

AFC Electric, Inc.  
Employee Handbook



Updated April 2016

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## Introduction

This handbook is a resource tool that is intended to help make your employment with AFC Electric, Inc. productive and enjoyable. It is meant to be a convenient reference and not an all-inclusive source of Company information. When specific information is required and is not included here, or in the event you have any questions about the content of this handbook, please contact your Project Manager or Management Staff.

AFC Electric, Inc is sometimes referred to in this handbook as the “Company” or “Employer.” The corporate policies and procedures outlined in this handbook pertain to all AFC Electric, Inc. employees. The employee handbook is not a contract between the employee and the Employer. Your employment with AFC Electric, Inc. is at-will, meaning that either you or the Company may end employment at any time with or without reason. No one other than the Company’s President has the authority to alter the employment-at-will relationship or to enter into an agreement for employment for a specific period of time, and any such agreement must be in writing and must be signed by the Company President. This at-will disclaimer does not, and is not intended to, interfere with, limit or relinquish an employee’s right to join with others to work toward altering the terms or conditions of his/her employment, including at-will status.

AFC Electric, Inc. reserves the right to add, change, deviate from, interpret or discontinue any policy, procedure, or benefit at any time in its sole discretion as circumstances may dictate. Should major changes occur, AFC Electric, Inc. will want to inform you as quickly as is practical, but any such notice shall be within the Company’s sole discretion.

## Company History

For the past 18 years, AFC Electric, Inc has worked diligently earning a reputation as a reliable and knowledgeable electrical contractor. The company was founded on the principle that strong foundations provide strong products.

Our longevity in this business is a result of expertise and understanding of electrical construction, our extraordinary team of talented professionals and our unparalleled level of service.

At AFC Electric, Inc. we are in constant pursuit of quality and efficiency in every job we perform. We are committed to raising our standards to a new level, and have redefined the goals to set us apart from the industry.

*Justin Sheffield*  
CEO

### Employment at Will

All employment with AFC Electric, Inc. is on an at-will basis. Accordingly, AFC Electric, Inc. maintains the right to terminate or discontinue the employment of any employee with or without notice and with or without cause. Likewise, AFC Electric, Inc. recognizes the reciprocal right of any employee to terminate or discontinue his or her employment with AFC Electric, Inc. for any reason, with or without notice.

### Introduction Period

The first 90 days of your employment will be your introductory period. During this time you will be oriented to the Company, your job responsibilities, and the standards to which we strive. Your job performance, attendance, disciplinary record and job skills will be evaluated to determine if you should be employed further. Keep in mind that successful completion of the introductory period does not alter the employment-at-will relationship. During and after the introductory period, the Company reserves the right to terminate employment- at-will, with or without notice and with or without cause.

### Open Door

It is important to keep open lines of communication between employees and management. If at any time you need to talk to your manager for any reason, the door will always be open. This will work both ways, as your manager may consult with you regarding suggested areas of improvement or may emphasize problem areas that need your attention.

### Equal Employment Opportunity

The “name company” supports the principals of equal employment opportunity. Our policy and practice is to treat all applicants and employees without regard to race, color, religion, national origin, ethnicity, handicap, gender, sexual orientation, veteran status, marital status or age or any other class protected by law. The Company desires to make employment-related decisions on the basis of the requirements of the position and the qualifications of the applicant.

The Company will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person’s physical or mental disability. The Company also will make reasonable accommodation wherever necessary for employees or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the

essential functions of the job and provided that any accommodations made do not impose an undue hardship.

All phases of employment including, but not limited to , recruiting, hiring selection for training, promotion, discipline, rates of pay or other compensation, transfer, layoff, termination, recall, use of all facilities and participation in all company sponsored activities, will be administered so as to further the principle of equal opportunity.

Management is primarily responsible for seeing the Company's equal employment opportunity policies are implemented, but all employees share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly to everyone. Any employee who feels that he/she is a victim of prohibited discrimination must bring that matter to the immediate attention of the President, or Management. Every effort will be made to promptly investigate all allegations of discrimination in as confidential manner as possible and prompt corrective action will be taken as warranted.

