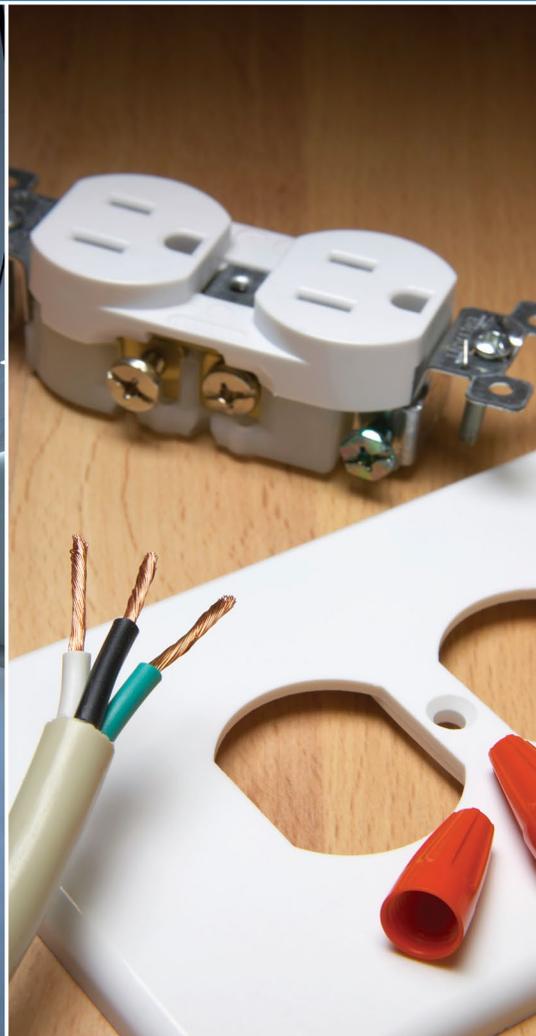




FACILITY SOLUTIONS GROUP

# Employee Handbook



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## Welcome!

The management of Facility Solutions Group (the “Company”) has written this handbook for all who join this company of achievers.

I encourage you to read this document completely. Study carefully its contents. Each day we will dedicate our efforts towards achieving the goals of this great corporation.

The purpose of this organization is to:

- Willingly contribute to the quality of life of all employees, customers, vendors, and the general community, specifically by our good unselfish works of service, that originate in pure hearts seeking to honor God and His desire.
- Provide excellent jobs, satisfying careers, and a foundation for achievement for all our employees.
- Meet or exceed the expectations of all employees and investors for a fair return and growth in the value of their investment whether it be time, talent, or equity.
- Carry out our commitment to consistently provide our customers with superior value through quality products, service, and support.

Our company lives by the precept that organizations are judged by what they accomplish, and the results people witness; not by what they say, or what they think they are. Accomplishments are rewarded, not merely efforts. I encourage open communications, by responding to constructive criticisms and questions in a sensitive and intelligent way. I want our actions and decisions to be guided by sound reasoning and facts, not shaded opinions or distortions of facts used to justify or rationalize poor judgment or failure.

I intend to grow this company by continuously improving productivity. We will constantly measure our productivity and include improvement programs in six primary areas: employee recruitment, training programs, organizational structure, policies and procedures, the working environment, and our resources (departmental tools). I believe consistent profitable growth is always obtainable. It comes from mixing hard work, intelligence, and team effort.

I, along with our management team, will govern our activities, make our decisions, and evaluate our performance of our employees based on guidelines established in this handbook and business results.

I hope that you can contribute greatly to this company and help us achieve its purpose. One thing we sincerely hope is that along the way you will grow as an individual and enhance both your personal life and your career.

Sincerely,

**William D. Graham**  
President





# Welcome to FSG

**We're glad you're here!**

This section will introduce you to employment at **Facility Solutions Group.**

It is your responsibility to read, understand, and comply with this Handbook. It is provided as a resource for you.

If you have questions, please ask. The Human Resources Department is available at [hr@fsg.com](mailto:hr@fsg.com).

## Did you know?

- ▶ Diversity adds much to the culture at FSG.
  - Simply put, the Company prohibits discrimination.
  - No employee will be subject to any form of retaliation or disciplinary action for pursuing a good faith concern about equal employment opportunity. [See page 5.](#)
- ▶ As a condition of employment:
  - New employees must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. [See page 6.](#)
- ▶ FSG protects your privacy.
  - Employee medical information will not be released to family members without an appropriate HIPPA release. [See page 6.](#)

### 1.1 About this Handbook

This Handbook is a summary of our policies and applies to all employees of Facility Solutions Group, Inc. (“the Company” or “FSG”). This Handbook neither creates a contract nor should be construed as a promise of employment.

The Handbook supersedes all previous employee handbooks, manuals and memos but does not supersede any arbitration agreements or employment-at-will.

Your branch office may have Standard Operating Procedures (“SOP”), which are outside the scope of this Handbook. In the event the SOP and Handbook conflict, the Handbook supersedes the SOP policies.

### 1.2 Changes in Policy

Our business is subject to change and the Company reserves the unilateral right to interpret, change, suspend, cancel, or dispute any part of our policies, procedures or benefits, except the arbitration policy.

No changes to this Handbook are effective unless in writing and with prior notice to the Company.

### 1.3 Employment-at-Will

You enter into employment voluntarily, and you are free to resign at any time for any reason or no reason. Similarly, the Company is free to end its relationship with any employee at any time for any reason or no reason.

No supervisor or manager has the authority to enter into an agreement contrary to this at-will relationship, except for the President—and even then, such agreement must be in writing and signed by the President. Refer to state-specific employee handbook addendums for more information.

### 1.4 Employees Defined

An “employee” of the Company is a person who regularly works for the Company on a wage or salary basis less applicable withholdings.

Employees are classified as exempt or non-exempt. Non-exempt employees are eligible for overtime pay, such as time and one-half their regular rate for all hours over 40 worked in a work week. The Company also pays non-exempt employees the higher of either their state or the federal minimum wage. While non-exempt employees are historically paid by the hour, some of these employees may be paid a weekly salary and still be eligible for things like overtime pay and minimum wage. See Human Resources for any questions.

Employees include regular full-time, regular part-time or other classifications subject to the control and direction of the Company in the performance of their duties. These classifications do not guarantee employment for any specified period of time. For more information about employee classifications, see section 2.

Individuals who are employed by temporary agencies or who work for us as independent subcontractors are not employees of the Company. These agencies or contractors are expected to pay all required income taxes and

other employment related withholdings. Contractors should have written contracts in place and are free to conduct work for other companies, even for competitors. This Handbook and all relevant Company policies do not apply to contractors and temporary workers unless referenced directly below or in their written contracts.

### 1.5 Equal Employment Opportunity and Non-Discrimination

Diversity adds much to our culture at our Company. Equal employment opportunity is good business and applies to all areas of employment including recruitment, selection, hiring, training, transfer and promotion.

The Company prohibits discrimination against any employee or applicant on the basis of race, color, religion, sex, age, national origin, disability, veteran status, gender identity, genetic information or any other class protected by federal, state, or local legislation. The Company prohibits discrimination against any employee or applicant who is or may become pregnant. Furthermore, the Company will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship, an unsafe environment or a health risk.

The Company has adopted a written Affirmative Action Plan to ensure utilization of minorities, the disabled, Vietnam-era or disabled veterans and women at all levels and divisions of the organization. The Company is committed to making a good-faith effort toward achieving the objectives of the Plan and will review the Plan on an annual basis.

All employees are prohibited from unlawful harassment, retaliation and discrimination while on Company premises or when acting as a representative of this Company. Employees who violate this policy may receive disciplinary action up to and including immediate termination of employment.

Employees who have questions, problems, or complaints should first communicate with their immediate supervisor. If concerns have not been met with a proper response, or if communication with the supervisor is inappropriate, employees should pursue their complaint with the Human Resource Department.

If you believe you have been subjected to any form of harassment, discrimination, or retaliation, provide a written complaint to your division manager or Human Resources within three days. Your complaint should be specific and should include the names of individuals involved as well as the names of any witnesses. The Company will initiate or coordinate an investigation so as to take prompt and remedial action.

If the Company determines that unlawful discrimination has occurred, remedial action will be taken, commensurate with the severity of the offense. Appropriate action will be taken to deter any future misconduct.

Employees may raise concerns about discrimination and harassment in good faith without fear of retaliation. No employee will be subject to any form of retaliation or disciplinary action for pursuing a good faith concern about equal employment opportunity.

## 1.6 Employment Eligibility

The Company is committed to employing workers who are authorized to work in the United States and specifically prohibits discrimination on the basis of citizenship or national origin.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Employees are required to complete all documentation required by applicable federal and state laws. Employees who are unable to provide the necessary documentation within three working days from the date requested must provide proof that they have applied for the required documents, or else face termination.

Former employees who are re-hired must also complete an I-9 if they have not completed the Form with the Company within the past three years, or if their previous I-9 is no longer retained or valid.

The Company participates in E-Verify and will provide the Social Security Administration—and if necessary, the Department of Homeland Security—with information from each new and re-hired employee's Form I-9 to confirm work authorization. Employees with questions or seeking more information on immigration issues are encouraged to contact Human Resources. Employees may raise questions or complaints about immigration compliance without fear of reprisal.

## 1.7 Personnel Files and Data Changes

The Company maintains a personnel file for each employee. The personnel file can include such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records. Personnel files are the property of the Company, and access to them is restricted. See Human Resources for more information.

Company of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of emergency, educational accomplishments and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Human Resources department within 30 days. Certain changes may affect eligibility for benefits.

