in violation of this policy shall be directed to Human Resources or to another member of management. Employees may bypass their manager/supervisor when reporting such concerns if they wish. Supervisors must report complaints to Human Resources.

All employees are to cooperate fully with any investigation of workplace harassment or bullying. Employees who interfere with, hinder, or refuse to cooperate in such investigations may be subject to disciplinary action, up to and including termination. Confidentiality will be maintained by the Company to the extent possible.

No employee will be subject to reprisal or retaliation for having made a good faith complaint of harassment or bullying or for having participated in an investigation into allegations of such misconduct. Any complaints of suspected reprisal or retaliation should be directed as set forth above. Any employee found to have retaliated against an individual for raising a complaint or participating in an investigation will be subject to disciplinary action, up to and including immediate termination. However, employees shall not knowingly provide or make an untrue statement of fact regarding such a complaint. The Company will take appropriate action if it is determined that deliberately false accusations have been made.

Any questions concerning this policy should be directed to Human Resources.

### **Training on Prevention of Sexual Harassment**

The Company will provide training to its employees regarding the prevention of sexual harassment in accordance with the requirements of applicable law. In addition, training provided by the California Civil Rights Department is available at <https://calcivilrights.ca.gov/shpt/>.

## **Open Door Policy**

The Company believes that a good working environment is helped by good communication between employees and their supervisors and management, and between those employees working together among themselves.

The Company has an open-door policy under which each employee can express his or her opinion, escalate issues and seek answers from all levels of management. Generally, matters should be discussed first with an employee's direct supervisor. However, if an employee is not comfortable raising an issue with his or her supervisor, the employee may contact Human Resources or any other member of management.

Please also see the Company's Policy regarding Harassment, Discrimination and Bullying, set forth above, the TransDigm Group Incorporated Code of Business Conduct and Ethics and the TransDigm Group Incorporated Whistleblower Policy for the procedures for raising concerns over matters addressed in those policies.

## **PART II. EMPLOYMENT CLASSIFICATIONS AND COMPENSATION PRACTICES**

### **Employment At-Will**

Employment with the Company is on an "at-will" basis, meaning that an employee is free to terminate employment at any time, with or without prior notice. Similarly, the Company may terminate the employment relationship at any time, with or without cause and with or without prior notice. In addition, the Company may need to alter your employment status, employment hours, schedule, or demote you. As an at-will employee, you are not guaranteed, in any manner, that you will be employed for any set period of time. The only individual authorized to modify this policy of "at-will" employment is the Company President and any such modification must be in writing.

### **Introductory Period**

Employees are initially hired for an introductory sixty (60) day period. The introductory period may be shortened, and employment ended prior to the end of this period. The introductory period also may be extended at the Company's discretion.

An employee's completion of the sixty (60) day introductory period does not change his or her at-will status. Both the employee and the Company remain free to terminate the employment relationship at any time during or after the introductory period, with or without cause and with or without notice.

## **Employee Classifications**

Each job within the Company is classified as “exempt” or “non-exempt” as defined by the federal Fair Labor Standards Act (“FLSA”) and/or applicable state or local wage and hour laws.

**Exempt:** Employees who are not required to be paid overtime under applicable federal and/or state wage and hour laws.

**Non-Exempt:** Employees who are required to be paid overtime under applicable federal and/or state wage and hours laws at the rate of one and one-half times their regular rate of pay for all hours worked beyond a certain number of hours, as set forth in the “Overtime Pay” provision below. Non-exempt employees are required to keep accurate records of all hours worked, meal periods, and any paid time off each day worked.

Upon initial employment, employees will be informed of their position classification as an exempt or non-exempt employee. If an employee’s job responsibilities or job position changes during employment because of promotion, transfer or otherwise, either a supervisor or Human Resources will inform the employee of any change in exempt/non-exempt status.

An employee’s status also is classified as one of the following.

**Regular Full-Time:** Employees who are regularly scheduled to work at least thirty (30) hours each week and designated as regular full-time are considered regular full-time employees. This status may change if scheduled hours are reduced below this level, other than on a temporary basis.

**Regular Part-Time:** Employees who are regularly scheduled to work at least twenty (20) hours but less than thirty (30) hours per week and designated as regular part-time are considered regular part-time employees. This status may change if scheduled hours are changed, other than on a temporary basis.

**Temporary:** Employees hired to work on a seasonal, project or temporary basis of limited duration and designated as temporary are considered temporary employees. Employment beyond any initially determined period does not result in a change in temporary employment status.

Part-time and temporary employees are not eligible for Company benefits unless specifically provided otherwise in a Company policy or benefit plan document(s), or if otherwise mandated by applicable law.

### **Exempt Employees: Salary Basis Policy**

The Company complies with the provisions of the federal FLSA that employees who are exempt from the FLSA’s overtime pay and minimum wage requirements must be paid on a “salary basis.” The Company also complies with any similar state wage and hour laws that may apply. Accordingly, any deductions from an exempt employee’s salary that are not permitted under federal, or state wage and hour laws are prohibited by Company policy.

Being paid on a “salary basis” means that the employee regularly receives a predetermined amount of compensation each pay period on a weekly or less frequent basis. Under U.S. Department of

Labor regulations, the predetermined amount of an exempt employee's salary cannot be reduced because of variations in the quality or quantity of the employee's work. Subject to certain exceptions in the Department of Labor regulations, an exempt employee must receive the full salary for any week in which the employee performs any work, regardless of the number of days or hours worked. Circumstances in which deductions from pay may be made under federal regulations include one or more full-day absences due to personal reasons; one or more full-day absences due to sickness or disability in accordance with a bona fide plan or policy providing compensation for salary lost due to illness; hours taken as intermittent or reduced FMLA leave within the workweek; or for disciplinary suspensions of one or more full days imposed in good faith for workplace misconduct. Also, exempt employees do not need to be paid for any workweek in which they perform no work.

Any exempt employee who believes that incorrect deductions have been made from his or her pay should promptly raise this concern with Human Resources. All such complaints will be promptly investigated. Employees will be reimbursed for any incorrect deductions that are found to have occurred. The Company will take other corrective action as may be necessary and appropriate to remedy any incorrect deductions.

Detailed information about the federal Fair Labor Standards Act and permissible deductions from salary is available at the U.S. Department of Labor's website, at <http://www.dol.gov>.

### **Paydays**

All employees are paid bi-weekly on Thursdays for the two-week period ending on the preceding Sunday. If a regularly scheduled payday falls on a holiday, employees will receive pay on the last day of work before the regularly scheduled payday. You may have your paycheck deposited directly into your bank account if your bank accepts direct deposits.

Federal, state, and local income taxes, as applicable, as well as federal social security taxes (FICA), are withheld from each paycheck. The Company also will deduct other authorized amounts, such as the employee's share of any group health and/or other insurance premiums or 401(k) contributions elected by the employee.

Each employee is responsible for verifying the information contained on his or her paycheck and pay stub. If an employee believes that there has been an error in calculating pay, or in taking deductions from pay, that employee should immediately contact Human Resources.

### **Hours of Work**

The Company is normally open for business between the hours of 7:30 a.m. – 5:00 p.m., Monday through Friday.

General work hours are designated by your department supervisor.

Each employee's work schedule will be assigned by his or her manager or supervisor. These schedules may be changed from time to time at the Company's discretion to meet business and operational needs.

For payroll purposes, the regular workweek is from 12:01 a.m. Monday through 12:00 p.m. midnight Sunday; and a workday is from 12:01 a.m. to 12:00 midnight each calendar day.

For purposes of calculating your total hours for a day, anyone who although on occasion your workday may begin one day but end the following day, all hours will be counted towards the day you actually started work.

For example, if you start on Sunday at nine (9) pm and work until five (5) am Monday, the total hours count towards Sunday's workday.

### **Timekeeping Procedures**

Non-exempt employees are required to maintain an accurate record of total hours worked and any paid time off each day. An employee's manager or supervisor can provide further guidance on how to accurately track and record time worked.

Inappropriate use of the time sheets, falsifying the times recorded on the time sheets, or filling out another employee's time sheet constitutes falsification of records, and may result in disciplinary action, up to and including termination.

The Company expects all non-exempt employees to accurately record all time worked. Working "off the clock" is prohibited.

### **Overtime Pay**

Mandatory overtime may be required to meet business or customer needs. While the Company will try to provide as much advance notice as possible, an employee is required to work overtime when asked to do so unless specifically excused by his or her supervisor.

For hours worked beyond eight (8) hours per workday or forty (40) hours per workweek, non-exempt employees will be paid at the rate of one and one-half times their regular rate of pay. If completion of work requires more than twelve (12) hours of work in a workday, employees will be paid at two times their regular rate of pay for hours beyond twelve (12). The Company will also pay overtime compensation at the rate of two (2) times an employee's regular rate of pay for all hours worked on the seventh consecutive day of work.

"Hours worked" for purposes of overtime includes only time actually worked and holiday hours, and excludes all other hours, for example, paid time off, sick leave, jury duty or bereavement leave.

All overtime must be approved in advance by your supervisor. Working unauthorized overtime may result in disciplinary action, up to and including termination.

## **Breaks and Meal Periods**

All non-exempt employees who work more than five (5) hours in a workday are entitled to take an unpaid, off-duty and uninterrupted thirty (30) minute meal break. Meal periods must begin no later than before the end of the fifth hour of work. For example, employees who start working at 8 a.m. must begin their meal period no later than 12:59 p.m.

Employees who work more than ten (10) hours in a workday are entitled to a second unpaid, off-duty and uninterrupted 30-minute meal period. The second meal period must begin no later than before the end of the tenth hour of work, meaning the meal period should begin after working no more than 9 hours, 59 minutes. If six (6) hours of work will complete the day's work, employees may voluntarily choose not to take a meal break. If an employee works more than ten (10) hours but no more than twelve (12), the employee can voluntarily choose not to take a second meal break, as long as the employee has taken the first meal break. Employees are required to record the time their meal breaks begin and the time their meal breaks conclude. (See Chart Below)

All non-exempt employees are also entitled to take paid rest breaks at the rate of a net ten (10) minutes for every four (4) hours worked, or greater fraction of a 4-hour period (see chart below). Employees are entitled to take rest breaks as follows:

Rest breaks should be taken in the middle of each four (4) hour period of work. During each rest break, employees will be relieved of all duty, and will be at liberty to use the rest break for whatever purpose they desire.

Employees may not combine rest breaks or add them to meal breaks. Rest breaks cannot be used to permit employees to arrive ten (10) minutes late or leave ten (10) minutes early.

Summary Chart. The following chart summarizes the number of rest breaks and meal periods which are to be provided to employees who work up to 14 hours under this policy. If an employee works more than 14 hours, he/she will be provided rest breaks and meal periods consistent with this policy and applicable law:

<b>Hours of Work</b>	<b>Meal Periods and Rest Breaks</b>
0 to 3 hours, 29 minutes	No paid rest break and no meal period
3 hours and 30 minutes and up to 4 hours 59 minutes	One 10-minute paid rest break
More than 4 hours 59 minutes and up to 6.0 hours	One 10-minute paid rest break and one 30-minute unpaid meal period (unless first meal period is mutually waived pursuant to the policy)
More than 6.0 hours, up to 10.0 hours	Two 10-minute paid rest breaks and one 30-minute unpaid meal period
More than 10.0 hours, up to 12.0 hours	Three 10-minute paid rest breaks and two 30-minute unpaid meal periods (unless second meal period is mutually waived pursuant to the policy)
More than 12.0 hours, up to 14.0 hours	Three 10-minute paid rest breaks and two 30-minute unpaid meal periods

During each meal and rest break, employees will be relieved of all duty, and will be at liberty to use the meal or rest break for whatever purpose they desire and will be free to leave the premises. Employees are prohibited from working “off the clock” during their meal or rest break. Employees are to immediately notify Human Resources and/or their supervisor if they believe that they are prevented by the nature of their work from taking a timely and/or complete meal or rest break.

### **Lactation Policy**

The Company supports breastfeeding mothers by accommodating the mother who wishes to express milk during work hours. Breastfeeding employees are allowed to express milk during work hours using their normal breaks and mealtimes. For time that may be needed beyond the usual break times, employees may use other leave or may make up the time as agreed upon with their supervisor.

Employees who are breastfeeding mothers may request lactation accommodations. Employees should contact Human Resources to request accommodations. The Company will respond to any request in a timely manner. Employees have a right to file a complaint with the California Labor Commissioner if they believe the Company has failed to provide a necessary lactation accommodation.

