



**HAMPTON TEDDER TECHNICAL
SERVICES, INC.**

EMPLOYEE HANDBOOK

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CHAPTER ONE
INTRODUCTION

A. Welcome

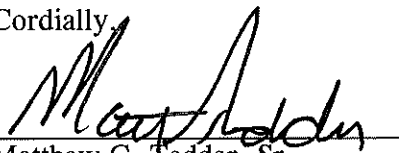
Welcome to Hampton Tedder Technical Services, Inc. (the "Company"). Whether you have joined us or have been with us for many years, we want you to know we are glad to have you as a member of our team.


This Company has always emphasized that dedicated and outstanding people are the key to its success. Through a commitment to excellence and the combined efforts of management and our employees, the Company has become a leader in the high voltage electric business. In essence, this is a company where you can develop a viable career, make your mark with your contributions, and know the feeling of gratification for a job well done while earning an income for you and your family.

While the Company is a privately-owned family business, it was built upon some basic principles that are not so uncommon. These principles are the belief in and practice during our daily work of honesty, integrity, loyalty, pride in our work, dedication and strong work and business ethics. Our employees adhere to these principles as an integral part of our teamwork and maintain an attitude that our product and services must be of exceptional quality in order to retain our success and competitive edge. It is also important for our employees to understand and know that the success of the Company is largely dependent upon an employee's work habits, dependability, cooperativeness, quality of work and attitude while working. To promote a congenial atmosphere and effective workplace in which to further our company principles and mission, an open channel of communication is strongly encouraged between employees and supervisors. The president and executive vice-president, and all officers of the Company, also operate with an "open door" policy, which means that Company officers will talk with any employee, if an employee feels the need to do so. It is expected, of course, that the employee will have first exhausted the standard protocol of working with the appropriate supervisory line of authority.

This handbook is to help you understand some of the important policies, procedures and practices of the Company. Read it carefully and feel free to ask questions. Management will be glad to discuss this with you at any time. It is our pleasure to welcome new people, and to extend best wishes for continued success to those who have shown a dedication and commitment in the past to the growth and progress of our Company.

Cordially,


Matthew C. Tedder, Sr.
CEO/President


Chasen Tedder
Corporate Secretary

B. Important Information About This Handbook

This handbook is designed to familiarize you with information about working conditions, benefits, rules and some of the policies affecting the employment relationship. Although it is important that all employees read, understand, and follow the provisions of this handbook, and as may be amended from time to time, the policies and practices set out in this handbook are not intended to imply a contractual relationship or create contractual obligations of any kind on the part of the Company, its officers, directors, or employees. **THUS, NO IMPLIED CONTRACT TO TERMINATE, DISCIPLINE OR ENGAGE IN ANY EMPLOYMENT RELATED DECISION ONLY FOR CAUSE CAN BE ESTABLISHED BY THIS HANDBOOK, OR BY COMPANY'S STATEMENTS, CONDUCT, POLICIES OR PROCEDURES.**

While uniform application of policies and practices is desirable, the Company must reserve the right to consider each situation on an individual basis when necessary. It is obviously not possible to anticipate every situation that may arise in the workplace or to provide information that answers every possible question. Other policies may exist which are not a part of this handbook. In addition, circumstances will undoubtedly require that policies, practices, and benefits described in this handbook change from time to time.

Accordingly, with exception to its policy of at-will employment and those policies compelled by law, the Company must reserve the right to deviate from, modify, supplement, rescind, or revise any provision of this handbook as it deems necessary or appropriate in its sole discretion. Employees will, of course, be advised of such changes in writing. If you have a question whether an act or behavior is appropriate, you are to ask management before proceeding, as you should if any portion of this handbook is unclear or you need more information.

This handbook replaces all earlier Company handbooks and takes precedence over all memoranda and oral descriptions of Company personnel policies, practices and procedures. To avoid confusion, please discard and recycle any old manuals and handbooks you may have.