In the interest of maintaining confidentiality and compliance especially regarding medical information, only employees can request employee personnel or benefits information or changes. Employee information will not be released to family members without the appropriate written authority. Please contact the Human Resources Department with additional questions.

“It is the responsibility of each employee to promptly notify the Company of any changes in personnel data.”

## 1.8 Employment Applications

The Company relies upon the accuracy of the information contained in the employment application and accompanying resume (if any), as well as the accuracy of other data presented throughout the hiring process. Any misstatement or omission of information may be grounds for immediate dismissal.

To ensure that individuals who join the Company are well qualified and have a strong potential to be productive and successful, it is the policy of the Company to check the employment qualifications, experience and references of all qualified applicants.

## 1.9 Introductory Period

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. The Company uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or the Company may end the employment relationship at-will at any time during or after the introductory period, with or without cause or advance notice.

All new and re-hired employees work on an introductory basis for the first 90 calendar days after their date of hire. Employees who are promoted or transferred within the Company must complete a secondary introductory period of the same length with each reassignment to a new position. Benefits eligibility and employment status are not changed during the secondary introductory period that results from a promotion or transfer within the Company. Any significant absence from the work schedule will automatically extend an introductory period by the length of the absence. If the Company determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended.

## 1.10 Performance Management and Progressive Discipline

The Company is committed to effective performance management. This includes establishing performance expectations, coaching, feedback, recognition, discipline, and performance reviews. Refer to local management for specific processes. Employees are strongly encouraged to seek feedback from management in order to improve performance and to clarify expectations.

The Company may use disciplinary actions at its discretion when performance, conduct or attendance is not meeting our standards.

These steps may be taken by a manager in a disciplinary action: verbal warning, written warning, probation or suspension (with or without pay), or termination of employment. Management uses its discretion to determine which action is to be taken. There may be circumstances when one or more disciplinary steps are bypassed in favor of immediate termination of employment.



### 1.11 If You Must Leave Us

Should you decide to leave your employment with us, we ask that you provide your immediate supervisor or the Human Resources Department with at least two weeks' advance written notice. Your thoughtfulness is appreciated and will be noted favorably should you ever wish to reapply for employment with the Company.

If your mailing address has changed after you leave, please update your address so that your tax information will be sent to the correct location.

Additionally, all resigning team members should complete a brief exit interview upon leaving. All Company property must be returned upon discharge. Otherwise, the Company may take action to recoup any replacement costs and/or seek the return of Company property through appropriate legal recourse.

Team members who are rehired following a break in service in 30 days, other than an approved leave of absence, must serve a new initial introductory period whether or not such a period was previously completed. Such team members are considered new team members from the effective date of their reemployment for all purposes, including the purposes of measuring benefits.

### 1.12 Providing Reference Checks to Prospective / Future Employers

Requests for references should be submitted in writing to the Human Resources Department. Information will not be provided by telephone.

Only Human Resources may release information about position(s) held and length of employment for reference purposes. Confidential information will not be provided unless the employee provides a signed release.

Unauthorized employees are strictly prohibited from responding to any request for employment verification.



# Your Pay

Your compensation is based on designation:

- **exempt** (e.g. salaried)
- **non-exempt** (hourly)

You may have questions like:

“When is payday?”

“Must overtime be approved?”

This section answers these questions and more.

## Did you know?

- ▶ Hourly workers may be eligible for overtime.
  - Non-exempt employees are entitled to “time and a half” when hours worked exceeds 40 per workweek. [See pages 12 and 16-17.](#)
- ▶ FSG offers benefit packages.
  - Within guidelines, all employees are eligible for benefit packages. [See page 12](#) and more about benefits in [Section 3.](#)
- ▶ “Prevailing wage” jobs are unique.
  - “Prevailing wage” and “Davis-Bacon” jobs pay at least the locally prevailing wage rate and fringe benefits. [See pages 14-15.](#)

## 2.1 Overtime Eligibility and Flexible Work Hours

For the purposes of paying compensation and determining eligibility for overtime pay, all employees are designated as exempt or non-exempt. This is determined by the Human Resources Department. Individual managers do not designate positions as exempt or non-exempt.

### Exempt

- Typically salaried positions
- Typically for management, supervision, engineering, project manager and other professional roles
- Excluded from overtime pay requirements
- Eligible for flexible time off at discretion of management, dependent on job requirements

### Non-Exempt

- Hourly positions
- Generally technical, craft/trade, administrative, and other non-supervisory roles
- Entitled to overtime pay when hours worked exceeds 40 per workweek or according to local statutes (paid at a rate of 1 ½ their regular rate)
- Benefit hours, leave hours and holiday pay are not considered hours worked
- Ineligible by law (not FSG) for comp time

Overtime must be justified by the supervisor and approved in advance of the work except in emergency circumstances. Non-exempt employees may only work overtime with the permission of the supervisor after a review of the work situation.

## 2.2 Employee Classifications

The purpose of the section is to define various employee classifications to help better understand when/how benefits and other employment decisions apply to our workforce. Individuals who are employed by temporary agencies and independent contractors or subcontractors are not employees of the Company, and do not belong to any of these employment classifications.

### Regular Full-Time Employees

Regular full-time employees are those who are not in a temporary or introductory status and who are regularly scheduled to work the Company's full-time schedule. Generally, they are eligible for the Company's benefit packages, subject to the terms, conditions, and limitations of each benefit program.

### Regular Part-Time Employees

Regular part-time employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than 30 hours per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they may be ineligible for some of the Company's other benefit programs. Refer to specific benefits plans and leave policies for additional information.

“Overtime hours are permitted for priority or emergency reasons only.”

## Project Employees

Project employees are employees of the Company (not an external agency) who are hired as interim replacements on a full or part-time schedule, to temporarily supplement the work force, assist in the completion of a specific project, or to assist with peak work periods.

Employment assignments in this category are of a limited duration and the expected time frame for employment is provided in writing to the employee. Employment beyond any initially stated period does not in any way imply a change in employment status. Similarly, project employees retain their status until notified of a change. While project employees receive all legally mandated benefits, they are ineligible for all of the Company's other benefit programs.

## Introductory Employees

Introductory employees are those employees whose performance is being evaluated to determine whether further employment in a specific position or with the Company is appropriate. Generally, this classification is reserved for new hires or newly transferred/promoted employees. During this 90-day introductory period, new hires in this classification are ineligible for all of the Company's benefit programs. The introductory period may be extended at the discretion of the manager. The right to terminate the employment relationship at-will at any time is retained by both the employee and the Company during and after the introductory period.

## Probationary Employees

Probationary employees are those employees who have been placed on probation as part of disciplinary action. The length of the probationary period is usually 30 days, but can be extended at the discretion of the manager. Probationary employees receive all legally mandated benefits, but cannot accrue or use Paid Time Off (“PTO”). Probationary employees may not receive advances or loans of any kind.

## Temporary Laid Off Employees

A temporary layoff or reduction in force is caused due to lack of work. If an employee is not rehired after 30 calendar days, the Company has permanently laid off the employee.

## 2.3 Wage and Salary Administration

The Company considers a number of factors when determining an employee's pay, such as:

- The Company's ability to pay
- The Company's ability to attract and retain quality employees
- The salary range for each job
- The job's worth in comparison to other jobs in the Company
- The job's worth in comparison to other jobs in the marketplace
- The employee's education, experience, and unique skill set

### Prevailing Wage

“Prevailing wage” is the hourly rate on government and publicly funded contracts and projects. Essentially, when taxpayer money is paying for the work, pay rates are set by the government entity funding the work. In short, prevailing wage laws require construction contractors doing business with the government to pay workers at pre-determined levels that are supplied by public authorities. These rates apply to workers completing the actual project, not support staff and management.

Each trade and occupation involved in the direct completion of work will have a “prevailing wage” determined by the funding agency. Often, prevailing wage includes set amounts for wages, benefits, and training. The rates are typically identified as “wage” and “fringe” components. The Company is allowed to take credit for

Company supplied benefits (Health and Welfare, Pension/Annuity, Training, and PTO) when calculating the fringe portion of total pay. The Company is allowed to reduce the fringe portion by the amount the Company pays for those benefit plans. For example, if insurance plans cost the Company \$3.50/hour to provide, and the fringe rate is determined at \$6.50/hour, net fringe pay would be \$3.00/hour since the Company supplies plans.

All non-exempt employees must accurately record all hours worked along with the labor classification performed for those hours. Because of the strict rules surrounding prevailing wages, it is possible an employee may work in different labor classifications during different phases of a job, and even during different times of a particular work day. Apprentices and trainees may be employed at lower rates when in an apprenticeship program registered with the Department of Labor or with a state apprenticeship agency recognized by the Department. Trainees must be employed pursuant to a training program certified by the Department of Labor.

If you have any questions about prevailing wage payments, do not receive proper pay, or require further information on the applicable wages, report your concerns to your supervisor or contact the Human Resources Department.

### 2.4 Timekeeping

Employees must accurately report time worked as designated by the Company’s payroll system(s). Altering, falsifying, tampering with time records, or recording time on another employee’s time record may result in disciplinary action, up to and including immediate termination of employment.

#### Non-Exempt Employees

Time worked is all the time actually spent on the job performing assigned duties.

Non-exempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons.

Employees should review their time records to verify the accuracy of all time recorded and report any errors. The supervisor will review and approve the time record before submitting it for payroll processing. Time not turned in by the payroll deadline will be paid on the employee’s next regularly scheduled paycheck, unless otherwise required by law.

#### Overtime for Non-Exempt Employees

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. Overtime assignments will be distributed at management’s discretion as equitably as practical to all employees qualified to perform the required work.

Non-exempt employees may only work overtime with the advance permission of the supervisor. Working unauthorized overtime will be appropriately paid but can result in disciplinary action.