The Company will provide employees who are breastfeeding mothers with a room or location in close proximity to their work area to express breast milk. The room or location provided will: (1) be shielded from view, (2) free from intrusion while an employee is expressing breast milk, (3) safe, clean and free of hazardous materials, (4) contain a surface on which an employee can place a breast pump and personal items, (5) contain a place to sit, and (6) have access to electricity or



alternative devices including extension cords or charging stations, needed to operate an electric or battery-powered breast pump. The Company will also provide employees who are breastfeeding mothers with access to a sink with running water and a refrigerator for storing milk, which will be in close proximity to the employees' workspace. If a refrigerator cannot be provided, the Company will provide another cooling device suitable for storing milk, such as an employer-provided cooler.

Employees who wish to express milk during the work period must keep supervisors or managers informed of their needs so that appropriate accommodations can be made to satisfy the needs of both the employee and the Company. The policy will be administered in conjunction with the requirements of the Fair Labor Standards Act and any other applicable law. Please see Human Resources for additional details.

### **Transfers and Promotions**

The Company encourages employees to seek to advance their careers through transfers and promotions. If an employee has been in his or her existing position for at least twelve (12) months and has no disciplinary actions in the preceding twelve (12) months, he or she may apply for an available position in his or her own or another department. Exceptions to the twelve (12) month minimum and/or lack of disciplinary actions must be approved by the employee's supervisor and the Human Resources Manager. Employees are encouraged to discuss their interests and aspirations with their supervisors prior to applying.

The Company prefers to promote from within and may first consider current employees with the necessary skills and qualifications to fill vacant positions above entry level. However, the Company also may pursue outside recruitment at its discretion.

### **Performance Evaluations**

Performance evaluations are conducted from time to time to provide both the employee and his or her supervisor with the opportunity to review the employee's job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss methods of improving performance. It is important to understand, however, that a favorable performance evaluation does not guarantee an increase in pay, a promotion or even continued employment. Pay increases and continued employment are solely within the Company's discretion and depend upon business and operational factors in addition to performance.

## **Personnel Information**

To maintain up-to-date records, employees are asked to promptly notify Human Resources of any changes in the following:

- Name, address, or telephone number.
- Emergency contact information.
- Marital status, birth of a child and/or number of dependents (for health insurance purposes).
- Beneficiary designations.
- Complete level of education; and
- Income tax withholding.

## **Personnel Files**

Employee personnel files and other records are the property of the Company. If you would like to review the contents of your personnel file, please submit a request to Human Resources. Personnel files will be reviewed in the presence of a Human Resources representative or, when unavailable, someone designated by Human Resources. Please contact Human Resources for further details.

Upon written request and at reasonable times and reasonable intervals, employees are entitled to inspect and/or receive a copy of their personnel records relating to (1) the employee's performance and (2) any grievance concerning the employee. Such records do not include those relating to an investigation of a criminal offense, letter of recommendation, pre-employment ratings or reports, and other ratings or reports prepared by identifiable examination committee members or in connection with a promotional examination. The Company will provide such records within thirty (30) days of any written request. Employees will be provided a copy of their personnel file upon request; the Company reserves the right to charge the employee for the actual cost of the photocopying.

## **Payroll Records**

Employees may submit a written request to inspect and/or request a copy of their payroll records. These requests must be submitted directly to Payroll. We will honor the request within 21 days of the date the request is received. Where an inspection request is made by a former employee, the individual may be required to provide satisfactory evidence of his or her identity.

## **PART III. ATTENDANCE AND LEAVE OF ABSENCES**

### **Absenteeism and Tardiness**

Reliable attendance is an essential job function. Unless an employee is on an approved leave, employees are expected to report for work as scheduled and on time. Excessive absences or tardiness will not be tolerated and may result in disciplinary action up to and including termination. Approved leaves of absence, including time off under the Family and Medical Leave Act and/or under applicable state family and medical leave laws or state and local paid sick leave laws, will not be counted against an employee in administering the Company's attendance policies.

### **Call-Off Procedure**

When an absence is unplanned, for any reason, an employee must report the absence to the Attendance Hotline at (714)529-8272 at least one hour prior to the start of their shift unless there are extenuating circumstances. It is optional to report the absence to his or her supervisor, or Human Resources. An employee must personally notify his or her supervisor, Human Resources, and/or the Attendance Hotline at (714)529-8272 by phone or e-mail. Notification from another employee or relative is not acceptable, except under emergency conditions.

An employee who is absent for more than one day must report his or her status to his or her supervisor, Human Resources, and/or the Attendance Hotline at (714)529-8272 daily at least one hour prior to his or her scheduled start time, unless the employee is on an approved leave of absence.

An employee should be prepared to provide the reason for his or her absence and may be required to furnish documentation, including medical certifications from his or her health care provider.

Employees whose absences are covered by the federal Family and Medical Leave Act ("FMLA") and/or under applicable state family and medical leave laws or state and local paid sick leave laws should refer to the Company's applicable policies for information concerning notice and any certification requirements.

Failing to report an absence properly may result in disciplinary action up to and including termination.

### **Job Abandonment**

An employee who fails to report to work for three (3) consecutive days without notifying his or her supervisor and/or Human Resources of the absence will be considered to have voluntarily resigned as a result of job abandonment.

## **Family and Medical Leave Act**

In accordance with the federal FMLA, eligible employees will be granted a leave of absence for certain qualifying medical, and family needs as defined by FMLA.

### Eligibility

Employees eligible for FMLA leave are those who:

- Have been employed by the Company for at least 12 months.
- Have worked at least 1,250 hours in the 12-month period prior to the commencement of the leave; and
- Are employed at a work site where at least 50 or more employees are employed by the Company within 75 miles of that work site.

Employees not eligible for federal FMLA leave may request non-FMLA leave. Human Resources can provide information concerning the conditions upon which any such leave may be available.

### Leave Entitlements and Amount of Leave

Eligible employees will be provided up to twelve (12) weeks of unpaid job-protected leave in a 12-month period measured backward from the date an employee uses any FMLA leave, for the following reasons:

For birth of the employee's child and to care for the employee's newborn child. Entitlement to such leave expires at the end of the 12-month period beginning on the date of birth.

- For placement of a child with the employee for adoption or foster care. Entitlement to such leave expires at the end of the 12-month period beginning on the date of placement.
- To care for the employee's spouse, son, daughter, or parent with a serious health condition.
- Because of a serious health condition that renders the employee unable to perform the functions of his/her job.
- Because of any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a member of the Armed Forces (including the National Guard or Reserves) when the qualifying family member is on covered active duty or has been notified of an impending call or order to covered active duty (a "Qualifying Exigency" leave). A Qualifying Exigency may include attending certain military events; certain childcare and related activities, including arranging for alternative childcare; certain activities related to care of the servicemember's parent who is incapable of self-care; addressing certain financial and legal arrangements; attending certain counseling sessions; taking temporary leave while

the servicemember is on Rest and Recuperation during deployment; certain post-deployment activities, including attending re-integration briefings; and additional activities (if any) agreed to by the employer and the employee.

For purposes of the above leave entitlements, a serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or “continuing treatment” by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the employee’s qualifying family member from working, attending school, or performing regular daily activities.

A serious health condition involving “continuing treatment” by a health care provider may include any one or more of the following:

- A period of incapacity of more than three consecutive, full calendar days that also involves an in-person treatment visit to a health care provider within seven days of the first day of incapacity, combined with either (a) one or more additional times of in-person treatment by a health care provider, typically within 30 days of the first day of incapacity, or (b) a regimen of continuing treatment under the supervision of a health care provider; or
- Any period of incapacity due to pregnancy, or for prenatal care; or
- Any period of incapacity due to a chronic serious health condition that requires periodic visits (at least twice a year) for treatment by a health care provider, continues over an extended period of time, and may cause episodic rather than continuing periods of incapacity; or
- A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective; so long as the employee or qualifying family member is under the supervision of a health care provider; or
- Any period of absence for multiple treatments (including any period of recovery therefrom) for restorative surgery after an accident or injury or for a condition that would likely result in incapacity of more than 3 consecutive, full calendar days in the absence of treatment.

Employees are limited to a combined total of 12 weeks of leave for any one or more of the above FMLA events in the rolling 12-month period. Eligible spouses who are both employed by the Company may be limited to a combined total of 12 weeks of leave in the rolling 12-month period for birth or to care for a healthy newborn child after birth, for placement of a child for adoption or foster care after placement, or to care for the employee’s parent with a serious health condition.

- An eligible employee may take up to 26 weeks of leave within a “single 12-month period” to care for the employee’s spouse, son, daughter, parent or next of kin who is a covered servicemember who has a serious injury or illness (referred to in this policy as “Military Caregiver” leave).

A covered servicemember is:

- A current member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a qualifying serious injury or illness; or
- A veteran of the Armed Forces (including the National Guard and Reserves) who was discharged or released under conditions other than dishonorable within the five-year period before the eligible employee takes FMLA leave to care for the veteran and who is undergoing medical treatment, recuperation, or therapy, for a qualifying serious injury or illness.

For purposes of Military Caregiver leave only, the single 12-month period begins on the first day the employee takes leave for this purpose and ends 12 months after that date. During this single 12-month period, the employee is limited to a combined total of 26 weeks of leave for all FMLA-covered events. Additionally, eligible spouses who are both employed by the Company are limited to a combined total of 26 weeks of leave during the single 12-month period for Military Caregiver leave.

#### Paid/Unpaid Leave

FMLA leave will be unpaid except that:

- Employees are required to use available accrued unused paid time off PTO for otherwise unpaid FMLA leave. The substitution of accrued paid leave is determined by the terms and conditions of the applicable leave policy unless the Company, at its discretion waives such requirements.
- Employees may be eligible for short-term disability benefit payments under applicable Company programs, subject to the terms and conditions of the programs.
- Employees who are on FMLA leave due to work-related injuries or occupational illnesses may be eligible for workers' compensation benefits.
- Employees may be eligible to receive disability benefits pursuant to applicable state law.

**The use of paid time off and/or the receipt of short-term disability or workers compensation benefits during FMLA leave does not extend the amount of FMLA leave available to the employee. Leave taken for any FMLA-qualifying reason, regardless of whether such leave is paid or unpaid, runs concurrent with and will be counted against the employee's FMLA entitlement, unless otherwise mandated by applicable state law.**

### Intermittent or Reduced Schedule Leave

FMLA leave may be taken on an intermittent basis or on a reduced schedule leave when medically necessary because of the employee's own serious health condition, or to care for a covered family member with a serious health condition. Military Caregiver and Qualifying Exigency leave also may be taken on an intermittent or reduced leave schedule basis. Employees who need intermittent or reduced schedule leave for planned medical treatment must make reasonable efforts to schedule such leave so as not to unduly disrupt the Company's operations. Under certain circumstances, the Company may, at its discretion, temporarily reassign the employee to an alternative position with equivalent pay and benefits which better accommodates such recurring periods of leave.

Leave to care for a healthy newborn or newly placed child may not be taken on an intermittent or reduced schedule leave basis.

### Job Restoration

Employees returning from FMLA leave will be restored to the same position the employee held when leave began, or to an equivalent position with equivalent benefits, pay and other terms and conditions of employment, unless the employee would not otherwise have been employed at the time reinstatement is requested.

Employees returning to work following leave due to the employee's own serious health condition will be required to provide medical certification that they are able to return to work. Such employees will not be permitted to return to work until such certification is provided.

Reinstatement may be denied to certain "key" employees (i.e., a salaried employee who is among the highest paid 10% of all employees employed by the Company within 75 miles of the employee's worksite) where restoration to employment will cause substantial and grievous economic injury to the Company's operations.

### Benefits While On Leave

While on FMLA leave, except as otherwise provided herein, the Company will maintain the employee's coverage under the Company's group health plan and other welfare benefits on the same terms and conditions as if the employee had continued to work during the leave period. For periods of leave during which the employee is receiving pay from the Company, payroll deductions will continue to be taken from the employee's pay for the employee's share of applicable premiums, except that the employee may suspend participation in the Dependent Care Flexible Spending Account premium payment benefit on the last day of the pay period in which the employee's leave began. If the employee is not receiving pay from the Company during the leave, the employee may elect to continue participation in the medical, dental, vision, health care spending account and employee assistance program by (a) prepaying on a before-tax basis the employee's share of premiums for coverage during the leave; (b) paying such premium payments on an after-tax basis at the same time such payments would be made if done by payroll deduction, or to the extent possible on a before-tax basis; or (c) paying on a before-tax basis upon return from the leave the premium payment for coverage during the leave and adjusting salary reduction contributions accordingly for the balance of the applicable plan year. In addition, if the employee is not receiving pay from the Company during the leave, the employee may elect to continue

participation in the long-term disability, supplemental life insurance, dependent life insurance and supplement accidental death and dismemberment policies by paying premium payment benefits during the FMLA leave on an after-tax basis. Participation in the Dependent Care Flexible Spending Account premium payment benefit are suspended during unpaid leave. Employees should contact Human Resources to make arrangements for remitting any such premium payments.

