

Employee Manual



January 2017

WELCOME TO UNISHKA!

Whether you have just joined our staff or have been at UNISHKA for a while, we are confident that you will find our company a dynamic and rewarding place in which to work and we look forward to a productive and successful association. We consider our employees to be our most valuable resource. This handbook has been written to serve as the guide for the employer/employee relationship.

There are several things to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to your supervisor or to Human Resources. Neither this handbook nor any other company document (except an Employee Contract) confers any contractual right, either express or implied, to remain in the company's employ. Nor does it guarantee any fixed terms or conditions of employment. Unless specifically specified in your contract, your employment is at will and may be terminated at any time with or without cause and without prior notice by the company; similarly, you may resign for any reason at any time. No supervisor or other representative of the company (except the Director of Human Resources) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described herein may be modified or discontinued from time to time. We will try to inform you of any changes as they occur.

This handbook and the information in it should be treated as confidential. No portion of this handbook should be disclosed to others, except UNISHKA employees and others affiliated with UNISHKA whose knowledge of the information is required in the normal course of business.

Some subjects described in this handbook are covered in detail in company policies or manual. Please refer to those documents for specific information. In instances where a company policy or manual exists, it is the controlling document and this Employee Handbook only summarizes those policies or manuals. Notwithstanding the above, the terms of any written insurance policy are controlling and override any statements made in this or other documents.

Contents

1	Employee Handbook Acknowledgment and Receipt	1
2	Diversity	3
2.1	Equal Employment Opportunity Statement	3
2.2	UNISHKA’s Anti-Harassment Policy and Complaint Procedure	3
2.3	Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA)	6
3	Employment.....	7
3.1	Employee Classification Categories	7
3.2	Background and Reference Checks	8
3.3	Internal Transfers/Promotions	9
3.4	Progressive Discipline.....	9
3.5	Separation of Employment.....	10
4	Workplace Safety.....	13
4.1	Drug-Free Workplace	13
4.2	Weapons in the Workplace	16
4.3	Workplace Bullying	16
4.4	Violence in the Workplace	17
4.5	Safety	18
4.6	Smoke-Free Workplace	19
5	Workplace Expectations	20
5.1	Confidentiality.....	20
5.2	Conflicts of Interest	20
5.3	Outside Employment.....	20
5.4	Attendance and Punctuality	21
5.5	Attire and Grooming	21
5.6	Electronic Communication and Internet Use.....	22
5.7	Social Media—Acceptable Personal Use.....	22
5.8	Solicitations, Distributions and Posting of Materials.....	23
5.9	Employee Personnel Files	23
6	Compensation	24

6.1	Performance and Salary Review	24
6.2	Payment of Wages	24
6.3	Time Reporting	25
6.4	Meal/Rest Periods	25
6.5	Overtime Pay (nonexempt employees)	26
6.6	On-Call Pay (nonexempt employees)	26
6.7	Employee Travel and Reimbursement	26
7	Time Off/Leaves of Absence.....	28
7.1	Holiday Pay	28
7.2	Vacation	28
7.3	Sick Leave	29
7.4	Family and Medical Leave Act	29
7.5	Personal Leave of Absence	36
7.6	Bereavement Leave	36
7.7	Jury Duty	36
7.8	Voting Leave	37
7.9	Military Leave of Absence.....	37
7.10	Lactation/Breastfeeding	37
8	Benefits	38
8.1	Medical Insurance.....	38
8.2	Civil Unions and Domestic Partners	38
8.3	Group Life Insurance	39
8.4	Short-Term Disability Benefits.....	39
8.5	Long-Term Disability Benefits	40
8.6	401(k) Plan	40
8.7	Workers' Compensation Benefits	40
8.8	Tuition Assistance	40

1 EMPLOYEE HANDBOOK

ACKNOWLEDGMENT AND RECEIPT

I have received my copy of the Employee Handbook.

The employee handbook describes important information about UNISHKA, and I understand that I should consult my supervisor or Human Resources regarding any questions not answered in the handbook. I have entered into my employment relationship with UNISHKA voluntarily and acknowledge that there is no specified length of employment except as described in my contract (if any). **Accordingly, either UNISHKA or I can terminate the relationship at will, with or without cause, at any time, so long as there is not violation of applicable federal or state law.**

I understand and agree that, other than the Director of Human Resources, no manager, supervisor or representative of UNISHKA has any authority to enter into any agreement for employment other than at will; only the Director of Human Resources has the authority to make any such agreement and then only in a signed written agreement agreed to by the President of UNISHKA.

I understand that, except for employment-at-will status, any and all policies and practices may be changed at any time by UNISHKA and the company reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices (including email) and I understand that that the new policies and practices may supersede, modify or eliminate existing policies or benefits. Only the President of UNISHKA has the authority to adopt revisions to this Employee Handbook.

I understand and agree that nothing in the Employee Handbook creates, or is intended to create, a promise or representation of continued employment and that employment at UNISHKA is employment at will, which may be terminated at the will of either UNISHKA or myself. Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document.

I understand and agree that employment and compensation may be terminated with or without cause and with or without notice at any time by UNISHKA or myself.

I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Employee's Signature

Employee's Name (Print)

Date

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE

2 DIVERSITY

2.1 Equal Employment Opportunity Statement

It is the policy of UNISHKA to provide equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran in accordance with applicable federal, state and local laws. UNISHKA complies with applicable federal, state and local laws governing nondiscrimination in employment in every location in which the company has facilities. UNISHKA's EEO policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

UNISHKA expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, national origin, age, genetic information, disability or veteran status. Improper interference with the ability of UNISHKA employees to perform their expected duties will not be tolerated.

2.2 UNISHKA's Anti-Harassment Policy and Complaint Procedure

UNISHKA is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, UNISHKA expects that all relationships among persons in the office will be business-like and free of bias, prejudice and harassment.

UNISHKA encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of UNISHKA to promptly and thoroughly investigate such reports. UNISHKA prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

2.2.1 Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment as defined in the Equal Employment Opportunity Commission (EEOC) Guidelines is: unwelcome sexual advances, requests for sexual favors or

other verbal or physical conduct of a sexual nature when, for example a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including political, ethnic or religious group) and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

2.2.2 Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to UNISHKA (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business

trips, business meetings and business-related social events. Furthermore, this conduct is prohibited on all company run websites, social media platforms, accounts, and publications. Infringement or violations of these policies will not be tolerated.