### Harassment and Retaliation

Consistent with our policy of equal employment opportunity, work related harassment based on a person's race, color, religion, national origin, ethnicity, handicap, gender, sexual orientation, veteran status, marital status, age or other legally protected class will not be tolerated. The company considers such harassment misconduct and will not tolerate retaliation or reprisals against anyone who has voiced concern about prohibited harassment or discrimination.

Sexual harassment may constitute sexual harassment, unwelcomed sexual advances, request for sexual favors and other verbal, visual or physical conduct of sexual or sex-based nature.

## Confidentially

To protect the Company's business and its future information that is confidential may not be disclosed or made available to competitors or anyone else who could use such information to the detriment of the Company. All customer lists, vendor lists, and financial information are confidential.

To avoid potential harm to the Company, no employee shall at any time, during or after employment, disclose or use outside of the Company any confidential information, documents, knowledge or data that the employee receives or develops during his or her employment by the Company. Any employee who compromises confidential information may be subject to termination of employment.

All papers, documents, books, keys, manuals, lists, computer files, correspondence, etc. relating to the Company or its employees, customers, or vendors shall be returned to the Company, along with all copies, upon your termination of employment.

## Conflicts of Interest

Employees shall avoid outside employment, activities, investments, and other interests that are incompatible with the impartial, objective, and effective performance of their duties. Conflicts of interest should be avoided and may include the following examples:

- Competing unfairly with the Company, including but not limited to "side work" for current or former customers.
- Engaging in work outside of Company employment that unreasonably interferes with the performance of your duties for the Company.
- Engaging in any activity that might require unauthorized disclosure of the Company's confidential information.
- Accepting or soliciting a gift, favor, or service that is intended to, or might appear to, influence the employee's decision-making or professional conduct.

Employees must disclose in writing actual or potential conflicts to their supervisor as soon as they become aware of them. Failure to make required disclosures or resolve conflicts of interest satisfactorily may result in discipline, including termination.

### Company Property

All Company property is intended for business use and personal use should be kept to a minimum except as otherwise specifically authorized in writing. This policy also applies to Company communications equipment, all electronic devices, emails and paper communication. In order to avoid harmful viruses, malware, and corruption of the Company's computer network, employees must exercise care when accessing the internet, opening files, and downloading data with the Company's computer equipment. Do not download or install software without the prior authorization of the Management. Employees should have no expectation of privacy while using Company property. Information passing through or stored on Company property, can and will be monitored.

Improper use of the Company's property includes any misuse as described in this policy and specifically includes any harassing, discriminatory, defamatory, violent, profane, illegal, abusive and/or sexually suggestive written, recorded, or electronically transmitted material.

Violation of these policies will result in disciplinary action, up to and including termination.

### Workplace Searches

To protect the property and safety of our employees, customers, and business, and to prevent the use and possession of drugs and alcohol at the workplace, the Company reserves the right to conduct a search of all Company property, as well as any persons or personal property on its premises to the extent permitted by law, even where items are locked. Employees should have no expectation of privacy with respect to such property. At any time, the Company may search Company property and an employee's work area, office, desks, files, computer files, e-mails,



telephone voice mails and text messages, lockers, equipment, and company vehicles.

The Company may also search personal property on Company premises, a search may include a search of persons or personal property for missing items or contraband only if it has a reasonable suspicion that the item in question may be in the area to be searched. If possible, before conducting the search, the Company will ask the affected individual about the item in question, and will give the individual the opportunity to produce the item. Where appropriate, the Company may use a third party to assist with or conduct the search.

Refusal to submit to a search may lead to disciplinary action including termination of employment. Employees who are found in possession of stolen property or other contraband will be subject to appropriate disciplinary action including termination. Such employees may also be subject to criminal prosecution.