For the duration of any period of leave during which the employee is not receiving pay from the Company, the employee will not continue to accrue PTO.

Use of FMLA leave will not result in the loss of any employment benefit that had accrued at the time the leave began.

#### Failure to Return from Leave

- The failure of an employee to return to work upon the expiration of FMLA leave may be treated as a resignation unless the employee has requested and been granted additional leave under this FMLA policy (assuming the employee has not yet exhausted his/her FMLA leave entitlement) or the employee is eligible for and has been granted additional non-FMLA leave under other applicable Company leave policies, or as otherwise may be required by applicable law.
- If an employee fails to return to work after FMLA leave is exhausted or expires, the Company may recover the group health care premiums it paid during any unpaid portion of FMLA leave, unless failure to return to work is due to the continuation, recurrence or onset of the employee's or qualifying family member's serious health condition, or serious injury or illness of a covered servicemember, or other circumstances beyond the employee's control.

#### Notice

Employees needing FMLA leave must provide sufficient information about the reasons for the needed leave to make the Company aware the leave may be FMLA-qualifying, and of the timing and anticipated duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for Military Caregiver or Qualifying Exigency leave. Employees also must inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified.

Employees seeking leave generally must provide notice within the following time frames:

- If the leave is foreseeable: 30 days' notice before the leave is to begin, or as soon as practicable.
- If the leave is not foreseeable: As soon as practicable.

Generally, "as soon as practicable" means that absent unusual circumstances, employees must comply with the Company's normal notice and procedural requirements for requesting leave,



including the Company's call-in policies for reporting absences/tardiness. Absent unusual circumstances, failure to comply with the Company's policies may result in the delay or denial of FMLA leave and/or appropriate disciplinary action up to and including termination, consistent with applicable Company policies and practices.

### Certification

If the leave is for an employee's or a qualifying family member's serious health condition, medical certification to support such leave is required. Such certification must be submitted within 15 calendar days after the Company's request. Failure to provide such medical certification may result in delay of leave and/or the leave not qualifying as FMLA leave and therefore considered an unauthorized absence, subjecting the employee to appropriate disciplinary action consistent with applicable Company policies and practices. The Company may require, at its own expense, additional medical opinions for leaves requested for an employee's or a qualified family member's serious health condition. In addition, the Company may request periodic recertifications of the serious health condition and/or status reports on the employee's intent to return to work.

The Company also may require certification to support Qualifying Exigency or Military Caregiver leave. Such certification must be submitted within 15 days of the Company's request. Failure to provide such certification may result in delay of leave and/or the leave not qualifying as FMLA leave and therefore considered an unauthorized absence, subjecting the employee to appropriate disciplinary action consistent with applicable Company policies and practices.

For additional information about the FMLA, see the U.S. Department of Labor Notice, "Employee Rights and Responsibilities Under the Family and Medical Leave Act," available at <http://www.dol.gov/whd/regs/compliance/posters/fmla.htm>.

### **California Family Rights Act**

The California Family Rights Act ("CFRA") provides for periods of unpaid leave which may overlap with FMLA leave depending on the reason for the leave. CFRA and/or FMLA leave will be approved for California employees under the following circumstances:

- A qualifying exigency relating to a close family member's military service (FMLA)
- Up to 26 weeks per 12-month period to care for an ill or injured servicemember (FMLA)
- Pregnancy-related disability (FMLA)
- Bonding with a newborn, an adopted child or a child placed in foster care with an Employee (FMLA/CFRA or CFRA only)
- Caring for a family member with a serious health condition (FMLA/CFRA)
- The Employee's own serious health condition (FMLA/CFRA)

- Caring for a registered domestic partner with a serious health condition. A registered domestic partner is a person who is part of a couple that is registered with the Secretary of State (CFRA)

An Employee who is the spouse, son, daughter, parent, or next of kin of a covered servicemember is entitled to a total of 26 workweeks of leave during a single 12-month period to care for the servicemember (FMLA/CFRA for 12 weeks if the care provider is eligible for both, followed by 14 weeks of (FMLA only), or 26 weeks of FMLA only if leave is not CFRA covered leave).

Unless otherwise prohibited by federal or state law, such as in the case of Pregnancy Disability Leave (PDL), FMLA and CFRA leaves will run concurrently.

### **Non-FMLA Medical and Non-FMLA Personal Leaves of Absence Policy**

#### Available Leave and Amount of Leave

Employees who are not eligible for FMLA leave, or who have exhausted their FMLA entitlement and need additional leave, or who seek leave for a compelling reason not covered by the FMLA may request Non-FMLA Medical leave and/or Non-FMLA Personal leave. Non-FMLA Medical leave may be granted for an employee's own work-related or non-work-related illness, injury or disability, including pregnancy-related disability. Non-FMLA Medical leaves generally shall not exceed a total of twelve (12) weeks, except as otherwise may be required by applicable law, including the Americans with Disabilities Act and parallel state laws. Non-FMLA Personal leaves may be granted at the Company's sole discretion and will be considered based on factors such as the reason for and expected duration of the leave, the employee's work record, and the impact on the Company's operations. Non-FMLA Personal leaves generally shall not exceed a total of twelve (12) weeks.

The combined total of any Non-FMLA Medical, Non-FMLA Personal leave and/or any FMLA leave, or state family/medical leave generally shall not exceed a total maximum of twenty-six (26) weeks in any rolling 12-month period, measured backward from the date any such leave is used, except as otherwise may be required by applicable law, including but not limited to the Americans with Disabilities Act.

#### Certification/Documentation

Employees requesting Non-FMLA Medical leave must provide appropriate medical certification to support the need for leave. This certification must include but is not limited to: a statement of appropriate medical facts regarding the health condition for which leave is requested; information sufficient to establish the employee is unable to perform his or her job; the probable duration of the health condition; and an estimated return to work date. The Company also may require periodic updated medical reports and/or continuing proof of disability at any time. Employees returning from Non-FMLA Medical leave will be required to provide medical certification that they are able to return to work. Where job-related and consistent with business necessity, the Company also may require the employee to submit to a medical examination by a physician selected by the Company, including an examination regarding the need for leave and/or a fitness-for-duty return to work examination.

The Company also may require medical certification to support the need for Non-FMLA Personal leave when an employee requests leave to care for an ill or injured family member, and also may require documentation as the Company may deem appropriate in its discretion to support a request for leave for other personal reasons.

If the Company later discovers that the employee has misrepresented the reason for leave or is engaging in any activity other than stated, the Company may cancel the leave and discipline the employee accordingly, up to and including discharge.

#### Paid/Unpaid Leave

Non-FMLA Medical and Non-FMLA Personal leaves will be unpaid except that:

- Employees are required to use available accrued paid sick, personal and/or vacation time (if applicable) for otherwise unpaid leave. The substitution of such accrued paid time is determined by the terms and conditions of the applicable policy, unless the Company, at its discretion waives such requirements.
- Employees may be eligible for short-term disability payments if eligible under the terms and conditions of the applicable policy.
- Employees on leave due to off-the-job injuries or illnesses may be eligible for disability benefits under applicable state law.
- Employees who are on Non-FMLA Medical Leave due to work-related injuries or occupational illnesses may be eligible for workers' compensation benefits.

#### Benefits During Leave

While on Non-FMLA Medical Leave or Non-FMLA Personal Leave, except as otherwise provided herein, the Company will maintain the employee's coverage under the Company's group health plan and other welfare benefits on the same terms and conditions as if the employee had continued to work during the leave period. For periods of leave during which the employee is receiving pay from the Company, payroll deductions will continue to be taken from the employee's pay for the employee's share of applicable premiums, except that the employee may suspend participation in the Dependent Care Flexible Spending Account premium payment benefit on the last day of the pay period in which the employee's leave began. If the employee is not receiving pay from the Company during the leave, the employee may elect to continue participation in the medical, dental, vision, health care spending account, employee assistance program, long-term disability, supplemental life insurance, dependent life insurance and supplement accidental death and dismemberment policies by paying premium payment benefits during the leave on an after-tax basis. Participation in the Dependent Care Flexible Spending Account premium payment benefit are suspended during unpaid leave. Employees should contact Human Resources to make arrangements for remitting any such premium payments.

### Failure to Return from Leave

- The failure of an employee to return to work upon the expiration of Non-FMLA Medical or Non-FMLA Personal leave may be treated as a resignation.
- If an employee fails to return to work after leave is exhausted or expires, the Company may recover the group health care premiums it paid during any unpaid portion of the leave, unless failure to return to work is due to the continuation, recurrence or onset of the employee's or qualifying family member's serious health condition, or serious injury or illness of a covered servicemember, or other circumstances beyond the employee's control.

### Notice

Employees seeking Non-FMLA Medical or Non-FMLA Personal leave must provide information about the reasons for the needed leave and of the timing and anticipated duration of the leave. Generally, employees must provide notice within the following time frames:

- If the leave is foreseeable: 30 days' notice before the leave is to begin, or as soon as practicable.
- If the leave is not foreseeable: As soon as practicable.

Generally, "as soon as practicable" means that absent unusual circumstances, employees must comply with the Company's normal notice and procedural requirements for requesting leave, including the Company's call-in policies for reporting absences/tardiness. Absent unusual circumstances, failure to comply with the Company's policies may result in the delay or denial of leave and/or appropriate disciplinary action up to and including termination, consistent with applicable Company policies and practices.

### Return From Leave

Following an approved Non-FMLA Medical or Non-FMLA Personal leave, the Company will make efforts to restore the employee to his or her former position or to another position, if one is available, for which the employee is qualified. However, unless otherwise mandated by applicable law, there is no guarantee of reinstatement.

### **Pregnancy Disability Leave**

Under California law, if you are disabled by pregnancy, childbirth, or related medical conditions, you are eligible to take a pregnancy disability leave (PDL). If you are affected by pregnancy or a related medical condition, you are also eligible for reasonable accommodations (such as temporarily modifying your work duties, providing you with a stool or chair, allowing more frequent breaks) or to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if this transfer is medically advisable. PDL is for any period(s) of actual disability caused by your pregnancy, childbirth, or related medical conditions up to four months (the working days you would usually work in one-third of the year or 17 1/3 weeks) per pregnancy. PDL does not need to be taken in one continuous period of time, but can be taken on an as needed

basis, as required by your health care provider, including intermittent leave or a reduced work schedule, all of which counts against your four-month entitlement to leave. Time off needed for prenatal or postnatal medical appointments, severe morning sickness, gestational diabetes, pregnancy-induced hypertension, preeclampsia, doctor-ordered bed rest, childbirth and recovery from childbirth or loss or end of pregnancy, and/or post-partum depression would all be covered by your PDL. PDL runs concurrently with leave taken under the FMLA.

You will be required to obtain certification from your health care provider of your pregnancy disability or the medical advisability for a transfer. The certification should include:

- the date on which you became disabled due to pregnancy or the date of the medical advisability for the transfer.
- the probable duration of the period(s) of disability or the period(s) for the advisability of the transfer; and
- a statement that, due to the disability, you are unable to work at all or to perform any one or more of the essential functions of your position without undue risk to yourself, the successful completion of your pregnancy or to other persons or a statement that, due to your pregnancy, the transfer is medically advisable.

PDL leave is generally unpaid; however, you will be required to use any accrued PTO during PDL. You may be also eligible for state disability insurance during your PDL. In addition, your health benefits coverage will be continued during your PDL at the level and under the conditions that coverage would have been provided if you continued your employment continuously for the duration of your leave.

When you are ready to return to work after PDL, you will be reinstated to your job or a comparable job, except for legitimate business reasons as permitted by law.