Overtime compensation, at time plus one-half, is paid to all non-exempt hourly employees, and is based on actual hours worked that exceed 40 hours in any given workweek, or according to local law. See your state addendum for variations on these laws.

### 2.5 Paydays

Employees are required to provide written bank information to have their wages direct deposited into their bank account. They will receive an itemized statement of wages when the Company makes direct deposits. Paychecks will be issued only to the employee, unless the employee provides written authorization for another individual to accept the paycheck on behalf of the employee.

#### Exempt Employees

Exempt salaried employees are paid semimonthly on the 15th and last day of the month. Each paycheck will include earnings for all work performed through the end of the previous payroll period. In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

#### Non-Exempt Employees

Non-exempt hourly employees are paid weekly every Friday. Each paycheck will include earnings for all work performed through the end of the previous payroll period. In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday. If a regular payday falls during an employee’s paid day off, the employee’s paycheck will be available upon his or her return to work.

## 2.6 Pay Advances

In the event of a personal emergency, employees may submit a written or email request for a pay advance to their supervisor or manager. The supervisor or manager will evaluate the request and determine whether a pay advance can be granted. These approved advances will be advanced from the corporate office only and mailed to the employee on the date of request. The total amount of the advance must be paid back within 3 months. No employee will be allowed more than three (3) payroll advances at a maximum advance of \$500 per advance in a twelve month period.

## 2.7 Administrative Pay Corrections

The Company takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday. Employees should review their paycheck, and in the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the payroll representative at their branch. Payroll will conduct an investigation, and in the event an error occurred the employee will be reimbursed promptly and the Company will review its processes to help reduce the possibility of similar errors in the future.

Employee failure to turn in time records may result in errors in the amount of pay during a given pay period. Employees will only be paid for documented time during a given pay period, and any necessary corrections will be made on the next scheduled paycheck.

The Company will correct overpayments as soon as it possible but not later than the next scheduled payday. If an employee is overpaid, the employee is responsible for reporting it and for repayment, which generally can be handled with an equivalent payroll deduction. If the Company notices the error before it is reported by the employee, the Company will communicate the error in writing.

## 2.8 Pay Deductions

The law requires that the Company make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. The Company must also deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." The Company matches the amount of Social Security taxes paid by each employee.

The Company will also withhold federal income taxes on all supplemental payments such as bonuses, commissions, etc. at a rate allowed by IRS guidelines. In addition to these taxes withheld, the FICA and 401(k) deductions will apply if applicable.

The Company must also withhold any court-ordered fees mandated by the state in which an employee works, and any levies imposed by the IRS. The Company is authorized by law, in some states, to charge the affected employee a processing fee for all court ordered pay deductions.

The Company offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs. Other voluntary payroll deductions may include, but are not limited to, the repayment of damage to Company equipment, other payments, payroll advances, and loans of any kind. Appropriate employee permissions will be gained in writing before deductions are made.



## 2.9 Off-Duty and On-Call Time

Periods during which employees are completely relieved from duty and that are long enough to enable them to use the time effectively for their own purposes are not compensable work time. While there is no definitive criterion, the following factors can help decide whether the time an employee spends on-call should be considered work time:

- Is the employee required to remain on the employer's or customer's premises?
- Are there narrow geographical restrictions on the employee's movements?
- Are the calls for work so frequent that they pose an undue restriction on the employee's personal activities?
- Is there a strict time limit for an employee to respond to a call to work?
- Can the call-in duties easily be traded with other employees?
- Does the use of a cell phone ease restrictions?
- Has the employee actually engaged in personal activities during on-call duty?

Generally, requiring employees to use pagers, cell phones, or other electronic tracking devices so they may be paged to return to work at any time will not constitute compensable work time provided the employees retain a certain level of freedom and can use the time for their own reasonable purposes.

If the employees' personal freedom is sufficiently restricted during these hours on call, the on-call time may be considered working time. For example, if the employees remain on a customer's premises or so near that they cannot use the time freely, this is compensable work time. If employees can come and go as they please, but must leave a telephone number, the time usually can be excluded from working time.

## 2.10 Call-Out Work

Call-out work occurs when an hourly employee is called to report immediately and unexpectedly for work that is not prescheduled. A call-out does not occur if the employee has been notified that a return to work will be required prior to leaving work or for shift workers when eight or more hours' notice is given prior to the required reporting time. When call-out work runs into the scheduled work day, the employee should only report time spent on the call-out until the beginning of the scheduled work day as call-out time worked. Regularly scheduled work time should be recorded as well.



# All About Benefits

You may be eligible for:

- **health insurance**
- **401(k)**  
and more

FSG wants to offer attractive and competitive benefit options. As such, we review benefit packages regularly.

This section describes the benefits of which you may be eligible.

## Did you know?

- ▶ FSG benefits include insurance—and much more.
  - How about company uniforms? Tuition reimbursement? What is “Share the Light?” [See page 20.](#)
- ▶ You may purchase products and services.
  - FSG products and services may be purchased at 5% over company cost. [See page 21.](#)
- ▶ What if I’m asked to relocate?
  - Within certain guidelines, relocation benefits may be available. [See page 21.](#)

### 3.1 Employee Benefits

Eligible employees are provided a wide range of benefits. A number of the other programs (such as Social Security, employee injury protection plan, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility and time off are dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible.

Our benefits include:

- Subsidized employee health insurance
- Flexible Spending Account (“FSA”) for dependent care and medical expenses
- Pre-tax dental and vision insurance
- Company-paid life insurance and accidental death insurance
- Optional supplemental policies: life insurance, short or long-term disability, accident, critical illness
- 401(k) with Company match
- Paid and unpaid time off
- “Share the Light”: voluntary charity program that helps fellow employees in need
- Paid training
- Tuition reimbursements for trade education
- Employee recognition programs and incentives
- Inter-Company transfer opportunities
- Company uniforms
- Discounts on products and services from vendor partnerships
- Company functions and parties

Benefit packages may also vary by state. While the Company hopes to offer attractive and competitive options, benefit packages are reviewed regularly and may change depending on the extent to which the Company is able to meet financial, legal and other commitments. Contact the Human Resources Department for specific summary plan documents.

### 3.2 Continuation Coverage and Employee Status Change

If an employee is currently covered by any of the Company’s group health plans, the employee and their qualified beneficiaries may elect to continue coverage under COBRA upon certain qualifying events, including termination from the Company, as long as the employee pays the required monthly premium.

For more information regarding continuation coverage, please contact the Human Resources Department. In the event of a status change, the employee or qualified beneficiary must inform the Company within 30 days of the qualifying event. Examples of qualifying events are the birth of a child, divorce, legal separation, or loss of dependent status.

### 3.3 Discounted Employee Purchases

The products and services of the Company may be purchased at 5% over Company cost. The 5% covers administration costs, as the Company’s goal is not to make a profit from employee purchases. Employee purchases are subject to the following rules:

- Employee purchases are for products and services for personal use only. The products and services may not be resold or bought for, or on behalf of, friends or relatives of employees.
- Employees are not allowed to enter or tender orders for their own personal purchases.
- Employees will pay freight charges on all employee purchases.
- Payment is due at the time the employee takes possession of material, or service work is completed.
- If an employee purchase is of a special item, and the item is returned, the employee will be required to pay any restocking fee or freight fees charged to the Company by the vendor.
- In the event that any special considerations are necessary to cover the terms of an employee purchase, the terms must be in writing, and signed by the division manager and the Human Resources Department prior to material being ordered or services being performed.

### 3.4 Relocation Benefits

When the Company asks employees to relocate to a new area, certain relocation benefits may be provided to facilitate the transition. Relocation may be available to any eligible transferred employee who must relocate in order to reside within 100 miles of the new place of work. Employees who voluntarily apply for new positions that require relocation, relocation benefits may only be available if budget or competitive factors support it.

Employees must request relocation assistance for specific items in advance of the date the expenses are incurred. The Company will reimburse expenses only if the employee has received advance approval, incurs reasonable expenses, and submits satisfactory proof of the expense within 30 calendar days of the date the expense was incurred.

The Company extends these relocation benefits in an effort to contribute to the success of every employee relocation. However, if an employee separates from the Company within one year of the relocation, the amount of the relocation reimbursement will be considered a loan. Accordingly, the employee will be asked to reimburse up to 50 percent of the original relocation expense.

For specific information regarding the terms and extent of relocation benefits, please contact the Human Resources Department.



# Taking Time Off

You may need time for:

- **vacation**
- **emergencies**  
or other events

Sometimes you need time away from work.

You may have questions about earning and requesting Paid Time Off. This section should provide your answers.

## Did you know?

- ▶ FSG offers Paid Time Off for all regular, full-time employees.
  - Paid Time Off may be used for any purpose. [See pages 24–25.](#)
- ▶ Which holidays does FSG observe?
  - For the full listing and details, [see page 25.](#)
- ▶ What if I need to take unpaid time off?
  - Eligible employees may request unpaid leave after all paid leave is used. Notice should be given at least 30 days in advance of foreseeable events. [See page 26.](#)



**4.1 Paid Time Off**

FSG believes that employees should have opportunities to enjoy time away from work to help balance their lives. The Company recognizes that employees have diverse needs for time off from work and has established a paid time off (PTO) policy to meet those needs. The benefits of PTO are that it promotes a flexible approach to time off. Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness or disability, appointments, emergencies, or other situations that require time off from work.

PTO may be used for vacation, personal time, personal or family illness, doctor appointments, school, volunteerism, time off to care for dependents, time off for jury duty, bereavement leave, and other activities of the employee's choice. PTO may also be used duty by U.S. armed services reserve members to attend scheduled drills and training or if called to active duty.