2.2.3 Complaint Process

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, Human Resources or any member of management. It is UNISHKA's policy that any complaint filed against supervisory or managerial employees be filed directly with Human Resources.

When possible, UNISHKA encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and request that it be discontinued. Often this action alone will resolve the problem. UNISHKA recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

UNISHKA encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action. The findings of investigation processes, proving or disproving the validity of the complaint will remain confidential. Any breach of confidentiality concerning the investigatory process will result in disciplinary action, the severity of which will be determined on an individual basis.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

If a party to a complaint does not agree with its resolution, that party may appeal directly to UNISHKA's President.

False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action as determined by management.

2.3 Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA)

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act, known as the ADAAA, are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of UNISHKA to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our company policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

The company will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to UNISHKA. Contact the Human Resource department with any questions or requests for accommodation.

3 EMPLOYMENT

3.1 Employee Classification Categories

All employees are designated as either nonexempt or exempt under state and federal wage and hour laws. The following is intended to help employees understand employment classifications and employees' employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. The right to terminate the employment-at-will relationship at any time is retained by both the employee and UNISHKA.

Nonexempt employees are employees whose work is covered by the Fair Labor Standards Act (FLSA). The Fair Labor Standards Act is a set of federal standards that defines, outlines and determines what is considered fair labor practices. Nonexempt employees are NOT exempt from the law's requirements concerning minimum wage and overtime.

Exempt employees are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor.

◆ Exemption Criteria:

- Outside Sales or Consultants
- Salary Employees paid at least 23,600 U.S.D per year (455 U.S.D per week) and who are required to perform exempt job duties.

For clarification or inquiries concerning the FLSA please contact UNISHKA's Human Resource department.

UNISHKA has established the following categories for both nonexempt and exempt employees:

- ◆ **Salary Employees, full time:** Employees who are not in a temporary status and who are regularly scheduled to work the company's full-time schedule of 40 hours per week. Generally, these employees are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefits program. Salary employees who meet the FLSA requirements (See Above) are exempt.
- ◆ **Hourly Employees, full-time:** Employees who are not in a temporary status and who are regularly scheduled to work the company's full-time schedule of 40 hours per week. *Hourly employees, full-time* are eligible for

the company's full benefits package subject to the terms, conditions and limitations of each benefits program. *Hourly employees, full-time* are non-exempt unless they perform exempt job duties as outlined in the FLSA (see full FLSA manual for details).

- ◆ **Hourly Employees, part-time:** Employees who are not in a temporary status and who are regularly scheduled to work less than the company's full-time schedule but who work at least 20 hours each week. *Hourly Employees, part-time* may be eligible for select company benefits with management approval, subject to the terms, conditions and limitations of each benefits program. *Hourly employees, part-time* are non-exempt in accordance with the FLSA.
- ◆ **Consulting, Contracted, and Temporary Employees:** Individuals hired to assist in the completion of a specific project or who are hired for an interim position or with a specific end date. Consultants, contracted and temporary employees are not eligible for company benefits unless otherwise outlined in their individual consulting contract. UNISHKA reserves the right to approve or deny consultant benefits within the terms, conditions and limitations of each benefits program. Consultants, contracted and temporary employees are subject to FLSA regulations and exemption status will be determined on a case-by-case basis.

3.2 Background and Reference Checks

To ensure that individuals who join UNISHKA are well qualified and to ensure that UNISHKA maintains a safe and productive work environment, we reserve the right to conduct pre-employment and intermittent background checks on any and all applicants for employment or employees. Background checks may include verification of any information on the applicant's resume or application form. In addition, background checks may be conducted concerning an applicant's or an employee's: driving record, credit report, criminal record, or financial or fiduciary history.

All offers of employment are conditioned on receipt of a background check report that is acceptable to UNISHKA. Reports are kept confidential and are only viewed by individuals involved in the hiring process. UNISHKA requires employees whose position includes working on specific government contracts to undergo additional background checks (See Government Vetting Below).

Background checks may include a criminal record check, although a criminal conviction does not automatically bar an applicant from employment.

Additional checks such as a may be made on applicants for particular job categories if appropriate and job related.

3.3 Internal Transfers/Promotions

Employees with more than twelve months of service may request consideration to transfer to other jobs as vacancies become available and will be considered along with other applicants. At the same time, the company may initiate transfers of employees between departments and facilities to meet specified work requirements and reassignment of work requirements.

UNISHKA offers employees promotions to higher-level positions when appropriate. Management prefers to promote from within and may first consider current employees with the necessary qualifications and skills to fill vacancies above the entry level, unless outside recruitment is considered to be in the company's best interest.

3.4 Progressive Discipline

Every employee has the duty and the responsibility to be aware of and abide by existing rules and policies. Employees also have the responsibility to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established.

UNISHKA supports the use of progressive discipline to address issues such as policy awareness, compliance, poor work performance or misconduct. Our progressive disciplinary policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. Our progressive disciplinary policy has been designed consistent with our organizational values, HR best practices and employment laws.

Outlined below are the steps of our progressive discipline policy and procedure. UNISHKA reserves the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

The following outlines UNISHKA's progressive discipline process:

- ◆ **Verbal warning:** A supervisor verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.

- ◆ **Written warning:** Written warnings are used for behavior or violations that a supervisor considers serious or in situations when a verbal warning has not helped change unacceptable behavior. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning. Written warnings can adversely affect consideration for promotion, wage increases, benefit approvals, as well as limit access to desirable assignments.
- ◆ **Performance improvement plan:** Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may be given a final warning or placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, the employee may be dismissed or the PIP continued.

UNISHKA reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and discharge.

3.5 Separation of Employment

Separation of employment within an organization can occur for several different reasons.

- ◆ **Resignation:** Although we hope your employment with us will be a mutually rewarding experience, we understand that varying circumstances cause employees to voluntarily resign employment. Resigning employees are encouraged to provide a minimum of two weeks' notice, preferably in writing, to facilitate a smooth transition out of the organization. Management reserves the right to provide an employee with two weeks' pay in lieu of notice in situations where job or business needs warrant such action. If an employee provides less notice than requested, the employer may deem the individual to be ineligible for rehire depending on the circumstances regarding the notice given. In accordance with Alaska State Laws UNISHKA ensures resigning employees will receive their owed wages by the next regular pay-period.
- ◆ **Retirement:** Employees who wish to retire are required to notify their department director and the Human Resource department in writing at

least one (1) month before the planned retirement date. It is the practice of UNISHKA to give special recognition to employees at the time of their retirement. Human Resources will allocate funds for employee gifts. To be eligible for retirement the employee will have worked for the company a total of 5 years and be over the age of 55. Collectively, Human Resources and the CEO/President will decide on an appropriate gift for the employee.