### Rules of Conduct

The Company has rules of conduct that apply to all employees. These are necessary to assure a safe, efficient business operation, to assure compliance with law, and to protect the wellbeing and rights of all employees and customers. Violations of Company rules are subject to disciplinary action up to and including termination of employment. At the Company's sole discretion, some violations may result in immediate dismissal and will not involve normal disciplinary procedures such as verbal and written warnings. Nothing in this policy alters the employment-at will relationship between the Company and its employees. The following is a non-exhaustive list of examples of misconduct that employees must avoid:

- Chronic absence or tardiness
- Use of vulgar or abusive language
- Illegal activities
- Dishonesty, theft, or embezzlement of any kind or nature whatsoever

- Discrimination, including harassment and retaliation, on account of a person's legally protected class or activity
- Failure to perform work duties/assignments
- The misuse of alcohol and/or drugs (including misuse of prescription medication) while at work and/or the impairment by either while at work
- Smoking, including electronic cigarettes of any kind, inside buildings or in designated outside non-smoking areas
- Misuse or wrongful disclosure of the Company's trade secrets or confidential information
- Unreasonable and substantial interference with another employee's work performance
- Fighting or threatening bodily harm
- Unauthorized use of or removal of Company property.
- Violation of safety regulations and/or failure to report accidents
- Falsification of employee records, time cards, or clocking in/out for other employees
- Possession of firearms, explosives, or other weapons on Company or customer property, or during work time, except as expressly permitted by law
- Abusive or harassing behavior toward co-workers, customers, or others.

### Professional Demeanor and Personal Appearance

The Company encourages all employees to work, behave and dress in a manner consistent with professional values. Field employees should wear Company-provided logo embroidered shirts. Office employees should adhere to a professional business casual appearance.

Employees should ensure they are neatly and professionally groomed. Employees should maintain proper hygiene and restrain from wearing excessive perfume or cologne in the workplace.

### Work Week and Payroll

Payroll is processed on a bi-weekly basis and includes time worked from the Sunday through Friday for two week. Employees will receive pay via paychecks available on the Friday after the pay period ends. Paychecks will be issued after 3pm.

### Work Schedule

Field staff: regular working hours are Monday through Friday, 7:00am – 3:30pm, with 1 hour allotted for lunch. This hour includes two 15 minute breaks

Office Staff: regular working hours are Monday through Friday, 8:00am – 4:30pm, with 30 minutes allotted for lunch.

The Company expects employees to be reliable and punctual. Employees should report for work on time and as scheduled. If an employee cannot come to work or will be late for any reason, they must contact their direct supervisor. When it is known in advance, employees should request approval by their supervisor for any works hours outside of the Company's normal Work Schedule.

Unplanned absences can disrupt work, inconvenience other employees, and affect productivity. If you have a poor attendance record or excessive lateness, you may be subject to disciplinary action, up to and including termination.

### Attendance

The Company expects employees to be reliable and punctual. You should report for work on time and as scheduled. If you cannot come to work or you will be late for any reason, you must contact your direct supervisor, office receptionist and

payroll manager as soon as possible. When it is know in advance, employees must request approval in writing for any time off hours outside the Company's normal work schedule.

Unplanned absences can disrupt work, inconvenience other employees and effect productivity. If you have a poor attendance record or excessive lateness, you may be subject to disciplinary action, up to and including termination.

### **Inclement Weather**

If the Company's locations are closed due to inclement weather, non-exempt employees scheduled to work on that day will not be paid for that day. Use of paid leave day may be used if the employee is eligible. Compensation of exempt employees will be governed by federal wage and hour law.

If the locations are open during inclement weather, an employee who fails to report to work may not be compensated and termed "absent from Work."

The absenteeism policy and reporting procedures must be followed in the event an employee is unable to report to work because of inclement weather.

### **Employee Classification**

The Fair Labor Standards Act (FLSA) is a federal law which requires that most employees in the United States be paid at least the federal minimum wage for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a work week.