### Pay and Benefits During Leave

While you are on an approved Family and Medical Leave, CFRA Leave, or PDL Leave, the Company will maintain your coverage under the group health plan and other welfare benefits under the same terms and conditions as if you had continued to work during the leave period. For periods of leave where you are receiving pay, payroll deductions will continue to be taken from your paycheck. If you are not receiving pay during the leave, you may elect to continue participation in the group health plan by paying your portion of the premium each month you are out or paying upon your return from leave through a pay reduction agreement. Employees should contact the Human Resources Department to discuss the status of their benefits and payment of same before any leave of absence begins.

## Bereavement Leave

If there is a death in an employee's immediate family, the employee may be granted paid time off up to three (3) days to cover absences on the days the employee is normally scheduled to work. This paid time off is available to all regular full-time employees and is based on the hours the employee would have been scheduled to work on the days that are missed. Employees may take an additional two (2) days of unpaid bereavement leave. Employees may use available vacation time/PTO or paid sick leave during otherwise unpaid bereavement leave.

For the purpose of this policy, immediate family includes the employee's spouse, domestic partner, parents, children (including adopted children, stepchildren, or other children legally in their care), sisters, brothers, grandparents, grandchildren, mother- or father-in-law, and daughter- or son-in-law, sister- or brother-in-law.

The employee's supervisor and Human Resources must be notified as soon as possible if the employee needs time off for bereavement.

An employee may request approval for additional time off to be charged against accrued unused PTO time. If no accrued PTO is available for the requested additional time off, Human Resources may approve leave without pay.

Bereavement leave is paid on a regular, straight-time basis and is not counted as hours worked when computing overtime.

The days of bereavement leave need not be consecutive. Bereavement leave should be completed within three months of the date of death of the family member.

## Reproductive Loss Leave

Employees are entitled to up to up to five (5) days of reproductive loss leave following a reproductive loss event. A "reproductive loss event" means the day or, for a multiple-day event, the final day of a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction.

Leave must be taken within three (3) months of the event, except if, prior to or immediately following a reproductive loss event, an employee is on or chooses to go on leave from work pursuant to the California Family Rights Act ("CFRA"), the California Pregnancy Disability Leave law, or any other leave entitlement under state or federal law, the employee shall complete their reproductive loss leave within three months of the end date of the other leave, and pursuant to any existing leave policy of the employer. The days an employee takes for reproductive loss leave may be nonconsecutive.

If an employee experiences more than one reproductive loss event within a 12-month period, the total amount of reproductive loss leave an employee is allowed to take is 20 days within a 12-month period. Reproductive loss leave is unpaid; however, employees may use accrued and available paid sick leave.

Leave taken pursuant to this policy is separate from any leave right under the California Fair Employment and Housing Act and will not run concurrently with any leave taken for CFRA.

The Company will not retaliate against any employee because of their exercise of the right to reproductive loss leave or the giving of information or testimony as to reproductive loss leave. The Company will maintain employee confidentiality relating to leave taken under this policy.

Leave under this policy will not run concurrently with any leave taken for CFRA.

### **Military Leave**

Military leave is protected under the Uniformed Services Employment and Reemployment Rights Act (USERRA) and shall be granted in accordance with applicable law. All regular employees who are members of the United States uniformed services are eligible for leave for the performance of duty on a voluntary or involuntary basis, including the following:

- Active duty
- Active duty for training
- Initial Active duty for training
- Inactive duty for training
- National Guard duty under federal statute
- Absence from work for an examination to determine a person's fitness for any of the above types of duty
- Funeral honors duty as authorized by law
- Service as an intermittent disaster response appointee of the National Disaster Medical System when federally activated or attending authorized training in support of their federal mission.

The uniformed services consist of the following:

- Army, Navy, Marine Corps, Air Force, or Coast Guard
- Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve
- Army National Guard or Air National Guard
- Commissioned Corps of the Public Health Service
- Any other category of persons designated by the President in time of war or emergency

Regular full-time employees will be eligible for the difference between the military pay and Company pay, for no more than two weeks in a calendar year and for no more than two weeks in connection with the start of any one period of military leave (the “Pay Differential Period”), in the following instances:

- When required to attend an annual military training program of the U.S. Uniformed Services, Reserves or National Guard; or
- If reservist is ordered to perform emergency duty for disaster relief or national/international crisis.
- The employee is called to active duty.

Following the depletion of the Pay Differential Period, military leave is unpaid.

Employees serving extended military duties in the Uniformed Services of the United States that exceed ten working days can be placed on a military leave of absence for a period of as long as five years and will be entitled to the rights and benefits described below, subject to the procedures outlined below.

Upon receipt of orders for active or reserve duty, an employee should notify his or her immediate supervisor and/or Human Resources as soon as possible and provide, where feasible, a copy of the orders directing the military duty. No notice is required if the employee is prevented from doing so by military necessity.

Employees on military leave may, at their option, use any or all paid vacation or personal leave that has accrued before the beginning of their military service to supplement unpaid military leave during their absence.

An employee on extended military leave may elect to continue group health insurance coverage for the employee and covered dependents under the same terms and conditions for a period not to exceed thirty-one (31) days from the date the military leave of absence begins. The employee must pay, per pay period, the premium normally paid by the employee. After the initial thirty-one (31) day period, the employee and covered dependents can continue group health insurance for a period of up to twenty-four (24) months at 102% of the overall (both employer and employee) premium rate.

Employees do not accrue vacation, personal leave, or sick leave while on military leave of absence status.

At the conclusion of the leave, upon the satisfaction of certain conditions, including providing certain documentation, an employee generally has a right to return to the position he or she would have attained had he or she not been absent for military service with the same seniority, status and pay, as well as other rights and benefits determined by seniority.

The Company recognizes that certain states may have additional requirements pertaining to military leave and will comply with all applicable laws.



### **Jury or Witness Duty Leave**

California law protects employees who need to take time-off to serve on a jury or appear in court to comply with a subpoena or serve as a witness. The Company complies with all applicable laws regarding jury duty and pay. Employees who receive a jury duty summons must submit a copy of the summons to their supervisor.

Time served on jury duty will not be considered vacation or any other type of leave. Employees must report to work immediately on dismissal of the jury, including any dismissals during the course of the duty, and should give their supervisor a copy of the record of jury service the Court provides.

Jury or Witness Duty is unpaid.

### **Voting**

The Company encourages every employee to take the opportunity to vote in local, state and federal elections. If an employee's work schedule does not allow him or her sufficient time to vote outside of regular working hours, the employee should contact his or her supervisor or Human Resources to coordinate alternative arrangements.

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give the Company at least two (2) days' notice.

### **Organ and Bone Marrow Donor Leave**

Employees are entitled to up to thirty (30) business days of paid time off in any one-year period for the purpose of serving as an organ to another person. An employee may also take up to five (5) business days of paid time off to donate bone marrow to another person. Employees must be employed by the Company for at least 90 days immediately preceding the commencement of leave and request leave in writing. Employees serving as an organ donor are eligible for an additional unpaid leave of absence of up to 30 business days in a one-year period, following the 30 business days of paid leave.

When available, you must utilize up to five days sick or vacation time for initial bone marrow donation leave and up to two weeks for initial organ donation leave.

Leave under this policy will not run concurrently with any leave taken for FMLA or CFRA. To receive the leave of absence, you must provide a written medical certification.

## **DOMESTIC VIOLENCE, SEXUAL ASSAULT, STALKING AND OTHER INJURED VICTIMS LEAVE**

Employees who are victims of domestic violence, sexual assault or stalking, employees who are victims of other crimes or offenses that caused physical injury or caused mental injury and a threat of physical injury and employees whose immediate family member is deceased as the direct result of a crime may take time off from work for any of the following purposes:

- To obtain or attempt to obtain any relief, including a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or their child.
- To seek medical attention for injuries caused by crime or abuse.
- To obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency because of the crime or abuse.
- To obtain psychological counseling or mental health services related to an experience of crime or abuse.
- To participate in safety planning and take other actions to increase safety from future crime or abuse, including temporary or permanent relocation.

Employees may use vacation pay or paid sick leave for this time off. The employee will be asked to provide notice when possible and, in some circumstances, certification of the need to take leave under this policy.

The Company will also provide reasonable accommodations for a victim of domestic violence, sexual assault, and/or stalking who requests an accommodation for the victim's safety while at work. The Company will engage in a timely, good faith, and reasonable process with the employee to determinate effective reasonable accommodations.

The Company will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave or accommodations under this provision. Further information regarding these rights is available from Human Resources and at [https://www.dir.ca.gov/dlse/Victims\\_of\\_Domestic\\_Violence\\_Leave\\_Notice.pdf](https://www.dir.ca.gov/dlse/Victims_of_Domestic_Violence_Leave_Notice.pdf).

## **CRIME VICTIMS LEAVE FOR JUDICIAL PROCEEDINGS**

An employee who is the victim of a crime, or an immediate family member of a victim, may take leave from work in order to attend judicial proceedings related to the crime or related to the rights of the victim. An immediate family member is defined as: a spouse, registered domestic partner, child, stepchild, child of a registered domestic partner, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather. The employee must provide notice and documentation of the scheduled proceeding. If advance notice is not possible, the employee must provide appropriate documentation within a reasonable time after the absence. Any absence from work to attend judicial proceedings will be unpaid, unless the employee chooses to take paid time off, such

as accrued vacation time. The Company will maintain the confidentiality of any records regarding an employee's absence from work pursuant to this section.

### **Volunteer/Reserve Civil Service Leave**

No employee will be disciplined for taking time off to perform emergency duty as a volunteer firefighter or reserve peace officer or emergency rescue personnel. Employees are also eligible for unpaid leave for required training, including emergency rescue training. Employees who are official volunteer firefighters or reserve peace officers or emergency rescue personnel should alert Human Resources that they may need to take time off for emergency duty or training.]

### **School Appearance Leave**

If you are the parent or guardian of a child who is subject to disciplinary action and you are required to appear at the child's school, you may take time off without pay if you provide reasonable advance notice to Human Resources of the need for time off.

### **School and Childcare Activities Leave**

Employees who are the parent, guardian, stepparent, foster parent, grandparent or person standing *in loco parentis* to a child in grades K-12, or of a child attending a licensed daycare facility, are allowed up to 40 hours of leave without pay per calendar year to participate in activities of their child's school or childcare provider. This leave should not exceed eight hours in any calendar month. Requests for such leave must be made in advance of the planned absence and employees must provide documentation from the school or day care facility as proof of their participation in school or day care activities. If more than one parent is employed at the same worksite, the Company may limit the absence to the parent who first gave notice.

## **PART IV. BENEFITS**

The Company offers a wide range of benefits to eligible employees. Currently these benefit plans and programs include group medical, dental and vision coverage, life insurance, accidental death and dismemberment, short-term disability, long-term disability and a 401(k) plan. Information about these plans and programs, including eligibility requirements and cost to employees, where applicable, are provided in the governing plan and trust documents and related insurance contracts, and are available through Human Resources.

Other current employee benefits are described in this section. All of the Company's employee benefit plans and programs are subject to change, suspension, termination or cancellation by the Company in whole or in part, at any time, at the Company's sole discretion.

Part-time employees and temporary employees are not eligible for Company benefits unless specifically provided otherwise in a Company policy or in the terms of the governing documents of a benefit plan or program or unless mandated by applicable law.

## **Holidays**

The Company currently recognizes the following paid holidays:

- New Year's Day
- Floating Holiday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving
- Friday After Thanksgiving
- Christmas Eve Day
- Christmas Day
- Floating Holiday

All regular full-time non-exempt employees will receive 8 hours of holiday pay at their base pay rate. Holiday pay for regular part-time employees will be prorated in accordance with their hours of employment. Holiday pay will be counted as hours worked for purposes of computing overtime.

Floating Holiday will be scheduled at the company's discretion.

In the event a paid holiday occurs during an employee's scheduled vacation, the employee will be paid "holiday" pay for that day and it will not be counted as a vacation day.

When a holiday falls on a Saturday, the preceding Friday will be observed as the holiday. When the holiday falls on a Sunday, the following Monday will be observed as the holiday.

## **Paid Time Off**

Reliable attendance by our employees is critical to Kirkhill Inc.'s business goal of maximizing productivity.

The Personal Time Off (PTO) plan has been developed to ensure that employees can use Company-paid leave time to their best personal advantage, consistent with business needs. PTO combines sick leave and vacation into one pool, allowing employees to control available time to meet their individual needs. PTO can be used for vacation, personal or family illness, personal business, scheduled plant shutdowns, inclement weather, or in conjunction with our Bereavement Policy.