- ◆ **Job Annulment (Effective Only within the First 90-days of Employment):** Employees who do not meet UNISHKA's standards of employment within the first 90-days of their employment will be given the opportunity to leave with pay earned and no prejudice for rehire. The supervisor shall notify the Human Resource department at the expiration of the third month and initiate the paperwork to terminate the employee.
- ◆ **Termination:** Employees of UNISHKA are employed on an at-will basis, and the company retains the right to terminate an employee at any time, with or without cause. Employees who are terminated by UNISHKA will receive their earned wages in accordance with Alaska state law.

3.5.1 Return of Company Property

Any separating employee must return all company property at the time of separation, including uniforms, cell phones, keys, computers, identification cards, etc.. Failure to return any item may result in deductions from the final paycheck. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

A separating employee shall contact the Human Resource department as soon as notice is given to schedule an exit interview. The interview will be on the employee's last day of work or another day, as mutually agreed on.

3.5.2 Rehire

Former employees who left UNISHKA in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human Resource department, and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam, when required. Employees eligible for rehire maybe subject to background/ clearance checks again depending on time lapsed between employment

Supervisors must obtain approval from the Human Resource director or designee prior to rehiring a former employee. Rehired employees begin

benefits just as any other new employee. If an employee left in good standing, their previous tenure will be considered in calculating longevity, leave accruals and other appropriate benefits.

4 WORKPLACE SAFETY

4.1 Drug-Free Workplace

UNISHKA has a longstanding commitment to provide a safe and productive work environment. Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, UNISHKA is committed to the elimination of drug and/or alcohol use and abuse in the workplace.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy applies to all employees and all applicants for employment of UNISHKA. The Human Resource department is responsible for policy administration.

4.1.1 Employee Assistance and Drug-Free Awareness

Illegal drug use and alcohol misuse have a number of adverse health and safety consequences. Information about those consequences and sources of help for drug/alcohol problems is available from the Human Resource department, whose members have been trained to help employees find proper, confidential help for drug/ alcohol addiction.

UNISHKA will assist and support employees who voluntarily seek help for such problems before becoming subject to discipline and/or termination under this or other policies. However, UNISHKA management may determine that incidence leading to disciplinary action doesn't automatically disqualify employees from programs. Such employees may be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers and otherwise accommodated as required by law. Employees who have experienced drug or alcohol related treatments must have one year clean follow-up documentation before being aloud to drive company vehicles or deal with matters of safety or security.

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees must, however, consult with their doctors about the medications' effect on their fitness for duty and ability to work safely. Employees on medications that might pose a work place safety issue must promptly disclose such use to their supervisor. Employees are not required to disclose underlying medical conditions unless directed to do so.

4.1.2 Work Rules

The following work rules apply to all employees:

- ◆ Whenever employees are working, are operating any company vehicle, are present on company premises, or are conducting related work off-site, they are prohibited from:
 - Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of illegal drug paraphernalia).
 - Being under the influence of alcohol or an illegal drug as defined in this policy.
- ◆ Employees will not come to any work or work-related function when under the influence of alcohol or an illegal controlled substance.
- ◆ UNISHKA will not allow any employee to perform their duties while taking prescribed drugs that are adversely affecting the employee's ability to safely and effectively perform their job duties. Employees taking prescribed medication must carry it in the container labeled by a licensed pharmacist or be prepared to produce it upon request from a supervisor.
- ◆ Any employee found to be in possession of illegal drugs or drug paraphernalia on company property or company affiliated location/events will be placed on a leave of absence until an appropriate determination of action by the Human Resources department.

4.1.3 Required Testing

The company retains the right to require the following tests:

- ◆ **Pre-employment:** If requested by management, applicants must pass a drug test before beginning work or receiving an offer of employment. Refusal to submit to testing may result in disqualification of further employment consideration.
- ◆ **Reasonable suspicion:** Employees are subject to testing based on observations by a supervisor of apparent workplace use, possession or impairment. Human Resources must be consulted before sending an employee for reasonable suspicion testing. Failure to comply with reasonable suspicion testing will result in suspension until the requested drug test is complete or until appropriate action by the Human Resources department. Employees who have been suspended and still fail to complete reasonable suspicion testing within five days will be terminated at the discretion of UNISHKA.

- ◆ **Post-accident:** Employees are subject to testing when they cause or contribute to accidents that seriously damage a company vehicle, machinery, equipment or property, display excessive incompetency or negligence and/or result in an injury to themselves or another employee requiring off-site medical attention. In any of these instances, the investigation and subsequent testing must take place within two (2) hours following the accident, if not sooner. Any vehicular accident occurring in the company car will require a drug test and or Breathalyzer test; failure to comply will result in suspension or termination at management's discretion.
- ◆ **Follow-up:** Employees who have tested positive, or otherwise violated this policy, are subject to discipline up to and including discharge. At management's discretion considering the employee's work history, UNISHKA may offer an employee who violates this policy or tests positive the opportunity to return to work on a PIP basis pursuant to mutually agreeable terms, which could include follow-up drug testing at times and frequencies for a minimum of one (1) year but not more than two (2) years. If the employee either does not complete his/her rehabilitation program he/she will be subject to immediate discharge from employment. Employees who test positive on a drug test after completion of a drug rehabilitation program are subject to disciplinary action at management's discretion.

4.1.4 Consequences

After the results of substance testing are available, a date/time will be scheduled to discuss the results of the test with the employee. This meeting will include a member of management as well as a representative of the Human Resources department. Should the results prove to be negative, the employee will receive back pay for the times/days of suspension.

Applicants who refuse to cooperate in a drug test or who test positive will not be hired.

Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture or dispense an illegal drug in violation of this policy may be terminated.

The first time an employee tests positive for alcohol or illegal drug use under this policy, the result will be discipline up to and including discharge. UNISHKA aims to help and support their employees, employees who have shown potential and promise will first be directed to professional rehabilitation and service programs.

4.1.5 Confidentiality

Information and records relating to substance testing, drug and alcohol dependencies and legitimate medical explanations provided to the medical review officer (MRO) shall be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files.