#### **Exempt Employees**

Section 13(a)(1) of the FLSA provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional and outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees. To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week. Job titles do not determine exempt status. In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department of Labor regulations.

To qualify for exemption, employees generally must be paid at not less than \$455 per week on a salary basis. These salary requirements do not apply to outside sales employees. Exempt computer employees may be paid at least \$455 on a salary basis or on an hourly basis at a rate not less than \$27.63 an hour. Being paid on a “salary basis” means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee’s work. Subject to exceptions listed below, an exempt employee must receive the full salary for any work week in which the employee performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any work week in which they perform no work. If the employer makes deductions from an employee’s predetermined salary, i.e., because of the operating requirements of the business, that employee is not paid on a “salary basis.” If the employee is ready, willing and able to work, deductions may not be made for time when work is not available.

Deductions from pay are permissible when an exempt employee: is absent from work for one or more full days for personal reasons other than sickness or disability; for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness; to offset amounts employees receive as jury or witness fees, or for military pay; or for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions. Also, the Company is not required to pay the full salary in the initial or terminal week of employment; for penalties imposed in good faith for infractions of safety rules of major significance, or for weeks in which an exempt employee takes unpaid leave under the Family and Medical Leave Act. In these circumstances, either partial day or full day deductions may be made.

### Non-Exempt Employees

Non-exempt employees are employees who, because of the type of duties performed and/or the method of compensation, are subject to the FLSA provisions including those requiring the payment of overtime. Non-exempt employees are compensated for all hours worked overtime at the premium (time-and-one-half) rate of pay, as required by law. If a non-exempt employee is paid a salary, the salary is intended to compensate the employee for all hours worked in each work week, whether those hours are greater or less than 40 per week. In the event a salaried, non-exempt employee works overtime in any work week, the salary will therefore provide that employee with “straight-time pay” for the overtime hours,

and the only additional overtime compensation will be calculated at the rate of one-half the employee's regular hourly rate per hour of overtime worked. The regular hourly rate of pay for a salaried, non-exempt employee will be determined by dividing the employee's weekly salary by the number of hours worked in the subject work week.

#### Time Records for Time Worked on Company Jobs

The Company requires non-exempt and exempt employees to record their time for all work performed on a job site. Each required employee must accurately record the starting and ending time of each work period, on each job site for each day. This rule applies to all exempt or non-exempt employees, regardless of whether they are paid on an hourly or a salaried basis. Time records for work performed on a job site must be submitted promptly to employee's direct supervisor for each work period.

#### Advance Approval of Overtime Worked by Non-Exempt Employees

Non-exempt employees may be required to work overtime as part of their normal work schedule. All overtime by non-exempt employees must be previously discussed and approved by your manager.

#### Payroll Processing

Exempt employees will receive their normal salary each pay period, subject to applicable deductions and withholdings.

Each exempt employee is responsible for providing the payroll department an accounting of any Paid Time-Off or any Unpaid Time-Off by Tuesday of the week in which the time was taken. Employees are responsible for ensuring any Paid Time-Off requests are in compliance with the Company's then current policy.

Non-Exempt employees must complete and sign their timesheet showing all time (including overtime) worked, have it approved by their supervisor, and submit it to the payroll department.

Field employees are required to also submit a weekly timesheet (on either Friday or Monday of each week) identifying the jobs, cost codes and time (15 minute increments) worked for the previous week.

### Discretionary Compensation

Depending on their positions and duties, some employees may receive compensation above and beyond their normal base salary or regular hourly rate of pay. When it is paid, such compensation typically appears in the form of a bonus. All such compensation is always at the sole discretion of the Company, and its payment will depend on multiple factors including but not limited to the employee's performance, the Company's profitability and overall financial condition, expected financial and market conditions in the future, the Company's objectives, and whether the employee is still employed at the time payment is being considered. Keep in mind that circumstances affecting such discretionary decisions by the Company may change quickly and unexpectedly. No employee has any contractual right to receive any bonuses, commissions, fees, or other compensation above and beyond their base salary or regular hourly rate of pay.