These employment policies are designed to comply with all applicable federal, state and local employment laws, regulations and ordinances. Accordingly, to the extent of any conflict between such applicable laws, regulations or ordinances the Company's employment policies should be interpreted and applied to be consistent with such laws, regulations and ordinances. (For example, nothing in this handbook is to be construed to interfere with, restrain or prevent employees from exercising their Section 7 rights under the National Labor Relations Act.)

If you believe that a Company employment policy conflicts with one of these, please notify Matthew C. Tedder, President so that appropriate remedial measures may be undertaken. When the Company becomes aware of an actual conflict between its policies and applicable law, regulations or ordinances it will take steps to revise the policy and provide employees with a written change to the policies within a reasonable period of time.

C. Important Information for Union Employees

IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT.

CHAPTER TWO
EMPLOYMENT POLICIES

A. Equal Employment Opportunity Is Our Policy

In keeping with our commitment to the communities in which we do business, the Company is an equal employment opportunity employer. This means that all employment decisions are based on merit, qualification, competence and business needs of the Company, and that all relations with employees and applicants are impartial without regard to any of the characteristics protected by law.

The Company will not discriminate against qualified applicants or employees with respect to any terms or conditions of employment based on race, color, national origin, ancestry, gender, sex, sexual orientation, gender identity, gender expression, age (40 or over), religious creed, physical or mental disability, medical condition, reproductive health decision making, marital status, citizenship status, military and veteran status, genetic characteristics or any other characteristic protected by state or federal law or local ordinance. All such discrimination is unlawful and will not be tolerated. When necessary, the Company will reasonably accommodate employees and applicants with disabilities as required by applicable law. If you should require an accommodation, please contact your Supervisor, or designee, and an interactive process meeting will generally be scheduled to discuss potential accommodations.

If you believe you have been subjected to any form of unlawful discrimination, provide a written complaint to your immediate supervisor and or the Vice President or President pursuant to the Company's Zero Tolerance for Discrimination or Harassment Policy. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. The Company will immediately undertake an effective, thorough and objective investigation. The Company will not retaliate against you for filing a complaint and will not tolerate retaliation by management employees or your co-workers.

B. Fair Pay Act Policy

The Company follows all applicable state and federal laws requiring equal pay for employees for substantially similar work. Substantially similar work is a composite of skill, effort and responsibility when performed under similar working conditions. Pay discrimination between employees of the opposite sex or between employees of another race or ethnicity is prohibited. Pay differentials may be valid in certain situation as set forth in applicable law.

California's Fair Pay Act and the Company prohibit discrimination and retaliation against any employee who invokes or assists in the enforcement of the Fair Pay Act. Employees will not be retaliated against for inquiring about or discussing wages.

If you believe you are not being paid the same wage as other employees engaged in substantially similar work of a different race, ethnicity or sex, please report your concerns to Sherri Cuthbertson in Human Resources so that appropriate corrective action may be taken.

C. Harassment Policy: Zero Tolerance for Discrimination or Harassment

The Company is committed to providing a work environment that is free of unlawful discrimination and harassment. In keeping with this policy, the Company strictly prohibits unlawful harassment and discrimination of any kind, including harassment or discrimination on the basis of gender, sex, race, color, religious creed, gender identity, gender expression, age (40 or over), mental or physical disability, medical condition, reproductive health decision making, national origin, marital status, military and veteran status, sexual orientation, genetic characteristics or any other characteristic protected under federal or state law or local ordinance. **All such harassment is unlawful and will not be tolerated.** The Company's zero tolerance for harassment policy applies to all persons involved in the operation of the Company, and includes officers, managers, supervisors and co-workers. The Company will also attempt to protect employees from harassment by non-employees in the workplace.

Harassment may take many forms and may include, but is not necessarily limited to, the following:

Verbal harassment such as jokes, epithets, slurs, negative stereotyping, and unwelcome remarks about an individual's body, color, physical characteristics, appearance, or talents, references to women as "honey," "doll," or "sweetheart," questions about a person's sexual practices, and patronizing terms or remarks, and unwanted sexual advances, invitations or comments;

Physical harassment such as physical interference with normal work, impeding or blocking movements, assault, unwelcome physical contact, staring at a person's body, and threatening, intimidating or hostile acts that relate to a protected characteristic;

Visual harassment such as offensive or obscene photographs, calendars, posters, cards, cartoons, drawings and gestures, display of sexually suggestive or lewd objects, unwelcome notes or letters, e-mails, texts and any other written or graphic material that denigrates or shows hostility or version toward an individual, because of a protected characteristic, that is placed on walls, bulletin boards, or elsewhere on the employer's premises or circulated in the workplace.