Employees are expected to budget their paid leave wisely, reserving sufficient time for scheduled plant shutdowns, unexpected illnesses, and emergencies. Leave without pay (LWOP) to supplement allotted PTO is strongly discouraged and unexcused absences will generally trigger disciplinary action that could ultimately result in termination of employment. Under exceptional circumstances, leave without pay (LWOP) requests will be considered in cases of unanticipated major illnesses or other compelling reasons. Employees who require leave for a disability or their own or a family member's serious health condition should refer to Reasonable Accommodation Policy and/or FMLA Leave Policy.

For non-exempt/ "hourly" employees, all time off more than fifteen minutes will be counted as PTO. When PTO is exhausted, this time will be recorded as time off without pay. PTO must be approved by the supervisor prior to use unless time is being used for an unforeseen illness.

**PTO Eligibility** — This policy applies to all Kirkhill regular full-time employees.

**PTO Accrual** — PTO accrual begins on the date of hire and is credited to an employee's account each pay period. PTO balances will be shown each pay period on employees' paychecks. The rate of accrual depends on your length of continuous service with the Company, including service at any Kirkhill operating unit.

Years Of Employment	Hours Accrued Per Year	Hours Accrued Per Pay Period	Weeks Accrued Per Year
0 – 5	96	3.70	2.4
6 – 15	144	5.55	3.6
16 or more	200	7.70	5.0

PTO accrual is suspended during unpaid Family & Medical as well as unpaid Personal Leaves of Absence.

**PTO for Part-Time Employees** — All employees working a minimum of 30 hours per week are eligible to accrue and to take PTO. PTO for part-time employees working a minimum of 30

hours per week is pro-rated based upon the actual number of hours worked per week divided by 40. Those working fewer than 30 hours a week do not accrue PTO.

**PTO Scheduling** — Except for illness or matters of urgency, all PTO must be scheduled prior to use and is subject to supervisor approval. Planned PTO must be requested with at least two (2) notice. Employees who fail to request PTO in advance will be subject to disciplinary action up to and including termination. Supervisors are responsible for approving PTO requests and maintaining a sound departmental schedule.

Production hourly and non-exempt employees may take PTO in one-minute increments as approved by their supervisor. Exempt employees may take PTO in two (2) hour increments.

Employees may not overdraw/go negative with their PTO account.

**Unplanned Use of PTO** — In cases of illness or emergency, employees may need to be absent or tardy unexpectedly. Whenever this occurs, employees are required to call the attendance hotline and their supervisor at least one hour before the beginning of their work shift. This requirement to “call in” applies even if the employee has no available PTO. If the supervisor is unavailable, the supervisor’s manager or the Human Resources department must be contacted.

Unplanned absenteeism should be held to a minimum. Employees with excessive unplanned unexcused absenteeism (even when they have PTO in the accrual bank) will be subject to appropriate disciplinary action.

The failure to notify the supervisor when absent for three consecutive days will be considered a voluntary resignation.

**Leave Without Pay** — In unusual circumstances, leave without pay (LWOP) may also be available as a rare exception to the policy. PTO accrual is suspended during periods of leave without pay. Employees must exhaust all available PTO hours prior to taking leave without pay. Industrial Illness/Injuries and medical leaves are an exception to this requirement. Employees on pregnancy disability leave may, but are not required to, exhaust all available PTO prior to taking LWOP.

**PTO Carryover** — Although everyone is encouraged to take vacation annually, employees may accumulate and carry over to subsequent years, up to twice their current years’ PTO accrual, as determined by their length of service.

No more than the equivalent of two years’ worth of PTO benefits can be accrued at any given time. Once the two-year total is reached, PTO accruals cease. No additional accrual is allowed until the accrued balance drops below two years. You may only take pay in lieu of vacation once per year up to 50% of your PTO balance.

**Overtime Computations and PTO** — PTO will not be counted as hours worked in computing overtime pay for production hourly and non-exempt employees. PTO is paid at the employee’s regular rate of pay.

**Workers Compensation and PTO** — Employees who receive workers' compensation benefits may draw on PTO leave for the waiting period.

**Terminating Employees and PTO** — Terminating employees will receive pay for all accumulated, but unused PTO hours. Terminating employees include those who resign are discharged or laid off.

### **Extended Sick Leave**

Extended Sick Leave was established to provide employees with added income protection during serious illness or disability. The benefit begins after applying 80 hours of PTO toward a qualifying event (FMLA approved leave). Additionally, there is a ten-day waiting period for each new illness or absence. You may use accrued PTO and/or unpaid leave during this period.

**Eligibility** — This policy applies to all full-time, non-temporary Kirkhill employees.

**Requirements** — Extended Sick Leave should be used after applying 80 hours of PTO to a qualifying event. If you do not have 80 hours of PTO, you must exhaust your PTO balance.

If you do not have any PTO hours available, there is still a ten-day waiting period for each new illness or absence.

Extended Sick Leave may be used only for instances of personal illness, or for the illness of a child, stepchildren, or other children legally in the employee's care, spouse, siblings, registered domestic partner, parent or child of a registered domestic partner, grandparent, grandchild where the need for care has been documented by a physician.

A physician's statement documenting the care required and estimated date of recovery is to be submitted with the request for use of Extended Sick Leave. The Company reserves the right to obtain another medical opinion and to require periodic reports during the leave regarding the employee's status and probable return date.

**Accrual** — Extended Sick Time accrues at the rate of 40 hours per year, or 1.54 hours per pay period. The maximum accrual is 260 hours.

Extended Sick Leave accrual begins the first month following your date of hire and is credited to an employee's account each pay period. Extended Sick Time accounts for new hires are established with an initial balance of 40 hours.

Extended Sick Leave accrual and PTO accrual is suspended during all periods of leave with or without pay.

**Part Time and Temporary Employees** — Part-time and temporary employees are not eligible for Extended Sick Time.

**Procedures for Using Extended Sick Leave** — Employee requests Medical or Family Leave of Absence from Human Resources by submitting a physician's statement documenting the care

required, and estimated recovery date, pursuant to the FMLA leave policy when applicable. Human Resources notifies employee of their balances.

Human Resources and Supervisor approve the Leave of Absence.

Human Resources prepares and sends the leave of absence confirmation letter to the employee.

Payroll issues paychecks to the employee on Leave of Absence, first utilizing 80 hours of PTO if accrued and ensuring the ten-day waiting period has been met. After requirements are met, allowable Extended Sick Leave will be applied. When Extended Sick Time has been exhausted, leave without pay will commence.

Upon return from leave, Employee brings release notice to Human Resources if leave was for Employee's own medical condition.

**Benefits During Extended Sick Leave** — Employee benefits are maintained in full force during use of Extended Sick Leave, provided that regular employee premiums/contributions remain current, where applicable.

Extended Sick Time hours are considered paid time for benefit accrual, pension and length of service purposes.

**Limitations with Extended Sick Leave** — Employees may not receive pay in lieu of Extended Sick Leave hours.

While employees may use Extended Sick Leave for industrial injuries/illnesses, they may not receive Extended Sick Leave and Workers' Compensation time loss benefits concurrently.

**Termination and Extended Sick Leave** — Terminating employees will not be paid for Extended Sick Time hours.

### **Travel Policies and Expense Reimbursement Guidelines**

Please see GP-009 for details about the Company's Travel Policies & Expense Reimbursement Guidelines.

The Company reimburses employees who incur business expenses in the course of their work. Such expenses might include automobile mileage, business lunches, certain supplies, or travel expenses and are necessary in the performance of your duties.

If you have questions about what constitutes a reimbursable expense, check with your supervisor before making the expenditure.

As soon as possible after making the expenditure(s), you should fill out a current expense report form and submit it to your supervisor for approval, together with all appropriate receipts. Your supervisor will review the form for approval before routing it the accounting department for the issuance of a reimbursement in the next payroll cycle.



## **Educational Reimbursement Assistance**

Kirkhill encourages employees to further their education with assistance from the company's tuition reimbursement program. The program provides up to \$5,250 in annual tuition reimbursement for undergraduate and graduate courses.

### **Eligibility**

1. Employees become eligible to apply for tuition reimbursement after one year of full-time employment.
2. Courses must relate to the employee's current job, or more generally support the success of the business.
3. All courses must be taken at an accredited two or four-year college, university, or technical school. Employees should choose the most cost-effective program.
4. A course of study designed to lead to a degree or certificate are generally preferred over isolated coursework.
5. Correspondence courses or distance learning programs qualify only in unusual circumstances where an employee's frequent business travel, or similar work demands make classroom attendance impossible for a temporary period.
6. Reimbursement is limited to a maximum of two courses per term.
7. There is a minimum tenure of two years past the completion of any courses or degree programs.

### **Procedure**

1. Employees must complete the Application for Tuition Reimbursement from Human Resources and submit it for approval in advance of course registration. The application must be approved by the employee's supervisor, the next-level manager, and by human resources.
2. After the employee registers, the company will advance half the employee's out-of-pocket costs for tuition, fees, and books based on receipts for actual expenses. The employee must refund this advance if s/he does not complete the course, or otherwise fails to qualify for reimbursement, as explained below.
3. On completion of the course, the employee should submit a copy of his/her grade report or transcript to human resources.

## Reimbursement

1. The amount of tuition reimbursement depends on the grade the employee earned in the course, as follows:

<u>% Reimbursement</u>	<u>Grade</u>
100%	A
85%	B
65%	C
0%	Lower than C

2. Tuition reimbursement applies to actual, out-of-pocket costs only, and is net of any other source of scholarship or student aid funding the employee might receive.
3. Employees are advanced 50% of the total cost; and subsequently reimbursed per the policy above.
4. The employee will receive no reimbursement, and must refund any monies advanced under this policy if s/he:
  - A. Does not complete the course within the same term the course began; or,
  - B. Resigns or is discharged before completing the course
  - C. Resigns or is discharged within two years after completion of the course

## **PART V. TECHNOLOGY AND PRIVACY POLICIES**

### **California Consumer Privacy Act Notice – Collection of Employee Information**

The Company collects personal information (PI) from you in connection with your employment with the Company, for the Company's purposes including the following:

1. **Identifiers**: This may include but is not limited to: name, address, email address, social security number, and driver's license number. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, and (b) to process interactions, which may include managing employee job duties, payroll processing, administering and maintaining group health insurance benefits and evaluating performance.
2. **Personal Records**: This may include but is not limited to: telephone number, education and employment history, and bank account number. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, and (b) to process interactions, which may include managing employee job duties, payroll processing, administering and maintaining group health insurance benefits and evaluating performance.
3. **Personal Characteristics and Traits**: This may include but is not limited to: sex, marital status, veteran status, familial status, race, disability, and gender identity. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, and (b) to process interactions, which may include payroll processing, administering and maintaining group health insurance benefits.
4. **Commercial Information**: This may include but is not limited to: benefits records and records of reimbursements of expenses. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, and (b) to process interactions, which may include payroll processing, administering and maintaining group health insurance benefits.
5. **Biometric Information**: This may include but is not limited to: fingerprints, voiceprints, and retina scans. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, (b) to process interactions, which may include payroll processing, administering and maintaining group health insurance benefits and (c) security.
6. **Internet Usage Information**: This may include but is not limited to: browsing history and search history. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, (b) to process

interactions, which may include payroll processing, administering and maintaining group health insurance benefits and (c) security.

7. **Geolocation Data**: This may include but is not limited to: precise physical location or movements and travel patterns such as tracking equipment on vehicles or company issued devices. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, (b) to process interactions, which may include managing employee job duties, payroll processing, administering and maintaining group health insurance benefits and evaluating performance and (c) security.
8. **Sensory Data**: This may include but is not limited to: audio and/or visual recordings such as through security cameras in the workplace. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, (b) to process interactions, which may include managing employee job duties, payroll processing, administering and maintaining group health insurance benefits and evaluating performance and (c) security.
9. **Professional or Employment Information**: The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, (b) to process interactions, which may include managing employee job duties, payroll processing, administering, and maintaining group health insurance benefits and evaluating performance and (c) security.
10. **Non-public Education Records**: This may include but is not limited to: educational institution transcripts and records. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, and (b) to process interactions, which may include managing employee job duties, payroll processing, administering and maintaining group health insurance benefits and evaluating performance.
11. **Inferences from PI Collected**: This may include but is not limited to: profiles reflecting abilities and aptitudes and aptitude testing results. The Company collects this information (a) to perform operations and provide benefits, which may include payroll and other human resources functions, activities related to compliance with applicable laws and processing and providing benefits, and (b) to process interactions, which may include managing employee job duties and evaluating performance.