### Individual Performance Review

During your employment with AFC Electric, Inc. the Company may provide you with periodic performance feedback in order to encourage and align your performance with the Company's goals and objectives. The Company generally tries to review each employee's compensation on an annual basis and may provide additional financial incentives based on performance and market conditions.

## Paid Time Off

Paid Time Off (PTO) benefits are offered to full time employees. The Paid Time Off policy includes paid vacation time, paid personal time and paid sick time. Eligible employees earn (or accrue) Paid Time OFF each pay period of their employment. In 2016 the amount of time earned (accrued) each pay period of employment is based on the following:

### **2.08 hours per pay period**

**- First year of employment (annualized rate of 56 hours or 7 days)**

### **3.56 hours per pay period**

**- After one year of employment (annualized rate of 96 hours or 12 days)**

### **5.04 hours per pay period**

**- After five years of employment (annualized rate of 136 hours or 17 days)**

These rates are the standard Paid Time-Off rates offered by the company. The company, in its sole discretion, may offer different Paid Time-Off rates to an employee as part of a total negotiated compensation arrangement.

New employees are prohibited from taking Paid Time-Off during their 90 day introductory period. Paid Time-Off is earned during this period and may be taken in compliance with this policy after the new employee's 90 day introductory period.

The company recognizes that since Paid Time Off is earned monthly, an employee may use more Paid Time-Off then they have earned within the same fiscal year. The Company approves and employee to do so up to a maximum of five days at any one time.

For example, if you used 40 hours off in the first month of the fiscal year you would have negative Paid Time-off of -35.85 hours at the end of the month (40 hours used minus 4.14 hours earned). At the time an employee's employment with the Company ends, for any reason, the employee will be required to reimburse the Company for any negative Paid Time-Off.

Employees cannot be paid in lieu of taking time off. The Company believes that employees should take regular breaks, whether to go on vacation, take a day off to be with friends or family, etc. and therefore we encourage everyone to use their time-off during each fiscal year.



Payment for unused PTO upon separation of employment, regardless of the reason for separation, is at the sole discretion of the Company and may depend on multiple factors including but not limited to the circumstances surrounding an employee's termination from employment, whether the termination is a voluntary resignation by the employee or an involuntary termination by the Company, whether a resignation is preceded by reasonable advance notice to the Company, whether an involuntary termination is with or without cause, the employee's history with the Company and performance record, and the financial condition of the Company.

#### "Use it or lose it" Policy.

Paid Time-Off is subject to a use-it or lose-it policy, which means that PTO needs to be used within the current calendar year or it will expire and no longer be available to you.

PTO begins on January 1st of each year and expires on December 31st of the current year.

#### Time-off minimums

To ease the burden of tracking PTO, PTO should be used in minimum of half day (4 hour) increments.

#### Approval for advanced time-off

PTO should be approved in advance by your direct manager. Employees must complete a written request for advanced time-off to their direct manager and submit approved request for payroll tracking. When PTO is used for sickness or personal reasons, notice to your direct manager should be provided in writing as far in advance as is feasible.

#### Holidays

The Company provides 6 paid holidays each year for full-time employees. The holidays are New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. Each year the Company publishes the specific dates that these holidays will be celebrated.

#### Jury and Witness Duty

The Company encourages you to fulfill your civic responsibilities by serving jury duty if you get a summons. Non-exempt employees may request unpaid jury duty leave for your absence. You may also use any available PTO to be paid for an unpaid jury duty leave.

Similar concessions will be made for employees who are subpoenaed to serve as a witness. An exempt employee will not have his/her salary reduced due to compliance with a jury summons or witness subpoena unless such compliance causes the employee to miss the entire work week.