Threats and demands to submit to sexual requests as a condition of continued

employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors; and

Retaliation for having reported or threatened to report harassment or discrimination.

In addition, there are two distinct categories of sexual harassment.

(1) Sexual harassment occurs when an individual's submission to or rejection of unwelcome sexual conduct is made either explicitly or implicitly a term or condition of employment, or is used as a basis for employment decisions affecting that individual, including granting of employment benefits;

(2) Sexual harassment occurs when unwelcome sexual conduct is sufficiently severe or pervasive that it has the purpose or effect of altering the conditions of employment and creating an intimidating, hostile, or offensive working environment, even if it does not lead to tangible or economic job consequences.

Sexual harassment includes harassment of women by men, of men by women, and same-sex gender-based harassment.

The Company encourages all employees to report any incidents of harassment forbidden by this policy so that complaints can be quickly and fairly resolved. Supervisors who observe unreported harassing conduct should also inform the Executive Vice President or President. If you believe that the comments, gestures, or conduct of any co-employee, supervisor or person doing business with or for the Company is offensive, you should immediately report the facts of the incident to your supervisor and the Executive Vice President or President, and thereafter promptly submit a written complaint which should include the details of the incident (or incidents), names of the individuals involved, and names of any witnesses. The Company emphasizes that you are not required to complain first to your supervisor if your supervisor is the individual harassing you. If your complaint is against the Vice President, the complaint should instead be submitted to the Company President.

Supervisors or recipients of written complaints will refer all harassment complaints to the Executive Vice President or President. The Company's policy is to immediately conduct a thorough, impartial and timely investigation, wherein it will attempt to determine whether unlawful harassment or discrimination has occurred. The complainant shall be notified in a timely manner that their complaint has been received and will be investigated. All parties to the investigation will receive appropriate due process and the investigation will be closed in a

timely manner.

During the investigation, appropriate documentation shall be maintained. This includes the investigator making and keeping a written record of the investigation, including notes of verbal responses made to the investigator by the person complaining of harassment or discrimination, witnesses interviewed during the investigation, the person against whom the complaint was made and any other person contacted by the investigator in connection with the investigation. The investigator's notes shall be made at the time the verbal interview is in progress.

If the Company determines that unlawful harassment has occurred, the Company will take prompt remedial action in accordance with the circumstances involved. Zero tolerance for discrimination or harassment action may include disciplinary action against the harasser, up to and including employment termination. Steps will be taken, as necessary, to prevent any further harassment. Whatever action is taken against the harasser will be made known to the complaining employee in a timely manner, and the Company will take appropriate action to remedy any loss to the employee resulting from unlawful harassment.

No individual will suffer any reprisals or retaliation for reporting any incidents of harassment, or perceived harassment, for making any complaints of harassment or for participating in any investigation of incidents of harassment or perceived harassment. This means that the Company will not tolerate or permit retaliation by management, employees or co-workers. Retaliation against anyone for opposing conduct prohibited by this policy or for filing a complaint with or otherwise participating in an investigation proceeding or hearing conducted by the Company, the Department of Fair Employment & Housing is strictly prohibited by the Company and state regulations. It may subject the offending person to, among other things, disciplinary action, up to and including termination of employment.

You should also be aware that the California Civil Rights Department ("CRD") investigates and prosecutes complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed in the telephone book.

Any employee who believes that he/she has been the victim of sexual or other prohibited harassment, may file a complaint with the California Civil Rights Department ("the CRD"). The phone number for the CRD is located in the phone book under government agencies. In the event a complaint is filed with the CRD, and the CRD finds that the

complaint has merit, the CRD will attempt to negotiate a settlement between the parties. If not settled, CRD may issue a determination on the merits of the case.