4.1.6 Inspections

Employees have no expectation of privacy in any UNISHKA facility except as related to their personal cell phones not connected to UNISHKA's networks. UNISHKA reserves the right to inspect all portions of its premises for drugs, alcohol or other contraband. All employees, consultants and visitors may be asked to cooperate in inspections of their persons, work areas and property that might conceal a drug, alcohol or other contraband. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline up to and including discharge, at management's discretion.

4.1.7 Crimes Involving Drugs

UNISHKA prohibits all employees from manufacturing, distributing, dispensing, possessing or using an illegal controlled substance. Employees are also prohibited from misusing legally prescribed or over-the-counter (OTC) drugs. Employees who are found to have violated UNISHKA's Drug/Alcohol policies are subject to disciplinary action at management's discretion. The severity of the offence will determine the need for law enforcement involvement.

4.2 Weapons in the Workplace

Weapons under the control of an employee may be allowed on UNISHKA premises on a case-by-case basis as approved by UNISHKA's management. In any case, all weapons on UNISHKA premises must be unloaded and the safety engaged. When not physically in the custody of an employee, weapons must be locked and disabled (e.g. removing bolt or firing pin). Failure to follow adequate safety precautions will subject the employee to disciplinary action up to and including termination.

4.3 Workplace Bullying

UNISHKA defines bullying as "repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment." Such behavior violates the company Code of

Ethics, which clearly states that all employees will be treated with dignity and respect.

The purpose of this policy is to communicate to all employees, including supervisors, managers and executives, that the company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination.

As in sexual harassment, it is the effect of the behavior upon the individual that is important. UNISHKA considers the following types of behavior examples of bullying:

- ◆ **Verbal bullying:** Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- ◆ **Physical bullying:** Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person's work or personal area or property. Unwanted contact on or off the job between UNISHKA employees will result in disciplinary action up to and including discharge.
- ◆ **Gesture bullying:** Nonverbal threatening gestures or glances that convey threatening messages.
- ◆ **Exclusion:** Socially or physically excluding or disregarding a person in work-related activities. Purposefully excluding or avoiding working or collaborating with any persons employed by the company.

4.4 Violence in the Workplace

All employees, customers, vendors and business associates must be treated with courtesy and respect at all times. Employees are expected to refrain from conduct that may be dangerous to others.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities should be reported as soon as possible to a supervisor, security personnel, Human Resources or any member of senior management. When reporting a threat or incident of violence, the employee should be as specific and detailed as possible. Employees should not place themselves in peril, nor should they attempt to intercede during an incident.

Employees should promptly inform the Human Resource department of any protective or restraining order that they have obtained that lists the workplace as a protected area. Employees are encouraged to report safety concerns with regard to intimate partner violence. UNISHKA will not retaliate against employees making good-faith reports. UNISHKA is

committed to supporting victims of intimate partner violence by providing referrals to UNISHKA's employee assistance program (EAP) and community resources and providing time off for reasons related to intimate partner violence.

UNISHKA will promptly and thoroughly investigate all reports of threats of violence or incidents of actual violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as possible. UNISHKA will not retaliate against employees making good-faith reports of violence, threats or suspicious individuals or activities. In order to maintain workplace safety and the integrity of its investigation, UNISHKA may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that is in violation of these guidelines will be subject to disciplinary action up to and including termination of employment. Severity of the threats, violence or other conduct found to be against company policy will determine the involvement of law enforcement officials.

UNISHKA encourages employees to bring their disputes to the attention of their supervisors or Human Resources before the situation escalates. UNISHKA will not discipline employees for raising such concerns.

4.5 Safety

It is the responsibility of each employee to conduct all tasks in a safe and efficient manner complying with all local, state and federal safety and health regulations and program standards, and with any special safety concerns for use in a particular area or with a client.

Although most safety regulations are consistent throughout each department and program, each employee has the responsibility to identify and familiarize her/himself with the emergency plan for his/her working area.

It is the responsibility of the employee to complete an Accident and Incident Report (located in the Safety Manual) for each safety and health infraction that occurs by an employee or that the employee witnesses.

Every person in the organization assumes the responsibility for individual and organizational safety. Failure to follow company safety and health guidelines or engaging in conduct that places the employee, client or company property at risk can lead to employee disciplinary action.

4.6 Smoke-Free Workplace

It is the policy of UNISHKA to prohibit unlawful smoking on all company premises in order to provide and maintain a safe and healthy work environment for all employees. The law defines unlawful smoking as the “act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind indoors in a public/commercial building.”

The smoke-free workplace policy applies to:

- ◆ All indoor areas of company buildings.
- ◆ All vehicles owned or leased by the company.

5 WORKPLACE EXPECTATIONS

5.1 Confidentiality

Our clients and other parties with whom we do business entrust the company with important information relating to their businesses. It is our policy that all information considered confidential will not be disclosed to external parties or to employees without a “need to know.” If an employee questions whether certain information is considered confidential, he/she should first check with his/her immediate supervisor.

This policy is intended to alert employees to the need for discretion at all times and is not intended to inhibit normal business communications.

5.2 Conflicts of Interest

Employees must avoid any relationship or activity that might impair, or even appear to impair, their ability to make objective and fair decisions when performing their jobs. Company property, information or business opportunities may not be used for personal gain.

Conflicts of interest could arise in the following circumstances and specifically require pre-approval by senior management:

- ◆ Being employed by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while employed with UNISHKA.
- ◆ Serving as a board member for an outside commercial company or organization.
- ◆ Owning or having a substantial interest in a competitor, supplier or contractor.

If you are uncomfortable with a task or are given an assignment that raises feelings of conflict. Please contact your immediate supervisor or the Human Resource department.

Employees with a conflict-of-interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their manager or the Human Resources department.

5.3 Outside Employment

Employees are permitted to engage in outside work or to hold other jobs, subject to certain restrictions as outlined below.

All outside work must be disclosed to your supervisor and to the Human Resources department in writing.

Activities and conduct away from the job must not compete with, conflict with or compromise the company interests or adversely affect job performance and the ability to fulfill all job responsibilities. Employees are prohibited from performing outside services during normal work hours. In addition, employees are not to solicit or conduct any outside business during normal work hours.

Employees are cautioned to carefully consider the demands that additional work will create before accepting outside employment. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, refusal to travel or refusal to work overtime or different hours. If UNISHKA determines that an employee's outside work interferes with performance, the employee may be asked to terminate the outside employment. Employees who have accepted outside employment may not use paid sick leave to work on the outside job. Fraudulent use of sick leave will result in disciplinary action up to and including termination. Matriculation in an institution of higher learning is not considered outside employment for purposes of this section.