### Military Leave

It is Company policy to grant a leave of absence without pay to employees who participate in U. S. Armed Forces Reserve or National Guard training programs, or other qualifying uniformed service, in accordance with the provisions of the federal Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”) and Florida law.

Any employee who takes a leave of absence to perform such qualifying service may, in his/her discretion, use accrued vacation and personal leave with pay. The Company is committed to protecting the job rights of employees on military leave as required by the USERRA and Florida law.

### Family and Medical (FMLA) Leaves of Absence

The Company will provide eligible employees with up to 12 weeks of unpaid leave (or 26 weeks in the case of leave needed to care for a covered service member as set forth below) in a 12- month period for certain family and medical reasons under the Family and Medical Leave Act (FMLA), as required by the FMLA. The 12- month period during which FMLA leave may be taken is defined as a “rolling” 12- month period measured backward from the date an employee uses any FMLA leave. Employees are generally eligible if they have completed 1,250 hours of service in the last 12 consecutive months and 12 months of total Company service (calculated over any period of time), and if they work at a location in the United States where the Company employs 50 or more employees within 75 miles.

### Reasons for Taking Leave

FMLA leave may be granted for any of the following reasons:

- \* To care for the employee's child after birth of the child, or placement of the child with the employee through adoption or foster care;
- \* To care for the employee's spouse, son or daughter (who is under the age of 18 or incapable of self-care due to physical or mental disability), or parent, who has serious health condition;
- \* For a serious health condition that makes the employee unable to perform his or her job;

\* Because of any qualifying exigency (as the United States Secretary of Labor shall, by regulation, determine) arising out of the fact that the spouse, or a son, daughter, or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a qualifying military operation; or

\* To care for a covered member of the Armed Forces who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness, where the employee is the spouse, son, daughter, parent, or next of kin of the service member. Under such circumstances, the employee may be entitled to a total of 26 work weeks of leave during a single 12-month period to care for the service member. A serious health condition generally means an illness, injury, impairment, or physical or mental condition that involves: (1) inpatient care in a hospital, hospice, or residential medical care facility; or (2) continuing treatment by a health care provider. FMLA leave may be taken on an intermittent basis under certain circumstances. When intermittent leave is needed to care for an immediate family member or covered service member or the employee's own serious health condition, and is for planned medical treatment, the employee must try to schedule treatment so as not to unduly disrupt the Company's operation. While on FMLA leave, an employee will be requested to give the Company periodic reports of his or her status.

#### Advance Notice and Certification

Before FMLA leave is granted, an employee must provide leave notice and certification of the qualifying need and/or condition. Taking of leave may be denied if either requirement is not met.

\* An employee ordinarily must provide 30 days advance notice when the leave is foreseeable. Where leave is for a qualifying exigency arising out of an immediate family member's armed service in a qualifying military operation, and it is foreseeable, such advance notice as is reasonable and practicable must be provided. Where the leave is unforeseeable, the employee must provide notice as soon as possible. Notice should be provided by the employee to the Vice President of the Division.

\* The Company will require medical certification by a health care provider to support a request for FMLA leave because of a serious health condition or the need to care for a covered service member. The medical certification should include, without limitation

- (1) the date on which the serious health condition commenced,
- (2) the probable duration of the condition,
- (3) the appropriate facts within the knowledge of the health care provider regarding the condition,
- (4) where applicable, that the employee is needed to care for an immediate family member or that the employee is unable to perform the functions of his or her position because of the serious health condition, and
- (5) the necessity of any intermittent leave.

\*Other certification may be required where leave is for a qualifying exigency arising out of an immediate family member's armed service in a qualifying military operation.

\*If FMLA leave is taken for the employee's own serious health condition, the employee will be required to provide a medical certification of his or her ability to return to work prior to reinstatement.

#### Substitution of Paid Leave

An eligible employee may elect to substitute any accrued paid leave for FMLA leave, to be counted towards the FMLA entitlement. The Company may require employees to first use any accrued paid leave before taking unpaid leave, as permitted by the FMLA, and the use of accrued paid leave will be counted towards the FMLA entitlement.