- (1) Where a case is not settled and the CRD finds a violation to exist, the CRD may pursue litigation in civil court with the complainant as the real party in interest. Legal remedies available through CRD and FEHC for a successful claim by an applicant, employee, or former employee include possible reinstatement to a former job; award of a job applied for; back pay; front pay; attorneys' fees; and under appropriate circumstances, actual damages and/or administrative fines.
- (2) In the alternative, CRD may grant the employee permission to withdraw the case and pursue a private lawsuit seeking similar remedies.
- (3) All records and information relating to the investigation of any alleged harassment or discrimination and any resulting disciplinary action shall be confidential, except to the extent disclosure is required by law, as part of the investigatory or disciplinary process, or as otherwise reasonably necessary, except for copies of documents which they are required to sign as a condition of employment, which must be provided for free.

Training:

The Company will provide training to all employees as required by applicable law. In addition, employees may access online sexual harassment training courses on the internet website of the Department at www.calcivilrights.ca.gov.

D. At-Will Employment

Employment with the Company is for no definite term or period of time. Although the Company certainly hopes that it and every employee will find the employment relationship satisfying and rewarding in all respects, it recognizes that relationships are not always mutually satisfactory or in the further best interests of the Company. **THUS, TO PROTECT BOTH PARTIES RIGHTS, EMPLOYMENT WITH THE COMPANY MAY BE TERMINATED AT WILL AT ANY TIME, WITH OR WITHOUT A REASON OR ADVANCE NOTICE, AT THE OPTION OF ANY EMPLOYEE OR THE COMPANY.** The Company also reserves the right to transfer, reassign, suspend or demote any employee, with or without cause or advance notice. Although the Company may choose to implement such actions for cause, cause is not required. This is called at-will employment.

No one other than the Company's Board of Directors can enter into an agreement for

employment for a specified period of time or make any agreement contrary to the policy of at-will employment. Further, any such agreement must either be in a collective bargaining agreement or be in writing and signed both by the President and Vice President, and the employee, and must clearly specify the intent to alter the at-will nature of employment.

E. Outside Employment

Unless you were hired as a part-time employee, your position with the Company is a full-time responsibility requiring your full loyalty, energies and effort. So that you can do your best, full time employees are not permitted to work full or part-time for another employer while you are employed by the Company. If you are a part-time employee, you must first obtain your supervisor's written approval before engaging in outside employment. We ask that you disclose outside employment to your supervisor to allow us to assess whether your outside employment presents a conflict of interest. Any violation of this policy may result in disciplinary action up to and including discharge.

F. Business Ethics

Just as the Company has a responsibility to conduct its business in strict compliance with all applicable laws and regulations, so too it expects its employees to act in accordance with the highest standards of business ethics both on and off the Company premises, and to avoid any appearance of impropriety. It is crucial that you observe all applicable laws and regulations while conducting business on the Company's behalf.

You are expected to abide by the spirit as well as the letter of this policy. You are also expected to cooperate with any inquiries or investigations concerning a possible or suspected violation of this policy.

(1) Improper Dealing with Customers, Suppliers, or Others

You may not engage in any of the following activities:

- Attempt to influence the purchase of the Company's services or obtain special favors by making payments to or giving consideration to customers or other person or entity doing business with the Company;
- Furnish gifts and entertainment at Company expense or for the Company's benefit unless they meet *all* of the following criteria:

- the value is \$50.00 or less (unless you have obtained approval from a Company officer to exceed that amount);
 - no applicable law, regulation, or accepted ethical standard is violated; and
 - you keep specific records for the Company to show that these limits and criteria have not been exceeded.
- Solicit or accept any personal payments, fees, or consideration from a supplier or vendor that does business with the Company.

(2) Non-Disclosure of Confidential Information

There are many aspects of the Company's business operations and activities that are confidential. During the course of your employment, you may come into the possession of trade secrets or confidential information that belongs to the Company, including customer lists and information, proprietary products, financial information, leases, licenses, agreements, sales figures, business plans, business operations and proprietary information (collectively referred to as "Confidential Information"). All Confidential Information, whether about the Company, its customers, suppliers, or employees, is strictly confidential. (This provision does not prevent employees from discussing their own wages, as allowed by applicable law.)