**Eligibility**

Eligible employees must be scheduled to work at least 20 hours per week on a regular basis. Employees working less than 20 hours per week on a regular basis, on-call and temporary employees are not eligible to accrue PTO. PTO becomes available for use in the pay period following completion of 90 days of employment. All hours thereafter are available for use in the pay period following the pay period in which they are accrued.

**Requesting PTO**

A secondary goal of our PTO plan is to reduce unscheduled absences. As such, PTO must be requested at least two days in advance, except in cases of unexpected illness or emergency. In all instances, PTO must be approved by the employee's supervisor in advance. Requests will be approved or denied based on a number of factors, including business needs and staffing requirements. When conflicts develop, they will be resolved fairly, but as deemed appropriate by management. All other factors being equal, preference will generally be given to the employee who makes the earliest request, but other legitimate factors may be considered, including seniority, business requirements, and the amount of PTO already taken by the employees involved.

- Under the Company's Family and Medical Leave ("FML") policy, all accrued PTO time must be taken concurrent with the start of FML time, except for Service Members.
- TO attempted to be taken or taken in excess of the PTO accrued can result in progressive disciplinary action up to and including employment termination. If granted, this time will be unpaid. The only possible exception to this policy must be granted by the Company president.
- PTO will not be granted to employees who are within the 90-day introductory period or who are under a disciplinary probation period.

**Accrual and Payment of PTO**

Accruals are based upon paid hours up to 2,080 hours per year, excluding overtime. Employees working less than 40 hours per week and at least 20 hours per week will accrue PTO hours on a prorated basis, according to the accrual rate per hour (see table below). Length of service determines the rate at which the employee will accrue PTO. PTO does not accrue on unpaid leaves of absence. Employees become eligible for the higher accrual rate on the first day of the pay period in which the employee's anniversary date falls.

Completed Years of Service	Holidays	PTO Days	Total Paid Days Off	Max PTO Hours	PTO Factor Per Hour
0-9	7	15	22	176.00	9.244% (0.09244)
10+	7	20	27	216.00	11.588% (0.11588)

*\*Continuous years of employment. Termination and rehire will result in tenure being calculated based on rehire date.*

*\*\*Assumes work year reduced by maximum PTO accrual as PTO does not accrue when on PTO.*

PTO does not accrue during the 90-day introductory period or during any probationary periods. All non-worked wages are exempt from PTO accrual. For example, bonus, commissions, PTO, etc. do not accrue PTO. Exempt employees cannot carry unused leave forward to the next benefit year.

Upon resignation or termination of employment, employees are not entitled to compensation for accrued but unused PTO, unless applicable law requires otherwise. It is expected that a terminating employee will work the entire time designated by his or her notice, at the convenience of the company, without using PTO.

**4.2 Holidays**

Company offices are closed on certain holidays. Exempt employees do not need to submit PTO requests for holiday pay - it is automatically credited to employee pay according to the employee's regularly scheduled workday. Company offices are closed on the following holidays:

New Year's Day (January 1)	Thanksgiving (fourth Thursday in November)
Memorial Day (last Monday in May)	Day after Thanksgiving
Independence Day (July 4)	Christmas (December 25)
Labor Day (first Monday in September)	

In addition to regular holidays, time off may be granted to employees who desire to observe a religious holiday that is not recognized by the Company, provided work schedules can be accommodated without undue hardship to the department. Such absences may be charged as PTO or unpaid time off.

**Dates of Company Holiday Observance**

Depending upon the particular day of the week a designated holiday falls on, the Company may celebrate the holiday on a different day than the official holiday. When a holiday is on a Saturday, the Company observes it on Friday. When a holiday is on a Sunday, the Company observes it on Monday. When these instances occur,

business needs may make it necessary for some employees to work on these days. Managers will determine alternative days off based on work demands.

The following conditions apply to holiday pay policy:

- Holiday pay is computed at an individual employee's regular base rate of pay. Holiday pay will be calculated based on the number of hours in a normal work day—for full-time employees, the standard is 8 hours.
- Holidays will not be paid to employees on any type of unpaid leave.
- Holidays falling within an approved scheduled vacation will be recorded as holiday pay.

Remaining open, closing, or closing early is a local decision based on business needs. In the event that an FSG location closes, FSG will not award additional paid time off, but employees may use accrued PTO.

### 4.3 Unpaid Leave

Eligible employees may request unpaid leave at any time during employment and after all paid leave is used. Eligible employees should make requests for unpaid leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

Subject to the terms, conditions, and limitations of the applicable plans, the Company will continue to provide health insurance benefits for the full period of the approved leave, provided that the employee continues to pay their portion of the insurance premium.

PTO accrual will not continue during the approved unpaid leave period.

#### Family Medical Leave

Eligible employees who wish to take time off from work duties to fulfill family obligations relating directly to pregnancy, childbirth, adoption, or placement of a foster child; or, to care for a child, spouse, or parent with a serious health condition; or, due to the employee's own serious health condition that prevents he or she from being able to work, are eligible for up to 12 weeks of unpaid family medical leave. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider.

Employees are eligible for family medical leave if they have worked for the Company for at least one year or for 1,250 hours over the previous 12 months.

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

Family medical leave also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Employees must provide 30 days advance notice of the need to take a family medical leave when the need is foreseeable. Employees requesting family leave related to a serious health condition are required to submit a health care provider's statement verifying the need for a family medical leave, its beginning and expected ending dates, and the estimated time required. Employees may be required to provide periodic recertification supporting the need for leave. Employees must also inform the Company if the requested leave is for a reason for which family medical leave was previously taken.

Eligible employees may request up to a maximum of 12 weeks of family leave within a rolling 12 month period. An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. The Company may transfer an employee, or change a full-time employee to part-time employee, while the employee is taking intermittent family medical leave.

Employees will be required to first use any accrued paid leave time before taking unpaid family medical leave. Married employee couples may be restricted to a combined total of 12 weeks leave within any 12 month period for childbirth, adoption, or placement of a foster child; or to care for a parent with a serious health condition.

So that an employee's return to work can be properly scheduled, an employee on family medical leave is requested to provide the Company with at least two weeks advance notice of the date the employee intends to return to work. When family leave ends, the Company will endeavor to reinstate the employee to the same position, if it is available, or to an open and as nearly equivalent position for which the employee is qualified.

Note that in some circumstances, FSG will grant unpaid time off even when the employee has exhausted all excused time off. But, if the employee fails to report to work promptly at the end of the approved leave period and provides no written statement from a medical provider to explain the employee's absence, the employee has resigned by job abandonment.

During a family medical leave, the Company will maintain the employee's health coverage under any group health plan on the same terms as if the employee had continued to work, where applicable. Use of family medical leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

The Company will inform employees who are requesting leave if they are eligible for family medical leave. Employees who are eligible for family medical leave will receive notice of their eligibility, rights and responsibilities, and any additional information that is required. Employees who are not eligible will be provided a reason for their ineligibility.

It is unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right provided under family medical leave laws;
- Discharge or discriminate against any person for opposing any practice made unlawful by family medical leave laws or for involvement in any proceeding under or relating to family medical leave laws.

Additional leave may be available under state law. See your Human Resources Department for more information.

### Military Leave

A military leave of absence will be granted to employees, except those occupying temporary positions, to attend scheduled drills or training or if called to active duty with the U.S. armed services.

Employees may use any available paid time off for the absence. Employees who have exhausted their paid leave time will be eligible for unpaid military leave.

If you were covered under applicable benefits immediately prior to taking a leave for Service in the Uniformed Services, you may elect to continue your coverage for up to 24 months from the date your leave for Service began. If you elect to continue coverage for yourself and any covered dependents, FSG will pay the cost of the coverage during the leave. However, please note that FSG, at its sole discretion and applied on a uniform and non-discriminatory basis, may discontinue to pay for the cost of coverage during the leave. If FSG determines such non-payment, FSG will provide notice to those currently on military leave continuation coverage and active employees, as well as provide such notice with at least 30 days advance notice. Upon such notice, you may be eligible to make a change in your election. This military continuation coverage will end earlier if one of the following events takes place:

1. You fail to report to work or to apply for reemployment within the time period required by USERRA following the completion of your service.
2. You lose your rights under USERRA, for example, as a result of a dishonorable discharge.

If your coverage under the Plan terminated because of your Service in the Uniformed Services, your coverage will be reinstated on the first day you return to employment if you are released under honorable conditions and you return to employment within the time period(s) required by law.

Vacation, sick leave, and holiday benefits will continue to accrue during a military leave of absence.

Employees on two week active duty training assignments or inactive duty training drills are required to return to work for the first regularly scheduled shift after the end of training, allowing reasonable travel time or in accordance with applicable state laws.

Every reasonable effort will be made to return eligible employees to their previous position or a comparable one. They will be treated as though they were continuously employed for purposes of determining benefits

based on length of service, such as the rate of vacation accrual and job seniority rights.

Employees on longer military assignments must apply for reinstatement in accordance with all applicable state and federal laws. Additional leave may be available under state law. See your Human Resources Department for more information.

### Civic Duties

The Company encourages employees to fulfill their civic responsibilities by serving jury duty, responding to a subpoena and exercising their right to vote.

If employees are required to serve jury duty, respond to a subpoena or serve as a witness in a court proceeding, they will be paid in accordance with applicable state laws. For any time not required to be paid by state law, an employee may use any available paid time off or may request an unpaid leave of absence.

Employees must show the jury duty summons or subpoena to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

The Company will continue to provide benefits for the full term of the absence to perform civic duties.

### Leaves of Absence

You may continue your coverage under FSG's health insurance for up to 30 days during any Company-approved leave of absence if you continue to pay your premiums. If you are eligible for FML, you may continue to retain your coverage under the plan for the duration of your FML as long as you continue to pay your premiums.