Upon return from FMLA leave, an employee will be reinstated to his or her original or equivalent position with equivalent pay, benefits, and other employment terms, as required by law. An employee returning from FMLA leave is requested to provide at least two weeks advance notice of the date the employee intends to return to work.

The Company may deny the job reinstatement of certain highly-paid, "key" employees, where such denial is necessary to prevent substantial and grievous economic injury to the Company's operations. When a "key" employee seeks FMLA leave, the Company shall provide written notice to the employee that he or she qualifies as a "key" employee and may be denied reinstatement if the Company determines that substantial and grievous economic injury to its operations will result. As soon as the Company determines, in good faith, that substantial and grievous economic injury to its operations will result from reinstatement, the Company will notify the employee in writing of its determination and intent to deny reinstatement, as well as the grounds therefore. The Company will also inform a "key" employee that he or she is still entitled to FMLA leave and continuation of group health insurance, assuming other qualifications are met. If FMLA leave has already commenced, the Company will provide a reasonable time

within which a “key” employee may return to work. At the conclusion of a “key” employee’s FMLA leave, the Company will again notify the “key” employee whether the Company still intends to deny reinstatement.

The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave or be counted against the employee under a no fault attendance policy. However, vacation time, personal time and sick time will not accrue during an FMLA leave of absence.

#### Unlawful Acts By Employers

The FMLA makes it unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided under the FMLA or to discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

#### Enforcement

The FMLA does not alter any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement that provides greater leave rights. Employees requiring additional information should contact the Human Resources Department.

#### 2016 Medical Reimbursement Policy

For the year 2016, AFC Electric, Inc will provide medical reimbursement for the following classifications:

Foremen	\$100 per month (\$1200 per year maximum)
Superintendent	\$100 per month (\$1200 per year maximum)
Accounting	\$100 per month (\$1200 per year maximum)
Managers	\$200 per month (\$2400 per year maximum)

Employees whose position falls under the above categories must provide medical benefit enrollment documentation quarterly. Documentation must show employees name as enrollee.

Expense reimbursement will be paid via a payroll as a expense reimbursement.

## Safety

The Company will provide all employees with a Safety Manual, outlining the proper procedures for working safely within The Companies standard practices. All employees are required to attend a quarterly safety meeting. During those meeting, employee will participate in safety training, and review. Quarterly training meetings will be completed by The Company's Safety Committee. All Company Supervisors and Management must complete the OSHA 10 Training course, provided by certified OSHA trainer.

Quarterly Safety meeting are to provide training for each employee to be responsible for performing his or her job responsibilities in a safe and efficient manner. All employees should use the safest possible methods in the performance of their duties. If unsafe working conditions should arise, a supervisor must be notified immediately for course of action. Hazardous practices unfitting of proper employee conduct such as horseplay, practical jokes, and unsafe equipment operation are prohibited and grounds for immediate discipline.

All accidents and/or injuries during an employee's shift, no matter how slight, must be reported to the employee's supervisor immediately. The employee should provide an accident statement to their supervisor as soon as possible after the accident and after receiving any required medical attention Should you fail to notify your supervisor of an on-the-job accident, and you later suffer complications from the accident, there may be reasonable doubt about your condition at the time of your claim and you may lose your rights to obtain compensation and/or benefits.

## Workers Compensation Insurance

The Company carries the legal limits for workers compensation coverage. Employees who are involved in an on-the-job accident should report the accident immediately to a supervisor or manager. Employees may also report on-the-job accidents to the Safety Director or Safety Coordinator as listed in the Safety Manual.

## Care and Use of Tools, Equipment and Vehicles

One of The Company's highest concerns is the safety of our employees and the public. The Company strives to maintain our equipment in the best possible

condition while adhering to local, state and federal laws. The responsibility of driving our vehicles or using our equipment is taken very seriously by the Company and only approved employees are permitted to operate our vehicles or equipment.