Because the success of the Company ultimately depends on its competitive edge and efforts to safeguard Confidential Information and sensitive business information, employees must take all necessary steps to protect the Company's interests and those of its customers in Confidential Information and sensitive information. Thus, Confidential Information must not be disclosed to anyone, including family members, individuals outside the Company, or to any Company employee who is not entitled to the information, either during or after your employment. Any doubts about the confidentiality of information should be resolved in favor of confidentiality.

Since the Company's Confidential Information involves proprietary information products developed by restricting employees and visitor access to certain designated Company areas, employees may be required to cooperate in keeping our technology and information secured by signing an employee agreement wherein they promise not to divulge such information to third persons who do not have a need to know.

(3) Conflicts of Interest

Company employees are expected to avoid situations that create an actual or potential conflict in which an employee's actions or loyalties are divided between personal and Company interests or between the Company interests and those of another.

If you have a question about whether or not you have a conflict of interest, please bring it to the attention of your supervisor. Any doubt should be resolved in favor of disclosure and

a request for specific guidance.

You must avoid any activity, agreement, business investment, or interest that could be in conflict with the Company's interests or that could interfere with your duty and ability to best serve the Company. If you are unsure whether a conflict exists, consult management immediately. Prohibited activities include, but are not limited to:

- Owning, operating, or being employed as an employee or consultant by any business that competes, directly or indirectly, with the Company.
- Having a direct or indirect financial relationship with a competitor, customer, or supplier; however, no conflict will exist in the case of ownership of less than 1 percent of publicly traded stock of a corporation.
- Engaging in any other employment or personal activity during your Company work hours, or using Company supplies, or equipment in other employment or non-Company business activities.
- Using the Company's name, logo, stationery, supplies, equipment, or other property for personal purposes, unless both the Company President and Executive Vice President have granted written approval in advance of that use. This policy includes, but is not limited to, the personal use of company computers, telephones (including cellular telephones), fax machines, postage and postage meters, vehicles, and office machines, and supplies of any kind.
- Soliciting Company employees, suppliers, or customers to purchase goods or services of any kind for non-Company purposes, or to make contributions to any organizations or in support of any causes, unless the Company President has granted written approval in advance.
- Soliciting or entering into any business or financial transaction with a Company employee whom you supervise, either directly or indirectly, unless the Company President has granted written approval in advance of that transaction. This restriction applies to *all* such transactions, however small, including, but not limited to:
 - Hiring a subordinate to perform personal services; and
 - Soliciting a subordinate to participate in an investment of any kind with you.

When a conflict of interest is found to exist, the conflict may result in discipline up to and including termination of employment.

G. Inspections of Work Stations and Personal Belongings

The Company provides desks, file cabinets, lockers, toolboxes, vehicles, and other items of property to employees for business related purposes. These items are the property of the Company. The Company can make no assurances as to the security of desks, file cabinets, and other items and discourages the storage of valuable and other personal items of property in them. More importantly, the Company enforces a strict rule against possession or sale of alcohol, drugs, drug related paraphernalia and weapons anywhere on Company premises or when using Company property.

Accordingly, the Company reserves the right to search work stations, lockers, desks, Company vehicles, lunchboxes, briefcases, purses, coats, toolboxes, and other personal property of employees on Company premises, and their contents, for illegal drugs, alcohol, weapons, misappropriated or stolen property (collectively referred to as "contraband"). There should be no expectation of privacy regarding Company property. The Company will conduct searches when there is a reasonable suspicion to believe that you have contraband in your possession while on Company property or if there is another violation of Company policy. However, any contraband in plain view may be confiscated. "Reasonable Suspicion" means facts that would lead a person of reasonable prudence and knowledge to believe that contraband is located on the person or in the area to be searched.

When contraband is not in plain view, but there is reasonable suspicion to believe that contraband is on Company property, the Company will ask for your permission to conduct the search. You have no reasonable expectation of privacy in, and may not withhold permission for Company searches of, Company-supplied containers and property, including desks, file cabinets, lockers, toolboxes, Company vehicles, etc.