The FML provides a maximum of 12 weeks, but the length of your continuation of medical benefits is only for time approved under our FM program. If your approved leave of absence is for your own serious medical condition, you may continue your coverage for up to 26 weeks as long as you are paid accordingly during such time. In order to qualify for this extension, your disability must be a "disability", as defined by and approved by FSG's disability insurance company (as applicable from time to time).

If your leave of absence qualifies under more than one scenario (i.e. if your 30-day leave qualifies as FML leave, or your FML time off is due to your own disability) the leave times run concurrently. This means that you will not be permitted to continue coverage for 26 weeks in addition to your FML time off leave and/or your 30-day leave, nor can you continue coverage for FML time off leave in addition to a 30-day leave.



# Your Safety

Whether you're in the field or in the office, **workplace safety depends on you.**

FSG has a workplace safety program and a designated Safety Officer.

However, it is up to each of us to follow safety rules and exercise caution in all work activities.

## Did you know?

- ▶ You can make a difference.
  - Some of the best safety improvement ideas come from employees. [See page 32.](#)
- ▶ Does FSG have a Safety Handbook?
  - Yes. It is provided to each employee at their safety orientation. [See page 32.](#)
- ▶ What if I get hurt?
  - FSG provides a comprehensive employee injury protection program at no cost to employees. [See pages 32-33.](#)

## 5.1 Safety

To assist in providing a safe and healthful work environment for employees, customers, and visitors, the Company has established a workplace safety program. The Company has a designated Safety Officer who is responsible for implementing, administering, monitoring, and evaluating the safety program. However, the success of the workplace safety program depends on the alertness and personal commitment of all employees.

Employees are expected to be familiar with the information the Company provides to employees about workplace safety and health issues through regular internal communication channels such as supervisor employee meetings, bulletin board postings, memos, or other written communications.

Employees are expected to attend periodic workplace safety training. Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, or with another supervisor or manager, or bring them to the attention of a member of the safety committee. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports may be made without fear of reprisal.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees must immediately notify their immediate supervisor. Such reports are necessary to comply with legal requirements and initiate insurance and employee injury program benefits procedures.

Employees who are involved in an automobile accident while traveling on business must promptly report the incident to their immediate supervisor. The employee must fill out and submit to the local safety coordinator a vehicle accident report.

A Safety Handbook is provided to each employee at their safety orientation.

## 5.2 Employee Injury Protection Program

The Company provides a comprehensive employee injury protection program at no cost to employees. Employees who sustain work-related injuries or illnesses must inform their supervisor immediately. Failure to do so may result in loss of compensation benefits, or disciplinary action up to and including termination. See the Company Safety Handbook for specific details of the safety program.

“Employees are expected to attend periodic workplace safety training.”

Every employee who sustains an on the job injury must submit to a post-accident drug and alcohol screen at a medical clinic approved by the Company. Any employee who refuses screening will be subject to immediate termination.

Neither the Company nor the insurance carrier will be liable for the payment of benefits for injuries that are a result of the employee's willful misconduct, alcohol or drug abuse, or an employee's participation in any off-duty recreational, social, or athletic activity sponsored by the Company.

## 5.3 Employee Medical Examinations

To help ensure that employees are able to perform their duties safely, medical examinations may be required. The job posting and requirements may state whether a medical examination will be required. Information on an employee's medical condition or history will be protected from disclosure.



# Working Every Day

We all want work good working conditions.

**Here's what we should expect of each other.**

You can support your workplace by arriving to work on time, keeping things clean and orderly, and being alert to safety issues.

The seemingly little things make a big difference.

## Did you know?

- ▶ What is the policy for lunch breaks?
  - Both exempt and non-exempt employees are allowed an unpaid meal period each day. [See page 36.](#)
- ▶ May I have visitors in the workplace?
  - For safety and security reasons, only authorized visitors are allowed. [See page 37.](#)
- ▶ Does FSG support environmental awareness?
  - Yes. The company encourages recycling and waste management and provides recycling receptacles. [See page 37–48.](#)

### 6.1 Work Conditions

The Company strives to provide a pleasant, safe and well-maintained work environment. It is the expectation that all employees will exercise reasonable care to clean and organize work and common areas. Good housekeeping improves morale and reduces the risks of workplace accidents.

### 6.2 Work Schedules

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands will necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

Flextime scheduling may be available in some cases to allow employees to vary their starting and ending times each day within established limits. Employees should consult their supervisor for the details of this program.

### 6.3 Attendance Policy

Employees who are unable to report to work must notify their direct supervisor before the start of his or her shift, so that adequate coverage can be obtained when necessary. If the direct supervisor is unavailable, the chain of command should be followed. Texts or messages left on voice mail or with an answering service do not constitute notice. Failure to comply will result in disciplinary action, up to and including termination of employment. In the case of absence or tardy due to illness or injury, employees may be required to submit a doctor's release which clearly permits them to return to full duty to the Human Resources Department.

Employees who miss three consecutive days of work without notice to their supervisor have voluntarily resigned their job.

An employee who has used all of his or her FML and is still unable to return to work may be subject to termination.

### 6.4 Rest and Meal Periods

Each workday, full time non-exempt employees may be provided with one unpaid meal period of 30 minutes. Supervisors will schedule meal periods to accommodate operating requirements. Employees who are provided with meal periods will be relieved of all work responsibilities. Non-exempt employees are encouraged to leave their work area during their 30 minute meal period to receive the full benefit of the break or meal period. Any work that is performed during a break period must be pre-approved and recorded as time worked.

All full-time exempt employees may be provided with one meal period of 60 minutes in length each work day. Supervisors will schedule meal periods to accommodate operating requirements.

For up to one year after the child's birth, any employee who is breastfeeding her child will be provided reasonable break times to express breast milk for her baby. The Company will designate a room for this purpose. Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record. Contact Human Resources for more information.

Supervisors will allow other rest or break periods in accordance with our policies and applicable all laws.

### 6.5 Emergency Closings

At times, emergencies such as severe weather, fires, or power failures, can disrupt Company operations. In extreme cases, these circumstances may require the closing of a work facility. In the event that such an emergency occurs during non-working hours, the Company will make every attempt to notify you of the closing. In anticipation of hazardous weather conditions, employees should check local television, radio, and internet forecasts and should take necessary safety precautions.

When operations are officially closed due to emergency conditions, exempt employees will be charged with vacation time for the work day(s) missed. Non-exempt employees must use accrued benefit time or take the day(s) missed without pay. Employees in essential operations may be asked to work on a day when operations are officially closed.

If a facility remains open on an adverse weather day, employees who report to work will receive their normal rate of pay for hours worked. If an employee is unable to report to work on a day that the facility is open, the employee can elect to use any accrued PTO for the missed day, or not be paid for the day.

### 6.6 Visitors in the Workplace

To provide for the safety and security of employees and the facilities at the Company, only authorized visitors are allowed in the workplace. The workplace is defined as any location in which Company employees carry out their duties, including remote job sites, service locations, and all Company facilities. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

All visitors should enter Company facilities at the main entrance. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors. If an unauthorized individual is observed on the Company's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

### 6.7 Recycling and Scrap Materials

The Company supports environmental awareness by encouraging recycling and waste management in its business practices and operating procedures. This support includes a commitment to the purchase, use, and disposal of products and materials in a manner that will best utilize natural resources and minimize any negative impact on the earth's environment.

“...only authorized visitors are allowed in the workplace.”



Employees are expected to recycle materials. Special recycling receptacles have been set up to promote the separation and collection of the following recyclable materials at the Company: Paper (e.g. computer, ledger, white high grade or bond), printer cartridges, aluminum, brass, copper, and wire. Theft and or re-selling of scrap material such as metals and wire or other recyclables by an employee for personal gain is strictly prohibited and will result in disciplinary action, up to and including immediate termination of employment.

Source reduction decreases the consumption of valuable resources through such workplace practices as:

- Communication with email
- Two-sided photocopying
- Routing slips for reports
- Eliminating fax cover sheets
- Reusing packaging material
- Turning off lights when not in use
- Posting memos for all employees
- Computerized business forms
- Minimum packaging
- Reusing paper clips, folders, and binders
- Reusing wooden pallets



## Employee Conduct and Work Rules

Your behavior can make  
all the difference.

**Be a positive example.**

Being respectful of yourself and others, being punctual, and taking care of Company property helps to maintain a healthy and productive work environment.

This section covers conduct and work rules.

## Did you know?

- ▶ FSG prohibits harassment in any form.
  - Let's maintain an atmosphere of mutual respect. [See pages 44–45.](#)
- ▶ You are protected from retaliation.
  - An employee who in good faith raises a concern or makes a report will not be retaliated against in any way. [See pages 45–46.](#)
- ▶ Is there a dress code?
  - Employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. [See page 46.](#)

### 7.1 Employee Conduct and Work Rules

To ensure orderly operations and provide the best possible work environment, the Company expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of unacceptable workplace behavior. The following examples may result in disciplinary action, up to and including immediate termination of employment:

- Unauthorized possession or control of Company property, including telephones, mail system, computers or other employer owned equipment.
- Unauthorized use, reproduction, or sale of Company-installed software.
- Negligence or improper conduct leading to damage of employer-owned or customer owned property.
- Fighting or threatening violence in the workplace.
- Boisterous or disruptive activity in the workplace.
- Insubordination or other disrespectful conduct.
- Violation of safety rules.
- Violation of health rules such as smoking in prohibited areas.
- Sexual or other unlawful or unwelcome harassment.
- Excessive absenteeism or any three-day absence without notice.
- Repeated failure to report to work without prior notice.
- Unsatisfactory performance or conduct.
- Dishonesty, such as falsification of time keeping records or other employment information.
- Unauthorized disclosure of customer data or other confidential business information.
- Working under the influence of alcohol or illegal drugs, or abuse of legal drugs.
- Possession, distribution, sale, transfer, or use of alcohol or drugs which are illegal under any federal, state or local law.
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace.
- Serious and/or repeated violations of the policies in this Employee Handbook.