Employees are expected to take proper care of Company vehicles and equipment in their control or under their supervision. The Company may take action to recover damages if an employee does not do so. No Company vehicle or equipment may be taken or used for personal benefit without specific authorization. Unauthorized use is grounds for dismissal and possible prosecution. If a Company vehicle or equipment incurs any damage while under the charge of a particular employee, that employee will be responsible for reporting the damage immediately and replacing or fixing the item may be at the cost of the employee. Also report any malfunctions of equipment/tools/vehicles immediately to your supervisor.

For those employees who drive Company vehicles, the following rules also apply:

- Only employees are allowed to drive and ride in Company vehicles.
- The Company must be notified immediately of any change in the status of your driving record. Failure to report any change in the status of an employee's driving record is grounds for discipline, up to and including termination. This includes, but is not limited to, involvement in a traffic accident, traffic citations for any infraction, and arrests for driving under the influence (regardless of adjudication).
- If an employee receives a traffic citation while operating a Company vehicle, that Employee will be responsible for paying any fine or penalty.
- Vehicles must be maintained and kept in clean condition. Regular maintenance must be scheduled by the driver with company approved mechanics. The Company restricts employees from performing any maintenance to a company vehicle without the express approval of the President.
- Report all defects, damages or any other incidents to your immediate supervisor.

- Except for commuting to and from the employee's home and workplace or worksite and minimal personal use (such as a stop for a personal errand on the way to or from the employee's worksite), Company vehicles may only be used for Company business.
- Any employee who is provided with a Company vehicle will be subject to income tax on the deemed value of the employee's commuting use of the vehicle, which the IRS has currently established at \$3 per business day that the employee has possession of the vehicle. Any employee who uses a Company vehicle for other than commuting to and from the employee's home and workplace or worksite or minimal personal use is subject to tax on the actual value of that use, as determined under IRS rules.

### Distractive Driving

All Drivers must complete an annual distracted driver training program. This program will be provided by the Company's insurance provider.

The dangers of distracted driving are of increasing concern to the Company. Recent deadly crashes involving drivers distracted by texting and e-mailing while driving highlight a growing danger on our roads. Numerous studies have demonstrated how texting and e-mailing while driving pose a significant safety risk to motorists, their passengers and others on the road. Therefore, the Company prohibits texting or emailing while: (a) operating a Company vehicle; (b) while using a Company issued cell phone while operating any vehicle; or (c) while operating any vehicle during working hours or while on Company business. This includes reading or responding to e-mails and text messages. Employees operating vehicles are required to pull over to a safe place if a text message or e-mail must be read or prepared. Violations of this policy will lead to discipline, up to and including termination of employment.



## Monitoring & Reporting Misconduct

The Company will provide periodic management training to help implement, monitor and report misconduct according to but not limited to this program. The Company will make every effort to promptly investigate all reports on misconduct in as confidential manner as possible and prompt corrective action will be taken as warranted. Corrective action may come in the form of verbal warning, written warning, suspension or termination of employment. At the Company's sole discretion, some violations may result in immediate dismissal and will not involve normal disciplinary procedures such as verbal and written warnings. Nothing in this policy alters the employment at-will relationship between the Company and its employees.



## **EMPLOYEE ACKNOWLEDGEMENT FORM**

By signing below, you acknowledge that you have received, read, and understood the Company's Employee Handbook.

You also recognize that the policies and procedures contained in the Handbook constitute management and employee guidelines only, and are in no way to be interpreted as a contract between the Company and any of its employees. You further understand that the Company reserves the right to change, modify, deviate from, or delete any of its work rules and policies at any time, as it deems advisable in its sole discretion. You also understand that employment is at will, meaning either the Company or you may terminate employment at any time, for any reason or for no reason.

**Employee's Name (Please print):** \_\_\_\_\_

**Employee's Signature:** \_\_\_\_\_

**Today's Date:** \_\_\_\_\_