5.4 Attendance and Punctuality

Vacation and paid-time-off (PTO) must be scheduled with one's supervisor in advance. Sick leave may be used in case of illness without prior scheduling. Patterns of absenteeism or tardiness may result in discipline even if the employee has not yet exhausted available PTO. Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA) will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA may be required in these instances.

Not reporting to work and not calling to report the absence is a no-call/no-show and is a serious matter. The first instance of a no call/no show will result in a final written warning. The second separate offense may result in termination of employment with no additional disciplinary steps.

5.5 Attire and Grooming

It is important for all employees to project a professional image while at work by being appropriately attired. UNISHKA employees are expected to be neat, clean and well groomed while on the job. Clothing must be consistent with the standards for a business environment and must be

appropriate to the type of work being performed. UNISHKA is confident that employees will use their best judgment regarding attire and appearance.

5.6 Electronic Communication and Internet Use

The following guidelines have been established for using the Internet, company provided networks, company-provided cell phones and e-mail:

- ◆ Computer equipment, software, operating systems, storage media, network accounts providing electronic mail, web browsing, and FTP, are the property of UNISHKA. These systems are to be used for business purposes in serving the interests of the company and of our clients in the course of normal operations. *De minimus* personal use is authorized on a limited basis.
- ◆ Internet, company-provided equipment (e.g., cell phone, laptops, computers) and services may not be used for transmitting, retrieving or storing any communications of a defamatory, discriminatory, harassing or pornographic nature.
- ◆ The following actions are generally prohibited: using disparaging, abusive, profane or offensive language; creating, viewing or displaying material that might adversely or negatively reflect upon UNISHKA.
- ◆ Employees must not use the system in a way that disrupts its use by others. Employees should not send or receive large files that could be saved/transferred via thumb drives.
- ◆ Employees should not open suspicious e-mails, pop-ups or downloads. Contact IT with any questions or concerns to reduce the release of viruses or to contain viruses immediately.
- ◆ Internal and external e-mails are considered business records and may be subject to discovery in the event of litigation. Be aware of this possibility when sending e-mail within and outside the company. All correspondence pertaining to company work should be sent via confidential/ secure email portal.

5.6.1 Right to Monitor

All company-supplied technology and company-related work records belong to the company. UNISHKA reserves the right to monitor all company-supplied technology.

5.7 Social Media—Acceptable Personal Use

Below are guidelines for *de minimus* social media use.

- ◆ Post only appropriate and respectful content.

- ◆ Do not post *any* work-related information of any kind without supervisory approval.
- ◆ Do not create a link from your blog, website or another social networking site to a UNISHKA website without supervisory approval.
- ◆ Express only your personal opinions. Do not speak about or mention UNISHKA without senior management approval.

5.8 Solicitations, Distributions and Posting of Materials

UNISHKA prohibits the solicitation, distribution and posting of materials on or at company property by any employee or nonemployee, except as may be permitted by this policy. The sole exceptions to this policy are charitable and community activities supported by UNISHKA management and company-sponsored programs related to UNISHKA's products and services.

Provisions:

- ◆ Nonemployees may not solicit employees or distribute literature of any kind on company premises at any time.
- ◆ Employees may solicit other employees during work times when assisting school, community or charitable programs; however, their solicitations should be limited to appropriate times and locations.
- ◆ The posting of materials or electronic announcements are permitted with approval from Human Resources.

5.9 Employee Personnel Files

Employee files are maintained by the Human Resource department and are considered confidential. Managers and supervisors may only have access to personnel file information on a need-to-know basis.

A manager or supervisor considering the hire of a former employee or transfer of a current employee may be granted access to the file, or limited parts of it, in accordance with applicable law or regulation.

An employee will generally be permitted access to their personnel file within three days of a written request. Personnel files are to be reviewed in the Human Resource department. Personnel files may not be duplicated taken outside the department.

6 COMPENSATION

6.1 Performance and Salary Review

Performance appraisals are conducted on an annual cycle. Employees should receive a performance review annually. The performance appraisal will be discussed, and both the employee and manager will sign the form to ensure that all strengths, areas for improvement and job goals for the next review period have been clearly communicated. Performance evaluation forms will be retained in the employee's personnel file.

Merit increases are based on company performance and financials and are not guaranteed. A performance review does not always result in an automatic salary increase. The employee's overall performance and salary level relative to his/her position responsibilities are evaluated to determine if a salary increase would be warranted.

Budget allocations for merit increases are planned and allocated before the start of each calendar year. The annual salary increase program is designed to assist management in planning and allocating merit and promotional increases that reward individual performance, that are market competitive and are internally equitable.

Salary adjustments are occasionally requested or warranted at times other than the employee's scheduled annual salary reviews. Out-of-cycle salary increases must be preapproved by the department manager, HR and the company president. Human Resources will review all salary increase/adjustment requests to ensure internal equity and compliance with company policies and guidelines.

6.2 Payment of Wages

Salary is paid biweekly except senior management who are paid monthly. Salaries are paid on the first and fifteenth of every month.

Overtime payment, which is included with the nonexempt employee's base salary payment, is also paid biweekly with such payment covering hours worked in the prior biweekly period.

If the normal payday falls on a company-recognized holiday, paychecks will be distributed one workday before the aforementioned schedule.

Employees may be paid by check or through direct deposit of funds to either a savings or checking account at the financial institution of their choice.

If an employee's marital status changes or the number of exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to the Human Resource department.

Except for extreme emergencies approved by the president of the company, no salary advances will be paid.

6.3 Time Reporting

A work hour is any hour of the day that is worked and should be recorded to the nearest quarter hour. The workday is defined as the 24-hour period starting at 12:00 a.m. and ending at 11:59 p.m. The workweek covers seven consecutive days beginning on Sunday and ending on Saturday. The usual workweek period is 40 hours.

Overtime is defined as hours worked by an hourly or nonexempt employee in excess of 40 hours in a workweek and should be recorded to the nearest quarter hour. Overtime must be approved in advance by the manager to whom the employee reports.

Employees will submit their time record biweekly as directed by their manager. Each employee is to maintain an accurate daily record of his or her hours worked. All absences from work schedules should be appropriately recorded.

For additional information on overtime, please see Section 6.5 et seq.

6.4 Meal/Rest Periods

The scheduling of meal periods at UNISHKA is set by the employee's immediate manager with the goal of providing the least possible disruption to company operations.