### 7.2 Alcohol and Substance Abuse Prevention

The Company seeks to provide a safe and healthy work place for all those who work or visit us. To achieve this goal, the following policy regarding alcohol and drugs in the workplace has been established.

The manufacture, distribution, possession, dispensing, sale, purchase or use of alcohol or drugs which are illegal under any federal, state or local law (including marijuana, synthetic drugs, inhalants, and prescription drugs that have not been prescribed to the employee by a physician) on Company premises is prohibited. The unauthorized possession of alcohol on Company premises is prohibited. “Possession” includes, but is not limited to, the presence of drugs or alcohol in the employee or in the employee’s desk, assigned work areas, locker, toolbox, lunch box or other areas prohibited under state or local laws.

“The unauthorized possession of alcohol on company premises is prohibited.”

“Company premises” includes all land, property, buildings and other structures, vehicles owned or leased by the Company and personal vehicles while used on Company business, and Company job or service sites. Any employee who is taking prescription or non-prescription drugs under the direction of a medical authority, which may affect the ability to safely perform in the work place, is responsible for informing his or her supervisor

### Drug and Alcohol Screening

The Company conducts:

- **Post-offer/pre-assignment** alcohol/drug screening for all job applicants who we have offered employment.
- **Random** alcohol/drug screening of current employees.
- **“For cause”** alcohol/drug screening. “For cause” means a reasonable suspicion of substance abuse.
- **Post-accident** alcohol/drug screening. Each employee who is involved in an accident on any Company premises, Company work site, or in any Company vehicle or equipment, will be sent for post-accident alcohol/drug screening.

Refusal to take any of the above mentioned alcohol/drug screening tests will result in immediate termination of employment.

A positive test result in any of the above mentioned alcohol/drug screening tests may result in immediate termination. Supervisors may terminate at their discretion any employee who tests positive on any of the above mentioned screening tests immediately, as authorized by state and local law. However, supervisors may offer any employee who tests positive on a post-accident, random or for cause alcohol/drug screen an opportunity for continued employment only after submitting to all of the following rehabilitation program conditions:

- Immediate suspension of employment and all benefits not required by law until successful retesting.
- Immediate enrollment in, and successful completion of, a drug/alcohol rehabilitation program at the employee’s expense. The Company must approve the program prior to enrollment.
- Mandatory drug/alcohol screening after reinstatement, at the Company’s approved clinic, once a month for three months.
- Reinstatement of a 90-day probationary period at the conclusion of the suspension.
- Positive drug test results either during the rehabilitation program or after its completion may result in immediate termination of employment.

Applicants who fail an alcohol/drug screen will not be hired, but may re-apply 90 days after the original application date. This policy applies to all employees and contractors of the Company, including temporary and part-time employees, while conducting business on or off Company premises.

### Getting Assistance

The Company will reasonably accommodate any qualified employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program, so long as this does not pose an undue hardship to the Company and only when the employee requests to do so prior to a drug screen.

The Company reserves the right to refuse to hire any applicant and to terminate the employment of any employee who, because of his or her current use of alcohol or drugs, is unable to perform his or her work duties, or cannot perform his or her duties in a manner which would not endanger the employee's health or safety, or the health or safety of others.

### 7.3 Sexual and Other Unlawful Harassment

The Company is committed to providing a productive work environment free of unlawful harassment. To maintain an atmosphere of mutual respect, we must all be sensitive to the differences between welcome, positive personal interaction and unwelcome or uncomfortable interaction. We ask all employees to become familiar with this policy and actively strive to achieve the goal of a harassment-free workplace.

#### Unlawful Harassment

This policy prohibits harassment in any form, including verbal, physical, psychological or visual harassment. Examples of such harassment include, but are not limited to:

- Verbal conduct such as epithets, derogatory comments, slurs or unwanted sexual advances, invitations or comments.
- Visual conduct such as derogatory posters, photography, cartoons, drawings or gestures in the workplace.
- Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work.
- Threats or demands to submit to sexual requests in order to keep a job or avoid some other loss, and offers of job benefits in return for sexual favors.
- Verbal abuse, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene invitations.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct such as leering or displaying sexually suggestive objects.
- Degrading words to describe an individual, based on an individual's sex, race, ethnicity, age, religion, disability, veteran status, sexual orientation, gender identity, or any other legally protected characteristic.
- Suggestive notes, letters or invitations.
- Messages or information viewed, stored and/or transmitted by use of our electronic resources with content that may reasonably be considered offensive to any employee.
- Submission to sexual advances or other inappropriate conduct as an explicit or implicit condition of employment.
- Submission to or rejection of such conduct is used as the basis for or as a factor in any employment decision affecting the individual.
- Harassing conduct that has the purpose or effect of unreasonably interfering with an individual's work performance, or creating an intimidating, hostile, or offensive working environment.
- Vulgar, abusive, humiliating, or threatening language, and practical jokes.
- Retaliation for having reported or threatened to report harassment.
- Any other behavior restricted by local, state or federal law.

The Company will not condone any unlawful harassment, sexual or otherwise, of its employees, vendors or customers by any means. This includes persistent unwanted advances on another individual while representing the Company. All employees are responsible for recognizing, preventing, and reporting unlawful harassment in their areas.

All employees, including supervisors and managers, will be subject to appropriate disciplinary action, up to and including termination, for any act of unlawful harassment they commit.

Conduct or actions that arise out of a consensual personal or sexual relationship and that are not intended to have a discriminatory effect may not be viewed as harassment. The Company will determine whether such conduct constitutes sexual harassment, based on a review of the facts and circumstances of each situation. All employees are responsible for recognizing, preventing, and reporting unlawful harassment in their areas. All employees, including supervisors and managers, will be subject to appropriate disciplinary action, up to and including termination, for any act of unlawful harassment they commit.

#### Responsibility of Employees

If you witness harassment or believe that you have been harassed, you should advise the harasser, if practical in the circumstances, that such behavior is offensive and unwelcome and will be reported if continued. If you are uncomfortable confronting the harasser directly or if the harassment continues, the following steps should be followed in reporting a complaint of harassment:

1. If you believe you have been unlawfully harassed, provide a written and signed complaint as soon as possible or within 3 days of the event, to one of the Company's owners or the Human Resources Department.
2. Your complaint should include the details of the incident(s), the names of the individuals involved and the names of any witnesses. If you believe you are being harassed, you are encouraged to keep a detailed, written record of the objectionable conduct. The Company will immediately undertake an effective, thorough and objective investigation of the harassment allegations.

#### Investigation

The Company will respond with prompt and remedial action. The Company will, to the extent practical, maintain the privacy and confidentiality of the party's interests, and will request the same from all employees involved in the investigation. Employees found to have engaged in harassment are subject to discipline, including warnings, suspensions, and immediate termination of employment.

#### Protection from Retaliation

The Company prohibits retaliation against any employee who in good faith raises a concern or makes a report of unlawful discrimination. We encourage all employees to immediately report any incidents of harassment forbidden by this policy, so that complaints can be quickly and fairly resolved. Any good faith report of retaliation by the one accused of harassment, or by employees or management will be investigated and promptly responded to with appropriate remediation.

Employees located in California may also make a complaint regarding harassment to the California Department of Fair Employment and Housing ("DFEH"). DFEH, acting as a neutral fact-finder, will investigate the complaint and act accordingly. Remedies available through DFEH include back pay, hiring, promotion, reinstatement, out-of-pocket expenses, front pay, policy changes, training, reasonable accommodation, affirmative relief, actual damages, including damages for emotional distress, and fines

against the employer. DFEH can be reached at (800) 884-1684 (within California), (916) 478-7200 (outside California), or on the Internet at [dfeh.ca.gov](http://dfeh.ca.gov). Retaliation against any individual who makes a good faith complaint of illegal conduct, or who cooperates honestly in the investigation of any good faith complaint of illegal conduct, is strictly prohibited and should be reported immediately.

#### 7.4 Attendance and Punctuality

To maintain a safe and productive work environment, the Company expects employees to be reliable and punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on the Company.

Employees who are unable to report to work due to illness or injury must notify their direct supervisors before the start of his or her shift, so that adequate coverage can be obtained when necessary. If the direct supervisor is unavailable, the chain of command should be followed. An employee who is absent and fails to notify his/her supervisor will be subject to corrective action.

#### 7.5 Personal Appearance

Dress, grooming, and personal cleanliness contribute to the morale and safety of all employees and affect the business image the Company presents to customers and visitors. During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed or in a manner that may create unsafe work conditions will be sent home and directed to return to work in proper attire. Under such circumstances, employees will not be compensated for the time away from work. Consult your supervisor or department head in advance of the workday or before starting a new role if you have questions as to what constitutes appropriate attire or cleanliness.

#### 7.6 Return of Property

Employees are responsible for all property, materials, software or written information issued to them or in their possession or control. Employees must return all the Company property immediately upon request or upon termination of employment. Where permitted by applicable laws, the Company may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. The Company may also take all action deemed appropriate to recover or protect its property.

#### 7.7 Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace.

When using tools and Company equipment, employees are expected to exercise care, have required maintenance performed, and follow all operating instructions, safety standards, and guidelines. Company vehicles, equipment and tools are to be used only for Company business unless otherwise authorized. Authorization can only be given by an operations or division manager.