### **Use of Electronic Communication Systems and Equipment**

The Company's electronic communications technologies, equipment, systems and services, including but not limited to computers, e-mail, text messages, voicemail, facsimiles, pagers, Internet access, networks, personal digital assistants and/or mobile communication devices provided by the Company (collectively the Company's "electronic communications systems and equipment") is the property of the Company and, except for limited occasional personal use as

described in this policy, are to be used for legitimate business purposes. Abuse of the electronic communications systems and equipment may result in disciplinary action, up to and including termination.

**Prohibited Use.** The Company's electronic communications systems and equipment may not be used to disseminate, view, or store destructive code (e.g., viruses, trojan horse programs, etc.) or other similar unauthorized materials. Only Company employees are permitted to have access to the Company's computer network.

### **Use of Personal Devices**

The use of personal devices is prohibited on company networks. This includes laptops, smartphones, tablets, USB storage drives, or any other devices not owned by the company. Personal devices may not be used to access company applications, ERP systems, email systems, networks, computers, or any other company information systems. Personal files, documents, pictures, videos, etc. may not be stored on company networks or devices.

Occasional limited appropriate personal use of the electronic communications systems and equipment is permitted if such use does not: (a) interfere with the employee's or any other employee's job performance; (b) have an undue effect on the computer or the Company's network's performance; or (c) violate any policies, provisions, guidelines or standards of this policy or any other of the Company's policies, such as the Company's policies regarding Equal Harassment, Discrimination and Bullying, Employment Opportunity and Workplace Violence.

Any personal use of the Company's electronic communication systems and equipment, including any personal messages created, sent, or stored on these systems and equipment are treated no differently than any other use under all aspects of this policy, including that users should have no expectation of privacy with respect to personal use of these systems and equipment.

### **Discriminatory and Harassing Use Prohibited**

All electronic communications must be conducted in accordance with the Company's policies prohibiting harassment, discrimination, retaliation, workplace violence and similar inappropriate conduct. The Company's electronic communications systems and equipment shall not be used to create, circulate or access discriminatory, threatening, or harassing material. Among such prohibited materials are those which contain threats of violence, sexually explicit messages or pictures, racial slurs, or other materials that offensively address someone's sex, race, color, religion, national origin, age, disability, or other protected classification. This prohibition also includes, without limitation, accessing any Internet site containing sexually explicit or similar inappropriate material.

### **Intellectual Property**

Employees are responsible for complying with copyright law and applicable licenses that may apply to software, files, graphics, documents, messages, and other materials. Employees may not agree to a license or download any material for which a registration fee is charged without first obtaining the express written permission of IT Manager.

## Nondisclosure of Confidential and/or Proprietary Information

Unless expressly authorized to do so, employees are prohibited from sending, transmitting, or otherwise disclosing trade secrets and confidential and/or proprietary information, including but not limited to customer and vendor lists, software programs developed by the Company, blueprints or drawings of parts, equipment or systems, projects under development, development of systems, products, technology, internal business reports or other internal business-related confidential communications.

## Accessing the Internet

To ensure security and avoid the spread of viruses, employees accessing the Internet through any computer attached to the Company's network must do so through an approved Internet firewall or other security device. Bypassing the Company's computer network security by accessing the Internet directly by modem or other means is strictly prohibited.

## Frivolous Users

Computer resources are not unlimited. Network bandwidth and storage capacity have finite limits, and all employees connected to the network have a responsibility to conserve these resources. As such, employees must not deliberately perform acts that waste computer resources or unfairly monopolize resources to the exclusion of others. These acts include, but are not limited to, sending mass mailings or chain letters, spending excessive amounts of time on the Internet, playing computer games, uploading, or downloading large files, accessing streaming audio and/or video files, or otherwise creating unnecessary loads on network traffic associated with non-business-related uses of the Internet.

## Virus detection

Files obtained from sources outside the Company, including disks, portable storage media, USB flash drives, files downloaded from the Internet, newsgroups, bulletin boards, or other online services; files attached to e-mail, and files provided by customers or vendors, may contain dangerous computer viruses that may damage the Company's computer network. Employees should never download files from the Internet, open email attachments, attach or connect non-company devices, or use portable storage media or disks from non-Company sources, without first scanning the material with Company approved virus checking software. The company provides appropriate cybersecurity training, but employees are responsible for learning safe password, internet, and email practices, applying those practices diligently and faithfully, and reporting any risky or unsafe activities in the organization. If you suspect that a virus has been introduced into the Company's network, notify [IT] immediately. If you notice any abnormal or suspicious activities by other employees, activities that may pose risk of "internal threat", any systems or information that are not appropriately secured, or any systems or data that may have been inappropriately accessed, notify IT immediately. If you are unsure of what safe practices are, or need additional guidance on cybersecurity practices, contact the IT department.

## No Expectation of Privacy

All messages (including but not limited to e-mail, voicemail, and text), files and information composed, sent, contained/stored on, or transmitted or received via the Company's electronic communications systems and equipment are and remain the property of the Company. Users should not have any expectation that any such messages, files or information are private or confidential, even if users:

- Have individual accounts or passwords.
- Can store information/messages in "personal" folders.
- Maintain or use the Company's electronic communications systems and equipment in locked office spaces or under conditions that limit or restrict access to these systems and equipment by other users.
- Maintain or use the Company's electronic communications systems and equipment during non-business hours or on non-work premises.

## Company Monitoring of Electronic Communications Systems and Equipment

The Company has the right to monitor and access any and all aspects of its electronic communications systems and equipment as it deems necessary to conduct its business or protect its rights, property, and interests. Authorized Company representatives may inspect and disclose the contents of electronic messages in the course of such monitoring or any follow-up investigation as necessary. All files on the Company's electronic communications systems and equipment, including those which are password protected or marked personal, are subject to the Company inspection. Unauthorized or improper use of monitoring of the Company's electronic communications systems and equipment may lead to disciplinary action, including discharge.

By accessing and using the Company's electronic communications systems and equipment, all users, including employees, are deemed to have expressly and irrevocably given their consent to the Company to access, review, copy, use, monitor, record, and/or delete all such materials for any purpose and to disclose them to any party it deems appropriate including disclosure to law enforcement authorities.

Aside from the Company's right to retrieve, review or monitor any communications on the Company's electronic communications systems and equipment, such communications should be treated as confidential by other users. ONLY the recipient to whom they are addressed should access them. Users are not authorized to retrieve or read any electronic communications that are not addressed to them. Users are prohibited from the unauthorized use of the access codes or passwords of other employees to gain access to their computers, e-mail and voicemail messages. Any exception to this paragraph of the policy must receive prior approval in writing from IT Department.

### Blocking sites with inappropriate content

The Company has the right to use the software that makes it possible to identify and block access to Internet sites containing sexually explicit, pornographic, violent, racist or other similar material deemed, in Management's sole discretion, to be inappropriate in the workplace.

### Notification and Violations

Any user who discovers a violation of this policy shall notify Human Resources.

Any violations of this policy may result in disciplinary action up to and including termination. If necessary, the Company will advise appropriate legal authorities of any illegal activities conducted using the electronic communication systems and equipment.

### **Social Media and Networking**

The Company recognizes that social media offers benefits and carries risks—both when it is used for business purposes and in our personal lives. Accordingly, the following guidelines for the appropriate use of social media should guide you if you contribute to and participate in any social media or social networking.

In the rapidly expanding world of electronic communication, “social media” and “social networking” can mean many things and includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the Company, as well as other forms of electronic communication. The term “social media” or “social networking” refers to a broad range of activities that integrate technology, social interaction and the sharing of words, pictures, videos, and audio, such as Facebook, Twitter, YouTube, blogs, wikis, message boards, and product reviews.

Do not use social media while on work time unless it is work-related as authorized by your manager. Do not use your Company email addresses to register on social networks, blogs or other online tools utilized for personal use. When selecting an account name, screen name or handle, do not use the Company's name.

As co-workers, we need to be accountable for how we represent and communicate about our business, whether it's in person, on the phone, in print, or online. Before you post information online that relates to the Company, be familiar with our Company policies and values such as our Equal Employment Opportunity, Anti-Harassment, Ethics, Workplace Violence, and similar policies. Be thoughtful about what you share and how you share it. Keep in mind that postings or conduct that violates Company policies may result in disciplinary action up to and including termination.



**These guidelines summarize the Company's expectations regarding social media/social networking:**

- **Respect Trade secrets/private/confidential information.** Maintain the confidentiality of the Company's trade secrets and confidential and proprietary information. This may include information regarding promotional and marketing ideas and techniques, sales/marketing strategies, development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures, or other internal business-related confidential communications.
- **Be accurate, truthful, and respectful in your posts.** Always be fair and courteous to co-workers, customers, suppliers, or others who work with or on behalf of the Company. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by utilizing our Open Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as maliciously false, obscene, threatening, harassing, intimidating, or bullying. Examples of such conduct might include offensive posts that could contribute to a hostile work environment based on race, sex, disability, religion, or any other status protected by law or Company policy.
- **Accountability.** Remember that individuals can be held personally accountable for comments deemed to be maliciously false, obscene, discriminatory, harassing, or threatening violence, whether they pertain to the Company, another company, including competitors, or another person, including a manager or co-worker. Carefully read these Guidelines and other Company policies including policies against discrimination, harassment and workplace violence and ensure that your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.
- **Assume that anyone can see what you post.** The Internet is fully searchable, which means that anyone with an Internet connection including our customers, competitors and fellow co-workers can find even the most obscure information.
- **Use a personal email address.** Always use a personal e-mail address (not a Company email address) as your primary means of identification and contact information in your profile on these sites.
- **Intellectual property.** Respect all copyright and other intellectual property laws. For the Company's protection as well as your own, it is critical that you show proper respect for the laws governing copyright, fair use of copyrighted materials owned by others, trademarks and other intellectual material owned by others, including the Company's own copyrights, trademarks, and brands.

- **Don't speak for the Company.** Write in the first person (“I think...”, “I feel...”) to make it clear that you are expressing your own views, and not those of the Company.
- **Use a disclaimer on industry related posts.** When writing a post or a blog that relates to what you do professionally for the Company, use the following disclaimer: “The postings on this site are my own and do not necessarily represent the Company’s positions, strategies or opinions.”
- **Do not make recommendations of other Company co-workers on LinkedIn or other similar business networking sites.** This can create the appearance that the Company endorses the co-worker and create potential unnecessary liability for the Company.
- **Pass on any press inquiries.** Social media postings occasionally generate media coverage. If you are ever asked to make a comment to the media on the Company’s behalf, please contact the President of the Company, or your immediate supervisor.

Please contact Human Resources if you have any questions or concerns about the Company’s policies or social media guidelines, or if you have seen something that you think violates these guidelines. The Company prohibits taking negative action against any employee for reporting a possible deviation from this policy, for expressing concerns about this policy and its application or for cooperating in an investigation. Any employee who retaliates against another for reporting a possible deviation from this policy, expressing concerns about this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Nothing in this policy prohibits or interferes with or is to be construed as prohibiting employees from discussing or communicating about wages, benefits or other terms and conditions of employment or from engaging in other concerted protected activity for the purpose of addressing terms and conditions of employment or the employees’ mutual aid and protection in the workplace.

### **Prohibited Use of Cell Phones and Personal Digital Assistants While Driving**

Employees are expected to adhere to all applicable federal, state, or local motor vehicle laws regarding the use of cellular telephones, personal digital assistants, and/or other mobile communication devices while driving. Safe driving practices must be the first priority. Employees driving on Company business and employees who use such communication devices to conduct business-related communications or conversations must use “hands free” equipment (if permitted) or are required to pull off the road to a safe location and stop driving prior to using such devices.

This prohibition of cell phone or similar device use while driving includes receiving or placing calls, text messaging, surfing the Internet, receiving, or responding to email and/or checking for phone messages.

Employees charged with a traffic violation resulting from the use of mobile device while driving are solely responsible for all liabilities that result from such actions.

## **Personal Calls**

While the Company recognizes that there may be an occasional need to make a personal call at work, these calls need to be kept to a minimum and as brief as possible.

Excessive personal calls during the workday, regardless of the phone used, can interfere with employee productivity and be distracting to others. While at work, employees are expected to exercise the same discretion in using personal cellular phones as is expected for the use of Company phones. See your supervisor for the proper manner in which to account for any personal calls made that result in excessive billing or long-distance charges.