6.4.1 Mandatory Meal Period

Employee meal periods are important to company productivity and employee health. Employees who work at least 8 consecutive hours will be provided a meal break of at least 60 minutes. The meal period will not be included in the total hours of work per day and is not compensable. Nonexempt employees are to be completely relieved of all job duties while on meal breaks and must clock out for meal periods.

6.4.2 Rest Breaks

Salaried employees, as they are paid a weekly salary regardless of the hours they work, may choose to take breaks as needed. Nonexempt employees are permitted a 15-minute rest break for each four hours of work. Nonexempt

employees on rest breaks are not required to clock in and clock out because this time is considered “time worked” and is compensable.

6.4.3 Impermissible Use of Meal Period and/or Rest Breaks

Neither the lunch period nor the rest break(s) may be used to account for an employee’s late arrival or early departure or to cover time off for other purposes—for example, rest breaks may not be accumulated to extend a meal period, and rest breaks may not be combined to allow one half-hour long break.

6.5 Overtime Pay (nonexempt employees)

Nonexempt employees who exceed 40 hours of work time in a workweek with supervisory permission, will be paid time and one half.

Paid leave, such as holiday, sick or vacation pay, does not apply toward work time.

The workweek begins at 12:00 a.m. on Sunday morning and ends at 11:59 p.m. on Saturday night.

Supervisors are required to obtain approval from managers prior to the use of overtime.

Employees who anticipate the need for overtime to complete the week’s work must notify the supervisor in advance and obtain approval before working hours that extend beyond their normal schedule.

During busy periods employees may be required to work extended hours.

6.6 On-Call Pay (nonexempt employees)

An on-call employee who is called back to work outside his or her normal work schedule shall be paid for the time worked or a minimum of one (1) hours, whichever is greater.

Time worked while on call will be calculated at the employee’s regular rate of pay. If an employee is called back to work, he or she will be paid for travel time. If an on-call employee is not called back, no pay will be earned. Overtime compensation is applicable only when total hours worked exceed 40 hours in a workweek.

6.7 Employee Travel and Reimbursement

Employees will be reimbursed for reasonable expenses incurred in connection with approved travel on behalf of the company in accordance with the company’s travel policy.

Travelers seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid the appearance of impropriety. If a circumstance arises that is not specifically covered in the travel policies, the most conservative course of action should be adopted.

Travel for staff must be authorized in advance. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements. Upon completion of the trip, and within 30 days, the traveler must submit a Travel Reimbursement Form and supporting documentation to obtain reimbursement of expenses.

7 TIME OFF/LEAVES OF ABSENCE

7.1 Holiday Pay

UNISHKA recognizes eleven (11) paid holidays each year:

- ◆ New Year's Day
- ◆ Martin Luther King Jr. Day
- ◆ Presidents Day
- ◆ Memorial Day
- ◆ Independence Day
- ◆ Labor Day
- ◆ Veterans Day
- ◆ Thanksgiving Day
- ◆ Day After Thanksgiving
- ◆ 2 Religious Days (Christmas, Eid, Solstice, etc. – at employee's discretion)

Should a holiday fall on a weekend, the holiday will be observed in accordance with the U.S. Postal Service or on the closest workday to the holiday.

Time off may be granted to employees who desire to observe a religious holiday that is not recognized by the company.

7.2 Vacation

All full- and part-time employees are eligible for vacation leave benefits. Part-time employees working 20 to 29 hours per week will earn vacation on a prorated basis. Full-time employees are those working 30-plus hours per week. Vacation accrual begins on the first day of full- or part-time employment. Vacation is accrued according to the schedule in this policy. Vacation can be used only after it is earned. Vacation leave will not be earned during an unpaid leave of absence.

To schedule vacation time, employees should submit a completed leave form to the supervisor at least two weeks before the requested leave. Employees must ensure that they have enough accrued leave available to cover the dates requested. Requests will be approved based on a number of factors, including department operating and staffing requirements. The supervisor should return the leave request to the employee within three business days of the date it is submitted indicating that the request has been

approved or denied. If the request for vacation leave is denied, the supervisor should provide an appropriate reason on the form returned to the employee.

Vacation will be paid at the employee's base rate at the time the leave is taken. Vacation pay is not included in overtime calculation and does not include any special forms of compensation such as incentives, commissions, bonuses or shift differentials. If a holiday falls during the employee's vacation, the day will be charged to holiday pay rather than to vacation pay.

Leave taken beyond an employee's available vacation balance may be unpaid unless otherwise required under state or federal law.

If employment is terminated, accrued unused vacation leave earned through the last day of active employment will be paid at the employee's base rate of pay at termination. In the event of the employee's death, earned unused vacation time will be paid to the employee's estate or designated beneficiary.

7.3 Sick Leave

All full-time, regular employees accrue sick leave from the date of hire, for a total of 10 days per year. Part-time, regular employees accrue sick leave from the date of hire, in a prorated amount using the full-time total of 10 days per year and the average number of hours the part-time employee works per week.

Sick leave may be used for an employee's personal illness, well-care, mental health, medical and dental appointments. Sick leave may also be used for illness and well-care in an employee's immediate family.

Sick leave may be accrued to a maximum of 120 hours. Sick leave may not be used before accrual. If sick leave is exhausted, any available vacation hours will be used in its place. An employee who has a sick leave absence in excess of three consecutive working days must present medical documentation for the absence. Employees are not paid for unused sick leave upon termination of employment.

7.4 Family and Medical Leave Act

Upon hire, UNISHKA provides all new employees with notices required by the U.S. Department of Labor (DOL) on [Employee Rights and Responsibilities Under the Family and Medical Act](#) .

The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law.

7.4.1 General Provisions

Under this policy, UNISHKA will grant up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) during a 12-month period to eligible employees. The leave may be paid, unpaid or a combination of paid and unpaid leave, depending on the circumstances of the leave and as specified in this policy.

7.4.2 Eligibility

To qualify to take family or medical leave under this policy, the employee must meet the following conditions:

- ◆ The employee must have worked for the company for 12 consecutive months. For eligibility purposes, an employee will be considered to have been employed for an entire week even if the employee was on the payroll for only part of a week or if the employee was on leave during the week.
- ◆ The employee must have worked at least 1,250 hours during the 12-month period immediately before the date when the leave is requested to commence. The principles established under the Fair Labor Standards Act (FLSA) determine the number of hours worked by an employee. The FLSA does not include time spent on paid or unpaid leave as hours worked. Consequently, these hours of leave should not be counted in determining the 1,250 hours' eligibility test for an employee under FMLA.