“...the Company expects employees to be reliable and punctual in reporting for scheduled work.”

Please immediately notify the supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

Company tools, which are checked out to individuals for use during the course of work, are solely the employee's responsibility. Any damage, loss or destruction of tools or other equipment through negligence or misuse by the employee, will require that the employee make financial restitution to the Company.

Personal tools used during the course of work are not covered by the Company's insurance policy, and are solely the employee's responsibility. The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

Any employee who is required to operate a Company vehicle during the course of work must have their driving record approved by the Company's insurance carrier as a condition of employment. The use of cell phones, including texting, web surfing, video watching, and anything else than can cause a distraction, while driving is strictly prohibited. Payment of speeding and/or parking tickets is the sole responsibility of the employee driving the Company vehicle.

Any parking tickets or moving violation citations are the responsibility of the employee and not of the Company. Any employee involved in an at-fault automobile accident in a Company vehicle must go through a mandatory defensive driving course at their own expense. The defensive driving course must take place within 30 days of the accident and proof of completion must be forwarded to the Human Resources Department for inclusion in the employee file.

Failure to comply with this policy may result in disciplinary action, up to and including termination.

#### 7.8 Use of Phones and Electronic Communication Systems

The use of smart phones, computers, laptops, tablets and other technology should enhance our Company's attention to customer service, while not compromising safety. Though we know there are emergencies, employees should limit personal phone calls, texts and emails while on duty in order to ensure high levels of productivity, responsiveness, and accuracy.

Company supplied phones, email systems, and other methods of communication should be used for business purposes only. Keep in mind that the Company owns any communication sent via Company systems or that is stored on Company equipment. Management and other authorized staff have the right to access any material in your voice mail, email, or on your computer at any time.

Please do not consider your electronic communication, storage, or access to be private if it is created or stored at work or on Company communication systems. Employees have no personal privacy right or any expectation of privacy in connection with the use of this equipment, or with the receipt, transmission or storage of information in Company equipment, even if protected by private password.

Employees are prohibited from accessing files or stored communication of any type unless authorized to do so. Employees should disclose messages or information from telephone or electronic communications systems only to authorized individuals. The Company may monitor the use of communication systems at its discretion, at any time. Company monitoring may include listening to, printing out and reading all telephone and electronic mail leaving, entering or stored in these systems.

Some job responsibilities at the Company require access to the Internet and the use of software in addition to the Microsoft Office suite of products. Only people appropriately authorized, for Company purposes, may access additional software. Software needed must be authorized by your supervisor and installed by the IT department. If you need access to software, not currently on the Company network, talk with your supervisor and consult with the IT department. Internet use, on Company time, is authorized to conduct Company business only. Internet use brings the possibility of breaches to the security of confidential Company information. Internet use also creates the possibility of contamination to our system via viruses or spyware. Spyware allows unauthorized people, outside the Company, potential access to Company passwords and other confidential information. Removing such programs from the Company network requires IT staff to invest time and attention that is better devoted to progress. For this reason, and to assure the use of work time appropriately for work, we ask staff members to limit Internet use and refrain from any activity that may reveal confidential Company information, including the sharing of passwords.

Additionally, under no circumstances may Company computers, telephones, electronic communication devices or other electronic equipment be used to obtain, view, transmit or reach any pornographic, racist or otherwise immoral, unethical, or non-business-related Internet sites.

Employees should practice discretion in using Company telephones when making local personal calls and are required to reimburse the Company for any charges resulting from their personal use of the telephone. Excessive personal telephone calls or excessive personal use of the electronic communication systems can result in disciplinary action, up to and including immediate termination of employment.

To ensure effective telephone communications, employees should always speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only after the caller has done so. The use of intercompany 800 numbers is not permitted, nor is the use of Company 800 numbers by friends or family members of employees of the Company.

Any violation of these policies can lead to disciplinary action, up to and including termination of employment.

### 7.9 Social Media

The Company recognizes the importance of online social media as a communication tool and respects the right of employees to use these mediums during their personal time on non-Company equipment. Use of these mediums during Company time or on Company equipment, however, is strictly prohibited.

Employees who participate in social media are encouraged to include information about their work as part of

their personal profile, as it would relate to a typical social conversation. However, employees must avoid posting information that could pose a competitive or legal compliance risk. Statements may include:

- Disclosing the Company's confidential or trade secret information, or making any statements that violate the Company's conflict of interest policy.
- Representing that you are speaking or acting on behalf of the Company, or that you are representing or presenting the Company's view unless specifically authorized by the Company.
- Using a post to harass, defame, embarrass or attack any Company employee, contractor, customer or vendor.
- Nothing in this policy should be understood as limiting or barring activities protected by law.

### 7.10 Solicitation

In an effort to assure a productive and harmonious work environment, persons not employed by the Company are prohibited from soliciting or distributing literature in the workplace.

The Company recognizes that employees may have interests in events and organizations outside the workplace. However, employees must not solicit or distribute literature concerning these activities during working time and in work areas. (Working time does not include lunch periods or any other periods in which employees are not being paid.) In addition, the posting of written solicitations on Company bulletin boards is prohibited without prior approval from Human Resources.

### 7.11 Company Bulletin Boards

Company bulletin boards display important information and employees should consult them frequently for items including but not limited to:

- Employee rights and responsibilities
- Affirmative Action statement
- Employee announcements
- Internal memoranda
- Job postings
- Organization announcements
- Payday notices
- Employee injury protection information

If employees have a message of interest to the workplace, they may submit it to the Human Resources Department director for approval.

### 7.12 Smoking and Tobacco Use

In keeping with the Company's intent to provide a safe and healthful work environment, smoking, e-cigarettes (vaping), and the use of other tobacco products are prohibited in all Company facilities, including, but not limited to, offices, warehouses and Company vehicles. Each work site may designate smoking areas as allowed by



local ordinances. This policy applies equally to all employees, vendors, customers and visitors, and is subject to modification to be consistent with state law, if any.

### 7.13 Weapons Control and Workplace Violence Prevention

The Company strives to provide a safe and secure working environment for its employees. This policy is designed to help prevent incidents of violence from occurring in the workplace and to provide for the appropriate response when and if such incidents do occur.

#### Zero Tolerance for Workplace Violence

FSG prohibits harassment, intimidation, threats, and violent behavior by or towards anyone in the workplace, that is in any way job- or Company-related, that is or might be carried out on Company property, or that is in any way connected to the employee's employment with the Company, whether the conduct occurs on-duty or off-duty. The Company has a zero tolerance policy for this type of misconduct.

#### Prohibited Conduct

For purposes of this policy, workplace violence includes:

- Making threatening remarks (written or verbal).
- Aggressive or hostile acts such as shouting, using profanity, throwing objects at another person, fighting or intentionally damaging a co-worker's property.
- Bullying, intimidating or harassing another person (for example, making obscene phone calls or using threatening body language or gestures).
- Behavior that causes another person emotional distress or creates a reasonable fear of injury, such as stalking.
- Assault.

This list is illustrative only and not exhaustive. No form of workplace violence will be tolerated.

#### Mandatory Reporting

Each employee must immediately notify his/her supervisor, Department Director, and/or the Director of Human Resources of any act of violence or of any threat involving a Company employee that the employee has witnessed, received, or has been told that another person has witnessed or received. Even without an actual threat, each employee must also report any behavior that the employee regards as threatening or violent when that behavior is job-related or might be carried out on Company property, a Company-controlled site or job site, or when that behavior is in any manner connected to Company employment or activity. Each employee is responsible for making this report regardless of the relationship between the individual who initiated the threat or threatening behavior and the person or persons threatened or the target of the threatening behavior. A supervisor who is made aware of such a threat or other conduct must immediately notify his/her Department Director and the Director of Human Resources.

#### Protective Orders

Employees who apply for or obtain a protective or restraining order which lists Company locations as being protected areas must immediately provide to the Director of Human Resources and the local Police

Department a copy of the petition and declarations used to seek the order, a copy of any temporary protective or restraining order which is granted, and a copy of any protective or restraining order which is made permanent. Employees must immediately advise their manager and the Director of Human Resources of any protective or restraining order issued against them.

#### Confidentiality

To the extent possible, while accomplishing the purposes of this policy, the Company will respect the privacy of reporting employees and will treat information and reports confidentially. Such information should be released or distributed only to appropriate law enforcement personnel, management, and others on a need-to-know basis and as may otherwise be required by law. But, the Company cannot guarantee confidentiality.

#### Documentation

When appropriate, threats and incidents of violence will be documented. Documentation will be maintained by the Human Resources Department and/or the Police Department.

#### Weapons Banned

Unless specifically authorized by the Division Manager or the law, no employee, other than a licensed security officer, shall carry or possess a firearm or other weapon on Company property. Employees are also prohibited from carrying a weapon while on duty or at any time while engaging in Company-related business. Prohibited weapons include firearms, long guns, clubs, explosive devices, knives with blades exceeding 5 ½ inches, switchblades, and all other usual implements of combat, mayhem, and personal violence. Further, this policy prohibits anything that the Company believes could be used by someone to inflict harm upon another including ordinary objects that are used as weapons against others.

#### Company Property

For purposes of this policy, company property includes but is not limited to Company-owned or -leased vehicles, buildings and facilities, entrances, exits, break areas, access controlled parking lots and surrounding areas. When on customer job-sites, employees must abide by either Company policy or customer policies, whichever are stricter.

Employees do not have an expectation of privacy and the Company retains the right to search for firearms or other weapons on any location on Company property, Company vehicles, and at any Company-related event.

The Company does not discriminate against gun owners or weapons enthusiasts. Your rights under state laws will be fully upheld under Company policies.