## **PART VI. EMPLOYEE CONDUCT AND WORKPLACE POLICIES**

### **Outside Employment**

There are times when an employee may have the opportunity or the desire to maintain two jobs at one time. If you do hold a second job, you must ensure that it does not adversely affect your work schedule, job performance or responsibilities at the Company and you must also ensure that no actual or potential conflict of interest is created by your second job. Any questions about whether outside employment poses an actual or potential conflict of interest should be directed to your supervisor and to Human Resources.

Employees who engage in outside employment during an approved leave of absence must provide prior written notification to their supervisor and to Human Resources, who will determine whether such outside employment is permissible.

### **Employment of Relatives**

The Company may permit the employment of relatives. However, integrity and objectivity in personnel matters must be always maintained. The Company's policy regarding the employment of relatives or members of the same household is designed to foster an environment where such integrity and objectivity is maintained free from the appearance of favoritism or actual favoritism emanating from a familial relationship. These relationships include, but are not limited to, an employee's spouse, fiancé/fiancée, child (including foster or stepchild), parent (including foster or stepparent), brother or sister (including stepbrother or stepsister), brother- or sister-in-law, grandparent, grandchild, parent-in-law, son, or daughter-in-law, registered domestic partner, and any other person residing in the same household.

Employees are prohibited from working under the direct supervision of a relative. Employees also may be prohibited from working in the same department, division or under the indirect authority or supervision of a relative based on reasons of safety, security or actual or potential conflicts of interest.

## **Personal Relationships**

Dating or romantic relationships between co-workers are permitted provided they do not, in the Company's discretion, create an actual or perceived conflict of interest or otherwise adversely affect the work performance of the parties involved or their co-workers.

Because of the potential adverse consequences of such relationships and the impact on employee morale, the Company discourages a supervisor or manager from dating or having a romantic relationship with any person over whom the supervisor or manager has immediate or a successively higher level of actual or perceived supervisory authority. Any supervisor or manager involved in such relationship must report the relationship to his or her supervisor and to Human Resources so that appropriate steps can be taken. Such steps may include a change in the responsibilities of the individuals involved, redefining the direct reporting relationship, or a transfer to another position.

All employees are prohibited from engaging in a personal relationship with customers and suppliers where such a relationship presents, in the Company's judgment, an actual or potential conflict of interest. Employees are also prohibited from using any information obtained in the course of business to further such a relationship.

## **Proprietary and Confidential Information**

Each employee has an individual responsibility to safeguard trade secrets and confidential information that is obtained in connection with his or her employment. Such obligation continues both throughout the employment relationship and after employment ends.

The protection of trade secrets and confidential business information of the Company, and its customers, suppliers, and vendors is vital to our interests and success. The nature of our business and that of our customers makes this an especially important subject. Such trade secrets and confidential information includes, but is not limited to, information regarding the development of systems, processes, products, bid information, pricing, marketing and public relations strategies, software and technological data.

Any employee who improperly uses or discloses trade secrets or confidential business information will be subject to disciplinary action, up to and including termination, and possible legal action.

Employees may be required to sign a non-competition, non-solicitation and/or nondisclosure agreement as a condition of employment or continued employment with the Company.

In accordance with the Defend Trade Secrets Act of 2016, Employees will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If an employee files a lawsuit for retaliation for reporting a suspected violation of law, the employee may disclose certain trade secrets to the employee's attorney and use the trade secret information in the court proceeding if the employee: (a) files any document

containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

### **Employee Conduct**

The Company expects the highest performance standards of all employees. Poor performance and/or misconduct will not be tolerated. The Company has the right to take disciplinary action it deems appropriate, up to and including immediate discharge, to address any employee conduct or infraction of Company policy, procedure, or rules.

The following are examples of conduct which may result in disciplinary action, up to and including termination. This list is not all inclusive and is not intended to cover all possible situations. Situations may arise that are not specifically listed below, and the Company retains complete discretion to take disciplinary action as it deems appropriate in all situations.

- Falsifying any employment application, employment, safety, quality or production records, financial reports or other Company or business records.
- Violating any Company policies, including but not limited to policies addressing workplace harassment, electronic communications systems and equipment, substance abuse, workplace violence, social media, insider trading, and proprietary and confidential information.
- Violating the TransDigm Code of Business Conduct and Ethics.
- Inefficient or careless performance of job responsibilities.
- Recording the work time of another employee or allowing any other employee to record your work time or falsifying any timecard, either your own or another employee's.
- Theft, unauthorized use, misuse or intentional destruction of Company property, materials, equipment, or the property of another employee or customer.
- Unsatisfactory job performance.
- Provoking a fight, fighting, making threats, or engaging in physically threatening conduct during working hours or on Company property or while conducting Company business.
- Engaging in horseplay, throwing objects.
- Gambling on Company time or on Company premises.
- Possession of any firearms, weapons, explosive device, or material on Company premises, regardless of whether the employee has a license.

- Engaging in criminal conduct which the Company deems incompatible with continued employment.
- Insubordination, including but not limited to failure or refusal to obey the lawful orders or instructions of a supervisor or member of management, or the use of physically threatening language toward a supervisor or member of management.
- Using physically threatening language towards co-workers or customers.
- Failing to notify a supervisor when unable to report to work.
- Unreported absence of three (3) consecutive scheduled workdays will be treated as a voluntary quit.
- Excessive, unexcused absenteeism or tardiness.
- Failure to obtain permission to leave work for any reason during normal working hours.
- Failure to follow safety rules and practices.
- Sleeping on the job.
- Working overtime without authorization or refusing to work assigned overtime.
- Use of tobacco products in non-designated areas.
- Committing a fraudulent act or a breach of trust; and
- Failing to promptly report work-related injury or illness.

The nature of the discipline imposed will depend upon the seriousness of the offense and factors including the employee's overall work record, disciplinary history, and past behavior problems. The Company has the right to determine what disciplinary action is appropriate, ranging from verbal or written warning to immediate discharge, based upon the facts of each case. Not all available forms of discipline are appropriate to every disciplinary situation, and the Company is not required to treat each form of discipline as a step in a series to be followed with an employee before discharge.

### **Solicitation and Distribution**

Solicitation and/or distribution of written materials by an employee in any form during the employee's working time, or of other employees who are working, is prohibited. Working time does not include lunch or break periods or periods before and after the employee's working time. Distribution of written materials is prohibited in working areas at all times.

Solicitation or distribution by non-employees in Company facilities or on Company property at any time for any purpose is prohibited.

## **Bulletin Boards**

The Company has provided a bulletin board located in common break areas. It is each employee's responsibility to monitor this board on a regular basis. The use of the bulletin board is confined to communications regarding Company information or activities, such as new policies, required changes to existing policies, work schedules, and other work-related subjects. Only the Company may post on the bulletin board.

## **Dress Code/Grooming Policy**

A neat, professional appearance is an essential aspect of your job with the Company. Dress, grooming, and personal cleanliness contribute to the morale of all employees and affect the business image that the Company presents to clients and visitors. If you are uncertain about acceptable appearance or professional attire for work, please ask your supervisor or Human Resources, or err on the side of a more professional approach.

Employees who fail to adhere to this dress/grooming policy are subject to disciplinary action, up to and including discharge, and may be sent home to change into appropriate attire. Any time missed by a non-exempt employee for failure to comply with this policy will not be compensated.

Please make sure you are familiar with the dress code policy. It is available with Human Resources or your immediate supervisor.

## **Termination of Employment**

Employees leaving the Company, either voluntarily or involuntarily, must return all Company property. This includes, but is not limited to:

- Company Badges
- Company Business Cards
- Keys
- Credit Cards/Phone Cards/Fuel Cards
- Tools or other equipment provided by the Company
- Employee Handbook
- Computers, cell phones, personal digital assistants and/or other Company-provided equipment
- Computer program usernames and passwords

All terminating employees are requested, but not required, to give at least two (2) weeks advanced notice. This notice must be in writing and delivered to the employee's supervisor and Human Resources.

Employees will be paid all final wages, including accrued and unused vacation, at the time of termination. An employee who quits with fewer than seventy-two (72) hours' notice will receive a final paycheck no later than seventy-two (72) hours after notice is given. An employee who quits with more than seventy-two (72) hours' notice will be provided a final paycheck on the last day of work. An employee who is involuntarily terminated will receive a final paycheck on the day of his or her termination.]

### **Employment References**

All requests for employment information or references on current or past employees must be referred to Human Resources for response. No other employee is permitted to provide written or verbal references. Any such references made in violation of this policy are considered personal references and are not authorized by the Company.

## **PART VII. HEALTH AND SAFETY**

### **Safety on the Job**

Safety is a top priority for the Company. Safety is everyone's responsibility and observing safety rules and following safety practices are an essential part of everyone's job. Employees must follow common sense safety practices and promptly correct or report any unsafe condition, defective tool, or equipment to your supervisor. Each employee is expected to assist the Company in maintaining safe working conditions.

Certain jobs may have their own special safety requirements, including personal protective equipment. Your supervisor will inform you if you need to use personal protective equipment such as safety glasses, steeled-toed shoes, hearing protection devices, and gloves. You are expected to utilize appropriate equipment as required when performing your job.

The following are safety rules generally applicable to all employees:

- Immediately report any work-related accidents to your supervisor.
- Always wear seat belts while traveling by car on Company business.
- Always keep your work area clean and neat.
- Do not remove or bypass any safety guards on any machinery at any time. No machinery may be operated without all required guards in place and operational.
- All machinery and electric panels must be de-energized and locked out before beginning repair or maintenance.



- Use the appropriate safety protection and equipment for the task you are completing. Ask your supervisor if you need additional equipment or instructions to get a job done safely.
- If you observe anything you perceive to be a health or safety hazard, immediately report it to your supervisor. Particularly, report burned out lighting, defective or missing guards or safety devices, improperly functioning security equipment, and other potentially unsafe conditions.
- Familiarize yourself with the emergency evacuation routes to be used in the event of an emergency evacuation.
- Do not block aisles, exits, fire extinguishers, or first aid equipment or supplies.
- If you believe your machine is not operating properly, turn off the power and report the matter to your supervisor immediately.

The Company takes seriously the health and safety of all employees. Employees with questions or concerns about workplace hazards, injuries, illnesses or other health or safety-related issues are encouraged to contact their immediate supervisor, the Facilities Manager, or the Director of Human Resources. The Company will promptly investigate any such reports and take prompt action to remedy any valid safety issues. Employees also may report concern to the Occupational Safety and Health Administration (OSHA) or applicable state agency. No retaliation will be taken against any employee for reporting any workplace hazard, injury, illness, or other concern under this policy.

All employees are expected to cooperate in observing these as well as any other safety requirements which may apply to a particular job, procedure or working area. Violation of safety rules or the commission of any act which is clearly unsafe will result in disciplinary action, up to and including termination.

In compliance with California law, and to promote the concept of a safe workplace, the Company maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is provided to all employees at time of hire or upon request.

In compliance with California law, and to promote the concept of a safe workplace, the Company maintains an Injury and Illness Prevention Program. The Company also maintains a Workplace Violence Prevention Plan. These Plans are provided to all employees at time of hire or upon request.

## **Accidents and Injuries**

Immediately notify your supervisor if:

- You are injured or become ill as a result of your work.
- You are aware of a co-worker who is injured or becomes ill as a result of their work.
- You become aware of any work hazards.

## **Workers' Compensation**

Workplace injuries and occupational illnesses arising in the course and scope of your employment are covered by workers' compensation. Workers' compensation benefits are governed by applicable state law. These benefits typically include payment of reasonable and necessary medical expenses relating to the injury or occupational illness and weekly benefits should the employee miss time from work.

## **Fire Prevention**

We all have a common interest in doing everything we can to prevent damage by fire to the building and equipment. Please observe all fire prevention rules. Everyone should know the location of all emergency exits. It is also essential to keep all emergency exits unobstructed at all times.

When a fire extinguisher has been used, report it at once to your supervisor. Do not hang a used fire extinguisher back in place.

Employees should know the phone numbers of the fire department and other emergency units. If an employee notices a problem with a fire alarm, smoke detector, fire extinguisher, or emergency exit, the employee should report such conditions immediately to Human Resources.

## **Housekeeping**

Employees are expected to keep a work environment that is safe and orderly by practicing good housekeeping habits. Employees are required to clean up their own work areas at the end of the work shift. It is critical to customer and employee relationships to present an image as an organized, effective organization. Good housekeeping contributes substantially to this image.