7.4.3 Type of Leave Covered

To qualify as FMLA leave under this policy, the employee must be taking leave for one of the reasons listed below:

- ◆ The birth of a child and in order to care for that child.
- ◆ The placement of a child for adoption or foster care and to care for a newly placed child.
- ◆ To care for a spouse, child or parent with a serious health condition.
- ◆ The serious health condition (described below) of the employee.
 - An employee may take leave because of a serious health condition that makes the employee unable to perform the functions of the employee's position.
 - A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent

treatment in connection with such inpatient care or as a condition that requires continuing care by a licensed health care provider.

- This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three consecutive days of incapacity with the first visit to the health care provider within seven days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year.
- Employees with questions about what illnesses are covered under this FMLA policy or under the company's sick leave policy are encouraged to consult with the Human Resource department.
- If an employee takes paid sick leave for a condition that progresses into a serious health condition and the employee requests unpaid leave as provided under this policy, the company may designate all or some portion of related leave taken as leave under this policy, to the extent that the earlier leave meets the necessary qualifications.
- ◆ Qualifying exigency leave for families of members of the National Guard or Reserves or of a regular component of the Armed Forces when the covered military member is on covered active duty or called to covered active duty.
 - An employee whose spouse, son, daughter or parent has been notified of an impending call or order to covered active military duty or who is already on covered active duty may take up to 12 weeks of leave for reasons related to or affected by the family member's call-up or service. The qualifying exigency must be one of the following: a) short-notice deployment, b) military events and activities, c) child care and school activities, d) financial and legal arrangements, e) counseling, f) rest and recuperation, g) post-deployment activities, and h) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.
 - *Covered active duty* means:
 - In the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country.

- In the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty under a provision of law referred to in Title 10 U.S.C. §101(a)(13)(B).
- The leave may commence as soon as the individual receives the call-up notice. (*Son* or *daughter* for this type of FMLA leave is defined the same as for *child* for other types of FMLA leave except that the person does not have to be a minor.) This type of leave would be counted toward the employee’s 12-week maximum of FMLA leave in a 12-month period.
- ◆ Military caregiver leave (also known as covered service member leave) to care for an injured or ill service member or veteran.
 - An employee whose spouse, son, daughter, parent, or next of kin is a covered service member may take up to 26 weeks in a single 12-month period to take care of leave to care for that service member.
 - *Next of kin* is defined as the closest blood relative of the injured or recovering service member.
 - The term *covered service member* means:
 - A member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation or therapy or is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.
 - A veteran who is undergoing medical treatment, recuperation or therapy for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation or therapy.
 - The term *serious injury or illness* means:
 - In the case of a member of the Armed Forces (including a member of the National Guard or Reserves), an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or that existed before the beginning of the member’s active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member’s office, grade, rank or rating.

- In the case of a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during a period when the person was a covered service member, a qualifying (as defined by the Secretary of Labor) injury or illness that was incurred by the member in line of duty on an active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

7.4.4 Amount of Leave

An eligible employee may take up to 12 weeks for the first five FMLA circumstances above (under heading “Type of Leave Covered”) under this policy during any 12-month period. The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses any leave under this policy. Each time an employee takes leave, the company will compute the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the 12 weeks of available leave, and the balance remaining is the amount of time the employee is entitled to take at that time.

An eligible employee can take up to 26 weeks for the FMLA military caregiver leave circumstance above during a single 12-month period. For this military caregiver leave, the company will measure the 12-month period as a rolling 12-month period measured forward. FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

If spouses both work for the company and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent “in-law”) with a serious health condition, the spouses may only take a combined total of 12 weeks of leave. If spouses both work for the company and each wishes to take leave to care for a covered injured or ill service member, the spouses may only take a combined total of 26 weeks of leave.

7.4.5 Employee Status and Benefits During Leave

While an employee is on leave, the company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

7.4.6 Employee Status After Leave

An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from a health care provider.

7.4.7 Use of Paid and Unpaid Leave

All paid vacation, personal and sick leave runs concurrently with FMLA leave.

Disability leave for the birth of a child and for an employee's serious health condition, including workers' compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with FMLA.

7.4.8 Intermittent Leave or a Reduced Work Schedule

The employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year) or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced-hour schedule. In all cases, the leave may not exceed a total of 12 workweeks (or 26 workweeks to care for an injured or ill service member over a 12-month period).

7.4.9 Certification for the Employee's Serious Health Condition

The company will require certification for the employee's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

7.4.10 Certification for the Family Member's Serious Health Condition

The company will require certification for the family member's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

7.4.11 Certification of Qualifying Exigency for Military Family Leave

The company will require certification of the qualifying exigency for military family leave. The employee must respond to such a request within 15 days

of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

7.4.12 Certification for Serious Injury or Illness of Covered Service Member for Military Family Leave

The company will require certification for the serious injury or illness of the covered service member. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

7.4.13 Recertification

The company may request recertification for the serious health condition of the employee or the employee's family member when circumstances have changed significantly, or if the employer receives information casting doubt on the reason given for the absence, or if the employee seeks an extension of his or her leave. Otherwise, the company may request recertification for the serious health condition of the employee or the employee's family member every six months in connection with an FMLA absence.

7.4.14 Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide the HR department with verbal or written notice of the need for the leave. Within five business days after the employee has provided this notice, the HR manager will provide the employee with the DOL Notice of Eligibility and Rights.

When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with the company's usual and customary notice and procedural requirements for requesting leave.

7.4.15 Designation of FMLA Leave

Within five business days after the employee has submitted the appropriate certification form, the HR department will provide the employee with a written response to the employee's request for FMLA leave.

7.4.16 Intent to Return to Work from FMLA Leave

The company may require an employee on FMLA leave to report periodically on the employee's status and intent to return to work.

7.5 Personal Leave of Absence

Employees who require time off in addition to vacation may request a personal leave of absence without pay for up to a maximum of 30 days. An extension may be approved in limited circumstances.

All regular employees employed for a minimum of 90 days are eligible to apply for an unpaid personal leave of absence. Job performance, absenteeism and departmental requirements will all be taken into consideration before a request is approved.

The employee must return to work on the scheduled return date or be considered to have voluntarily resigned from his or her employment. Extensions of leave will only be considered on a case-by-case basis.

7.6 Bereavement Leave

An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor immediately.

Bereavement leave will be granted unless there are unusual business needs or staffing requirements.