The Company reserves the right to place cameras in Company facilities, in and outside of Company vehicles, job sites and other areas used by the Company. However, the Company will not place cameras in bathrooms or changing facilities. The Company also places driving telemetric devices in Company vehicles that identify vehicle location and measure such things as harsh braking, harsh cornering, speeding and drivers not looking out the driver's window. These types of events will trigger notices to the Company. The notification information will be reviewed and if it appears any laws or safety rules have been violated (such as seat belt laws or use of cell phones), the Company will initiate corrective action, up to and including employment termination.

H. E-Mail, Voicemail, Cellular Phones and Computer Network System Access

As noted elsewhere in the handbook, employees cannot expect privacy rights to extend to work-related conduct or the use of Company-owned equipment or supplies. Thus, you should be aware of the following policies.

Company's right to access information. Although employees have individual access codes to voicemail, e-mail, cellular phones and computer network systems, these systems are accessible at all times by the Company, and may be subject to periodic unannounced inspections, review, monitoring and copying by the Company for business purposes. All system pass codes must be available to the Company, and employees may not use pass codes that are unknown to the Company. Backup copies of e-mail and voicemail are maintained and can be referenced for business and legal reasons.

Systems use restricted to Company business. Employees are expected to use the e-mail, voicemail, cellular phones and computer network systems for Company business only and not for personal purposes. Personal purposes include, but are not limited to, soliciting or proselytizing for commercial ventures, religious or political causes, outside organizations, or other job-related solicitations.

Forbidden content. Employees are prohibited from using the Company's information systems in any way that may be disruptive or offensive to others, including, but not limited to, the transmission of sexually explicit messages, cartoons, ethnic or racial slurs, or anything that may be construed as harassment or disparagement of others.

Password security and integrity. Employees are prohibited from the unauthorized use of the access codes of other employees to gain access to their e-mail and voicemail messages.

Personal or other inappropriate use of the Company's information systems will result in disciplinary action, up to and including termination.

I. Workplace Safety and Health

(1) Safety Is Everyone's Responsibility

The Company's goal is to have a zero-accident rate. The objective is to provide a safe and healthful work environment for all employees of the Company. This is everyone's responsibility. Everyone is required to observe and abide by all safety standards and to be safety conscious at all times. Any unsafe condition or practice observed by an employee or customer, accident (no matter how minor), and near miss should be reported to the appropriate management personnel at once, so the Company can take corrective action as soon as possible. Employees involved in work related accidents resulting in injury may be required to submit to a physical examination and drug and alcohol screening test in accordance with the Company's

Drug and Alcohol policy.

A first aid kit is available to all employees at all times and a separate first aid kit will be carried in vehicles as required by the Department of Transportation. Fire extinguishers are secured throughout the Company's premises.

Employees should become familiar with the Company's Injury and Illness Prevention Program. This program has been designed to alert you of any hazards associated with the workplace. It also provides employees with the proper safety procedures for your particular job classification.

The following are some general safety standards and rules. These rules **MUST** be adhered to by all employees. For additional safety standards, see the Company's Injury and Illness Prevention Program.

- (i) All accidents and injuries must be reported to the appropriate Supervisor and to the Safety Department (at safety@hamptonedder.com) immediately, regardless of how minor they may seem at the time.
- (ii) In the event of a minor injury, the first aid kit may be used. In the event of a traumatic or life-threatening injury, the injured person should be driven to the nearest hospital Emergency Room or Urgent Care Center. If the person cannot be moved, dial 9-1-1 for emergency response. Everyone is encouraged to become familiar with the locations of emergency facilities.
- (iii) Absolutely no one will be permitted to work under the influence of alcohol or drugs (including, but not limited to, marijuana in all forms, which remains illegal under federal law) in accordance with the Company's Drug and Alcohol policy.
- (iv) Become familiar with the emergency exits nearest your work area. In the event of a fire, alert other people and quickly and calmly leave the building through the nearest exit.
- (v) Damaged tools, equipment, machinery, etc., are to be tagged and identified as "UNSAFE" until such time as they have been made safe again.
- (vi) Scrap material and debris must be removed from work areas frequently. Flammable and hazardous materials must be labeled and handled in accordance with all state and local fire regulations, i.e. place oil rags in metal containers.
- (vii) Fire extinguishers are secured throughout the premises; employees are

required to know where they are located.