## **Violence-Free Workplace**

Violent or threatening conduct of any kind which may affect an employee's safety at work or while conducting Company business on or off Company premises, including Company functions and work sites, whether it is conducted by or directed against a co-worker, manager or third party, will not be tolerated. Prohibited conduct includes, but is not limited to:

- Striking, punching, slapping, or assaulting another person.
- Challenging another person to a fight or fighting.
- Intimidating physical conduct, including touching, or blocking an employee's movement.
- Engaging in dangerous, threatening, or unwelcome horseplay.
- Possession of a firearm (regardless of the possession of a lawfully issued permit), explosives, a knife or other weapon of any kind deemed to be a potential threat on Company property, including Company vehicles, parking lots and other exterior premises, within any vehicles on or abutting Company property or while conducting Company business.
- Threats of violence or harm by words, gestures, symbols, or written materials, including via e-mail or social media posts.
- Intentionally damaging the property of the Company or of another employee; and
- Physical and/or verbal harassment and/or bullying of another employee, supplier, or customer.

Violation of this policy will subject an employee to disciplinary action, up to and including immediate discharge.

If an employee feels that his or her safety at work is being threatened by anyone (whether the offender is an employee or a non-employee), or is aware of any violation of this policy, the employee should immediately report the incident to his or her supervisor or any member of management. If the problem involves the employee's supervisor, or if the employee does not feel that the matter can be discussed with his or her supervisor, the employee should report the problem immediately to Human Resources or another member of management. Employees who feel there is an imminent threat to themselves or to the safety of others, should contact law enforcement or call 911 emergency services immediately. Do not put yourself in harm's way.

Complaints will be kept as confidential as possible, and employees will not be penalized in any way for reporting a threatening or violent situation. When appropriate, the Company may seek criminal prosecution and/or cooperate with law enforcement.

## **Concealed Weapons**

The Company prohibits all persons who enter Company property from carrying a handgun, firearm, or prohibited weapon of any kind onto the property. This policy applies to all employees, members, visitors on the property and customers and contractors on the property. In addition, employees, including contract and temporary employees, are prohibited from carrying a weapon while in the course and scope of performing their jobs for the organization, whether they are on the workplace property at the time or not and whether they are licensed to carry a handgun or not. This policy also prohibits weapons at any Company sponsored function such as parties or picnics.

Possession of a valid concealed weapon permit is **not** an exception under this policy, to the extent permitted by law. The only exceptions to this policy will be police officers, security guards, or other persons who have been given written consent by the Company to carry a weapon on the property.

Prohibited weapons include, but are not limited to, firearms, knives, explosives, metal or brass knuckles, or clubs. If you have a question about whether an item is covered by this policy, contact Human Resources.

Employees who are aware of violations or threats of violations of this policy are required to report such violations or threats of violations to their supervisor or to Human Resources immediately. Violations of this policy may result in disciplinary action, up to and including termination.

## **Substance Abuse and Drug-Free Workplace Policy**

### **Purpose, Application and Policy**

It is the policy of the Company to provide the safest possible work environment for its employees, to support employees' health and well-being and to protect Company property and assets. Employees who engage in substance abuse endanger themselves and their fellow workers. This policy is established to promote a workplace free of alcohol and drug abuse, to prevent the hiring of individuals who illegally use drugs, and to provide early identification and referral to treatment of employees with drug or alcohol problems.

This policy applies to all employees (including all levels of management) and all individuals applying for positions with the Company. Employees in certain job positions also must comply with the Company's Drug and Alcohol Policy, which will be provided separately to affected employees.

In order to maintain a workplace that is free from the effects of drug and alcohol abuse, employees must not manufacture, distribute, dispense, use, possess, sell, trade, offer for sale, offer to buy illegal drugs or be under the influence of drugs during working hours, when conducting business or representing the Company, while on Company property, at Company-sponsored events and/or while using Company property or equipment. Illegal drugs include, but are not limited to, amphetamines, barbiturates, methaqualone, cannabinoids (marijuana), cocaine, opiates, and phencyclidine (PCP). Furthermore, illegal drugs also include prescription drugs that have not been legally obtained and/or that are used in a manner or for a purpose other than as prescribed.

Employees are also prohibited from selling, possessing, using or being under the influence of alcohol in the workplace, or from being under the influence of alcohol when conducting Company business or representing the Company, while on Company property or at Company-sponsored events or work sites and/or while using Company property or equipment. Employees are also prohibited from using, consuming or inhaling any other substance which causes intoxication or other impairment while working and/or while within the workplace.

Employees must not report to work while “under the influence” of an illegally used drug and/or alcohol. For purposes of this policy, “under the influence” means that the substance is present in an individual’s system at a level which results in the reporting of a positive test under this policy.

Nothing in this policy precludes the appropriate use of legally prescribed medications. However, employees undergoing prescribed medical treatment with a legal drug or controlled substance that renders the employee unable to safely perform the functions of his/her position or presents a direct threat to the health or safety of the employee, co-workers or others must report this fact to Human Resources. The Company retains the right to change an employee’s job assignment or take other action that is necessary in the Company’s discretion while the employee is undergoing such treatment.

No employee shall refuse to take a requested substance abuse test or in any manner interfere with the administration of the testing process or any other aspect of this policy.

Violations of this policy are subject to disciplinary action up to and including termination or will result in the retraction of a conditional offer of employment.

### Drug and Alcohol Testing

#### A. When Testing Will Occur:

##### 1. Preemployment

A drug test will be required of everyone to whom a conditional offer of employment has been made and the test will occur before the person begins any work activity.

##### 2. Reasonable Suspicion

A drug and/or alcohol test will be required of an employee when there is “reasonable suspicion” that the employee has violated this policy. Whenever possible, the referral of an employee for “reasonable suspicion” testing will be based upon the observations and concurrence of two supervisors. “Reasonable suspicion” means suspicion reasonably drawn from specific, objective facts and reasonable inferences drawn from such facts and may include, among other things:

- Observable phenomena, such as direct observation of drug or alcohol use, possession or distribution, or the physical symptoms of being under the influence of drugs or alcohol, such as but not limited to slurred speech, dilated pupils, odor of alcohol or marijuana, changes in affect, dynamic mood swings, etc.

- A pattern of abnormal conduct, erratic or aberrant behavior, or deteriorating work performance (e.g., frequent absenteeism, excessive tardiness, recurrent accidents) which appears to be related to substance use and does not appear to be attributable to other factors.
- The identification of an employee as the focus of a criminal investigation into unauthorized drug possession, use, or trafficking.
- A report of alcohol or other drug use provided by a reliable and credible source; or,
- Repeated or flagrant violations of the Company's safety or work rules, which are determined by a supervisor to pose a substantial risk of physical injury or property damage, and which appear to be related to substance use or substance use that may violate this policy, and do not appear attributable to other factors.

### 3. Post-Accident

A drug and alcohol test will be required of an employee who may have caused or contributed to an on-the-job accident, and the test will occur as soon as practicable (after necessary medical attention is received) after an accident has occurred. An "accident" means an unplanned, unexpected, or unintended event which occurs on the Company's property, during the conduct of the Company's business, or during working hours, or within the scope of employment, and which results in any of the following:

- A fatality of anyone involved in the accident.
- Bodily injury requiring medical attention; or
- Damage to property.

### 4. Follow-up to treatment or assessment and/or following a positive test result.

Drug and/or alcohol testing will be required of an employee who has been referred to assessment/treatment for substance abuse and/or during an employee's continued employment following a positive test result if the employee returns to work.

### B. How Testing Will Occur:

Prior to a drug or alcohol screen, the employee will be required to sign appropriate consent, authorization and release forms in connection with the testing. An employee who refuses to submit to a drug and/or alcohol test or to sign the forms will be subject to discipline, up to and including termination.

All testing will be conducted at a medical or testing facility selected by the Company. The screening will be conducted through methods with proven reliability and in accordance with appropriate testing methodology and applicable law, and the collection of substance abuse testing samples will be conducted by trained collection personnel who follow established protocols for respecting personal privacy and the integrity of chain-of-custody requirements.

### C. Test Results:

If the test result is “negative,” the Company in most circumstances will return the employee to work. However, even in the event of a negative test result for drugs and/or alcohol, the Company will still evaluate whether disciplinary action up to and including discharge shall be taken based upon the condition or behavior which led to the referral for testing.

A confirmation test automatically is given whenever the result of the initial test is “positive.” If the confirmation test result is “positive,” the employee will be subject to discipline, up to and including immediate discharge. The Company may, in its sole discretion, in lieu of discharge, require that the employee, as a condition of continued employment, do any or all of the following:

- Enter into and satisfactorily complete a drug and/or alcohol dependency treatment program and/or other recommendation referral or treatment plans.
- Participate in any and all recommended after-care programs; and
- Submit to drug and/or alcohol screening thereafter.

If the employee tests positive and the employee challenges the accuracy of the test, the employee may have the sample forwarded to and tested by a reputable testing facility of the employee’s choice, at the employee’s expense. The Company will consider the results of any subsequent test if the employee relies upon those results to request reconsideration of any discipline imposed for the employee’s violation of this policy.

### Employee Assistance

Individuals who have a substance abuse problem are encouraged and may be required as a condition of continued employment (at the Company’s sole discretion), to seek help. Any employee who, prior to any violation of this policy, recognizes that he/she has a substance abuse problem and who seeks the Company’s assistance in correcting the problem will not be disciplined as a result of seeking that assistance or disclosing his/her substance abuse problem. The Company is willing to assist employees in finding the most appropriate treatment for rehabilitation and recovery. To assist in this regard, the Company may provide employees with a list of local community resources to contact for an assessment and/or treatment by a substance abuse professional.

However, disclosure does not preclude discipline for work-related acts or omissions resulting from alcohol or drug use. Employees will not avoid disciplinary action by seeking assistance for a substance abuse problem, and individuals with substance abuse problems will be held to the same standards of performance as other employees.

When an employee tests positive for drugs and/or alcohol, the Company will explain to the employee what a substance abuse evaluation is and will provide the employee with a list of qualified substance abuse resources in the community.

### Reporting Convictions

Any employee who is convicted for a violation of a criminal drug statute occurring in the workplace must notify Human Resources no later than five calendar days after the conviction.

### No Tobacco Policy

All Company facilities and offices are “tobacco-free” facilities. This tobacco-free policy applies to all employees and non-Company personnel such as visitors, contract workers and customers or suppliers. Tobacco use is permitted on Company property only in outside designated areas. Employees who violate this policy will be subject to disciplinary action, up to and including termination.

### Visitors

All visitors are required to enter the building through the security lobby, sign the Visitor’s Log, and are not permitted in any area of the building without being accompanied by an authorized employee. Under no circumstances will visitors be allowed in confidential, unauthorized, or potentially hazardous areas.

Visitors, and the employee accompanying the visitors, must also follow any security requirements in place at the facility.

### Company Property

Company equipment, supplies, and systems, including but not limited to desks, storage areas, work areas, lockers, file cabinets, computers, Company-issued cell phones and/or personal digital assistants, and Company vehicles are Company property, and the Company reserves the right to search and inspect such property at any time. (Please refer to the Electronic Communications Systems and Equipment policy.)

### Personal Belongings

While personal items may be brought to work, the Company cannot assume any liability for damage or loss of those goods, nor will it reimburse employees for items which are lost, stolen or damaged. Personal possessions and property brought onto Company premises, including but not limited to lunch boxes, purses, and briefcases, are also subject to search when the Company has a reasonable suspicion there has been a violation of Company policies.



**HANDBOOK RECEIPT AND ACKNOWLEDGEMENT**

This employee handbook has been created as a reference for your use. Please review to acquaint yourself with current policies, benefits, and programs in place at Kirkhill, Inc. Contact your supervisor/manager or Human Resources for additional information or guidance as necessary.

Please sign below to acknowledge that you have received a copy of the handbook and have read and familiarized yourself with the information contained in the handbook. By signing below, you also acknowledge you understand that:

- the handbook is presented for information purposes only and that the Company reserves the right to revise, change or terminate policies, benefits, or programs at any time with or without notice.
- the handbook is not a contract, express or implied between you and the Company nor shall it nor any of its language be construed to create such a contract.
- you are an employee-at-will and your employment with the Company can be terminated at any time, with or without cause and with or without notice, by either you or by the Company. Only the Company President has the authority to make an agreement modifying the at-will nature of employment and any such agreement must be in writing.
- the handbook remains the property of the Company and shall be returned to the Company upon its request.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Name (please print)