#### Policy Violations

Violations of this policy may lead to disciplinary action, up to and including termination of employment. The Company will comply fully with law enforcement authorities if these policies are violated, and employees are strongly cautioned that, in addition to disciplinary action, policy violations may also result in arrest and prosecution.



## Standards of Business Conduct

Ethical behavior and professionalism are expected everyday.

**Let's do what's right.**

Whether you're handling confidential information or reporting travel expenses, certain standards of business conduct apply.

This section covers these policies.

## Did you know?

- ▶ Conflicts of interest are serious.
  - When in doubt, contact your supervisor or Human Resources.  
[See page 54.](#)
- ▶ You should protect confidential information.
  - Business information and trade secrets are vital.  
[See page 55.](#)
- ▶ Business travel must be approved in advance.
  - Employees are expected to limit expenses to reasonable amounts.  
[See pages 56–57.](#)

### 8.1 Standards of Business Conduct

It is the policy of the Company to require employees to adhere to ethical standards in the conduct of business. All employees are expected to conduct business with integrity, to refrain from dishonest or unethical conduct, and to comply with the letter and spirit of all applicable laws.

### 8.2 Conflicts of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual and apparent conflicts of interest. This policy establishes only the framework within which the Company wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Human Resources Department for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative of that employee as a result of the Company's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which the Company does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving the Company.

Conflicts of interest can also be created when employees use Company equipment or resources to perform work that competes with the Company, or when an employee works for a customer of the Company without the Company's knowledge or consent.

If employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of the Company as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Employees are encouraged to seek assistance with any concerns regarding a conflict of interest. When in doubt, contact your manager or Human Resources. Violations of this policy will result in disciplinary action, up to and including immediate termination of employment.

### 8.3 Outside Employment

Employees may hold outside, non-conflicting jobs as long as they meet the performance standards of their job with the Company. All employees will be judged by the same performance standards and will be subject to the Company's scheduling demands, regardless of any existing outside work requirements.

If the Company determines that an employee's outside work interferes with performance or the ability to meet the requirements of the Company, the employee may be instructed to terminate the outside employment or take some other course of action.

Outside employment that constitutes a conflict of interest is prohibited. Conflicts of interest include, but are not limited to: employment with an organization in the Company's industry, employment with a directly competitive organization or employment with suppliers or customers of the Company.

Employees may not receive any income or material gain from individuals outside the Company for materials produced or services rendered while performing their jobs, using Company equipment, or wearing Company uniforms.

Violation of this policy will result in disciplinary action, up to and including termination of employment.

### 8.4 Hiring of Relatives

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality from outside the work environment can be carried into day-to-day working relationships.

Although the Company has no prohibition against hiring relatives of existing employees, we do place limits on relatives working in the same area when the Company decides that actual conflicts have arisen or when potential problems may arise. The Company may require reassignment or resignation for one or all of the individuals involved.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage. The Company reserves the right to determine in all cases if a close enough familial relationship exists.

### 8.5 Media Relations

All media inquiries regarding the Company and its operations must be referred to the Company President. Only the Company President is authorized to make or approve public statements on behalf of the Company. No employee or contractor, unless specifically designated by the Company President, is authorized to make statements on behalf of or as a representative of the Company.

### 8.6 Confidential Information

The protection of confidential business information and trade secrets is vital to the interests and the success of the Company. All internal information that is protected from public disclosure or even internal disclosure in some cases, which includes, but is not limited to, accounting department records, customer correspondence, vendor information and employment history data, is confidential information. Employees who have access to this internal information in order to perform their jobs are expected to treat these materials in a confidential manner. Employees who improperly use or disclose confidential information (e.g. trade secrets, unpatented information, customer information, or other competitive data) will be subject to disciplinary action, up to and including immediate termination of employment, even if they do not actually benefit from the disclosed information.

### 8.7 Recording Devices in the Workplace

No employee may photograph, tape, or otherwise record any person, document, conversation, communication, or activity that in any way involves the Company or employees of the Company, any clients or any other individual with whom the Company is doing business or intending to do business in any capacity (for example, vendors, suppliers, consultants, attorneys, or independent contractors). The authorized copying of documents in the ordinary course of business for the benefit of the Company is not prohibited by this policy.

“Photographing,” “taping,” and “recording” under this policy include taking still or video pictures (film or digital), or recording any conversation or communications, regardless of whether the conversation or communication takes place in person, over the telephone, or via any other communications device or equipment, and regardless of the method used to tape or record (for example, tape recorder, video recorder, mechanical recording, or wire-tapping equipment), and regardless of where the conversation or communication takes place, i.e., on or off the Company’s premises. “Taping” or “recording” also include photographing or recording digital images through cameras of any kind (for example, camera phones, PDA cameras, or concealed cameras). Limited exceptions will apply where the photographing, taping, or recording is being conducted by an individual who has been provided advance written authorization for the activity by an authorized member of Company management. Violations of this policy may result in disciplinary action against the offending team member(s), up to and including discharge. Where the conduct engaged in is illegal, violators may also be subject to prosecution. Nothing contained herein shall preclude a team member from engaging in conduct protected by Section 7 of the National Labor Relations Act.

### 8.8 Software Licensing

The Company purchases or licenses the use of various computer software programs. Neither the Company nor any of the Company’s employees have the right to duplicate this computer software or its related documentation. Unauthorized duplication of computer software is a federal offense, punishable by up to a \$250,000 fine and up to five years in jail.

The Company prohibits the illegal duplication of software. Employees must use Company software in accordance with the license agreement. This policy applies not only to individual desktop computers and laptops but to local area networks as well. Employees learning of any misuse of software or related documentation within the Company shall immediately notify a member of management. Employees who reproduce, acquire or use unauthorized copies of computer software will be subject to discipline, up to and including termination of employment.

### 8.9 Business Travel and Entertainment Expenses

Employees whose travel plans have been pre-approved by the Company should make all travel arrangements through their immediate supervisor. Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

Employees on business travel may be accompanied by a family member or friend, at the employee’s expense, and when the presence of a companion will not interfere with successful completion of business objectives. Generally, employees are also permitted to combine personal travel with business travel, as long as time away from work is approved. Additional expenses arising from such non-business travel are the responsibility of the employee.

### Business Expenses

The Company will reimburse employees for reasonable business travel and entertainment expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the employee’s supervisor. When approved, the actual costs of travel, meals, lodging, entertainment, and other expenses directly related to accomplishing business travel objectives will be reimbursed by the Company. These reimbursable disbursements will be made only from the corporate office. Please use the Employee Expense Report form for all travel, meals, lodging, entertainment and other expense reimbursements. Employees are expected to limit expenses to reasonable amounts.

Expenses that generally will be reimbursed include:

- Airfare or train fare for travel in coach or economy class or the lowest available fare.
- Car rental fees, only for compact or mid-sized cars.
- Fares for shuttle or airport bus service, where available; costs of public transportation or other ground travel.
- Taxi fares, only when there is no less expensive alternative.
- Mileage costs for use of personal cars at the standard rate set by the IRS for the current year; only when less expensive transportation is not available.
- Cost of standard accommodations in low to mid-priced hotels, motels, or similar lodgings.
- Cost of meals, limited to the traveling employee’s meals, and the meals of customers or employees being trained.
- Tips not exceeding 15% of the total cost of a meal or 10% of a taxi fare.
- Charges for telephone calls, fax, and similar services required for business purposes.
- Charges for one personal telephone call each day.
- Charges for laundry and valet services, only on trips of five or more days. (Personal entertainment and personal care items are not reimbursed.)

Per diem encompassing amounts spent for food, beverages, taxes and related tips in the event of an overnight stay or work on projects that require travel can be determined by branch management in advance of the travel.

### Expense Reporting

Employees should submit completed and approved travel expense reports on the approved Employee Expense Report form after month end. Reports should be accompanied by receipts for all individual expenses. A travel log detailing beginning/ending mileage, to/from destination, person contacted and purpose should be kept by all employees to be turned in when requested by management.

### Sales Allowances

Reimbursement is limited to the cap established by Sales and Marketing for each class of sales representative for any given one month period. Specific allowances or reimbursements will be detailed in each sales representative’s Sales Compensation Plan.



# Please Communicate

**You may speak openly.**

This section addresses:

- **communication**
- **problem resolution**

## 9.1 Open Communication and Problem Resolution

The Company seeks to treat each employee as an individual. In an effort to protect and maintain direct communication with employees, the Company encourages employees to directly address concerns with management. While the Company believes the current work environment is such that concerns between employees and management are addressed adequately without third-party involvement, the Company respects employees' rights under the National Labor Relations Act and will not interfere under any such rights.

The Company is committed to providing the best possible working conditions for its employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from the Company.

The Company strives to ensure fair and honest treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree or have concerns with rules of conduct, policies, or practices, they can express their concern through the conflict resolution procedure. While it may not always be possible to achieve the result an employee wants, no employee will be penalized, formally or informally, for voicing a good faith concern with the Company in a reasonable, businesslike manner, or for using the conflict resolution procedure.

Employees who have work-related concerns are encouraged to make use of the following steps, which they may discontinue at any time:

1. Discuss the problem with your immediate supervisor, or, if you wish, proceed to step 2.
2. Request a meeting with your division manager and discuss your concerns. If you do not want to discuss your concerns with your division manager, go to step 3.
3. Request a meeting with the Human Resources Department. Submit a written description of your problem, efforts you've taken to resolve it, and your desired solution or outcome.

Problems, disputes, or claims not resolved through the preceding conflict resolution steps will be subject to the Company's Arbitration Agreement. This is provided to new employees at orientation as part of new hire package.



FACILITY SOLUTIONS GROUP

Employee Handbook

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