Paid bereavement leave is granted according to the following schedule:

- ◆ Employees are allowed five days of paid leave in the event of the death of the employee's spouse, child, father, mother, brother, sister, stepfather, stepmother, stepson or stepdaughter.
- ◆ Employees are allowed three days of paid leave in the event of death of the employee's mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.
- ◆ Employees are allowed up to four hours of paid bereavement leave to attend the funeral of an employee or former employee of the company or individual officially designated by the president of the company.

7.7 Jury Duty

Upon receipt of notification from the state or federal courts of an obligation to serve on a jury, employees must notify their supervisor and provide him/her with a copy of the jury summons. The company will pay regular full-time and regular part-time employees for time off for jury duty up to one week of pay. In addition, employees may retain any payment made to them by the applicable court.

7.8 Voting Leave

7.8.1 Voting Time

All employees should be able to vote either before or after regularly assigned work hours. However, when this is not possible due to work schedules, employees will receive up to two paid hours during the work day to vote. Time off for voting should be reported and coded appropriately on timekeeping records.

7.9 Military Leave of Absence

UNISHKA is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is the company's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Specifically, no person will be denied employment, reemployment, promotion or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or company policy. If any employee believes that he or she has been subjected to discrimination in violation of company policy, the employee should immediately contact Human Resources.

Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including Reservists and National Guard members, for training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of leave of absence.

7.10 Lactation/Breastfeeding

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

8 BENEFITS

8.1 Medical Insurance

The company currently offers regular full-time employees regularly scheduled to work a minimum of 30 hours per week enrollment in medical insurance coverage options after they have been employed for 30 days.

Employees have up to 30 days from their date of hire to make medical and dental plan elections. Once made, elections are fixed for the remainder of the plan year. Changes in family status, as defined in the Plan document, allow employees to make midyear changes in coverage consistent with the family status change. Please contact the Human Resource department to determine if a family status change qualifies under the Plan document and IRS regulations.

At the end of each calendar year during open enrollment, employees may change medical and dental elections for the following calendar year.

8.2 Civil Unions and Domestic Partners

Civil Unions are persons who:

- ◆ Are at least 18 years of age and of the same biological gender
- ◆ Have participated in a legally recognized civil union ceremony in a state which legally allows and recognizes same-sex civil unions.

Domestic partners are persons who:

- ◆ Are at least 18 years of age and of the same gender.
- ◆ Are not legally married to any person and are not related in any way that would prohibit marriage in the company's state of operation.
- ◆ Share permanent residence.

Domestic partners must have two of the following:

- ◆ Joint lease, mortgage or deed.
- ◆ Joint ownership of a vehicle.
- ◆ Joint ownership of a checking account or credit account.

Domestic partners are persons who:

- ◆ Are at least 18 years of age and of the same gender.
- ◆ Are not legally married to any person and are not related in any way that would prohibit marriage in the company's state of operation.
- ◆ Share permanent residence

Company registration of a domestic partnership will be required for coverage under company benefits.

An employee who wishes to register a domestic partnership must contact the Human Resource department for information and the registration form. Upon receipt of a properly completed form, the department will consider the partnership registered as of the date on the form's signature line.

Children of domestic partners are eligible for benefits under the same conditions as are the children of employees' legal spouses.

Enrollment of domestic partners and eligible dependent children is subject to the same rules as enrollment of other dependents.

Domestic partners and their enrolled dependents receive the same or equivalent benefits as spouses, and their enrolled dependents receive group continuation health coverage through COBRA and/or individual conversion.

An employee may terminate domestic partnership benefits by notifying Human Resources in writing of the termination of the domestic partnership within 30 days of its termination.

The tax consequences of a domestic partnership are the responsibility of the employee. The value of benefits provided to an employee's domestic partner (and to the domestic partner's eligible children, if any) is considered part of the employee's taxable income, unless the employee's domestic partner qualifies as a dependent under Section 152 of the Internal Revenue Code.

Questions regarding this policy should be directed to the Human Resource department.

8.3 Group Life Insurance

The company offers regular full-time employees who have been employed by UNISHKA for 30 days an employer-paid basic group term life policy along with an accidental death and dismemberment policy. Each policy generally pays a death benefit equal to the lesser of their "Life Salary" (as defined in the Plan document) or \$50,000.

8.4 Short-Term Disability Benefits

The company's short-term disability plan is a benefit that provides partial pay for employees who are unable to work due to illness, injury or disability not related to work, after an absence of more than seven consecutive calendar days. Benefits begin on the eighth day of disability and continue

for related absences up to a maximum of 26 weeks. Employees will not be able to return to work without submitting to Human Resources a note from a physician or licensed health care professional authorizing the employee's return. Any time spent on short-term disability counts as part of the employee's FMLA leave.

8.5 Long-Term Disability Benefits

For eligible employees who specifically request it, UNISHKA offers a noncontributory long-term disability (LTD) base plan. This noncontributory base plan provides for monthly LTD benefits of 50% of basic monthly earnings to a maximum benefit of \$1,000 per month, less any other offsets. Eligible employees are automatically enrolled as of the first day of the calendar month on or following their date of hire. Long-term disability coverage terminates on the last day of employment.

Please contact Human Resources for more information.

8.6 401(k) Plan

The company offers a voluntary pretax salary reduction plan in which regular full-time and regular part-time employees (scheduled for and working a minimum of 20 hours per week), who are 21 years of age or older, may elect to participate beginning with the first payroll period administratively feasible after employment. The "window" periods during which an employee may change the dollar amounts or the percentages of his/her contributions are around January 1st, March 1st, July 1st and October 31st of each year. Notices of these "window" periods and other information regarding the Plan are circulated to all employees periodically throughout the year. Further details about the Plan may be obtained from the Human Resource department and the Plan document.

8.7 Workers' Compensation Benefits

The company is covered under statutory state workers' compensation laws. Employees who sustain work-related injuries must immediately notify their department supervisor.

8.8 Tuition Assistance

The company will reimburse up to a maximum of \$5200 per year incurred by an employee for continuing education through an accredited program that either offers growth in an area related to his or her current position or might lead to promotional opportunities. Courses include college credit courses, continuing education unit courses, seminars and certification tests.

Employees must earn a passing grade of “C” or its equivalent or obtain a certification to receive any reimbursement. Expenses must be validated by receipts, and a copy of the final grade card or certification must be presented to show hours or certification received.

Any questions or comments should be directed to the HR department.