(viii) Personal protective equipment is required in all operations where employees are exposed to hazardous conditions. Personal protective equipment may include protection for: head, hearing, eye and face, and respiratory system.

(ix) Machinery, equipment and power tools should be shut down before attempting any adjustment, repair or removal of any object.

(x) Practical jokes, rough-housing and horseplay are not considered appropriate behavior on the job.

(xi) Guards and protective devices on tools, machinery and equipment are not to be removed or altered in any way. Broken guards and protective devices are to be reported to management.

(xii) Loose and flowing clothing and accessories must not be worn while working and hair must be worn close to head when operating machinery. Fire retardant clothing must be worn when working on or near electrical components.

(xiii) Company aisles and walkways will be free of debris. Cords, equipment, materials should not be left where they may be run over, tripped over, ignited or where they may be a potential hazard.

(xiv) Back injuries can be avoided by lifting heavy objects with assistance and using the muscles of the legs rather than the muscles of the back.

(xv) Never guess or assume what is correct safety procedures; if in doubt, ask Safety Management before starting any new task.

(xvi) Observe all other safety standards as set forth by the Company and the Occupational Safety & Health Administration.

Workplace safety is vitally important; therefore, violation of safety standards may result in disciplinary action up to and including discharge.

(2) No Smoking

In keeping with our commitment to provide a safe and healthful workplace, smoking (including, but not limited to, vaping and e-cigarettes) is strictly prohibited in any office

building or enclosed premises of the Company, including lunchrooms, restrooms, and lounges. Smoking is also prohibited within the warehouse, cable reel area, mechanics area, within a 50' radius of any gas pump or tank, or in any Company vehicle. Employees who smoke do not receive extra break time. Smoking is only allowed in designated areas. Smoking is not allowed in any designated high fire area or where there is a high fire risk. a

(3) Violence Prevention

The Company has adopted a Zero Tolerance Policy against workplace violence. Consistent with this policy, acts or threats of physical violence, including intimidation, harassment, and/or coercion, which involve or affect the Company or which occur on Company property will not be tolerated.

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

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

Specific examples of conduct which may be considered threats or acts of violence include, but are not limited to, the following:

- Hitting or shoving an individual.
- Threatening an individual or his/her family, friends, associates, or property with harm.

- The intentional destruction or threat of destruction of Company property.
- Harassing or threatening phone calls.
- Harassing surveillance or stalking.
- The suggestion or intimation that violence is appropriate.
- Unauthorized possession or inappropriate use of firearms or weapons (including, but not limited to, guns, knives and explosives).

The Company's prohibition against threats and acts of violence applies to all persons involved in the Company's operation, including but not limited to Company personnel, contract, and temporary workers and anyone else on Company property. Violations of this policy by any individual on Company property, by any individual acting as a representative of the Company while off Company property, or by any individual acting off of Company property when his/her actions affect the Company's business interests will lead to disciplinary action (up to and including termination) and/or legal action as appropriate.

(4) On-the-Job Injuries\Workers Compensation

If you or another employee are injured on the job, and it is life threatening or serious, call 911. If it is not life threatening, notify your supervisor and the Safety Department (at safety@hamptontedder.com) who will get you medical treatment immediately. All Supervisors will then notify the Safety Director/VP to make sure all employees get the best care.

If you are injured, you may be sent to one of the Company's physicians for medical treatment.

You must also promptly report all on-the-job injuries to the appropriate Supervisor, regardless of how minor the injury may be, and not later than 1/2 hour after the incident. All employees injured on the job will be paid through the end of the workday in which the injury took place. An injured employee who is hospitalized on the day of injury receives no further wages, but may receive benefits through workers' compensation, or other state provided insurance benefits. It is the obligation and responsibility of the employee to investigate and determine outside sources of wages during the infirmity period. If reports need to be prepared under the Company's workers' compensation program, the Safety Department will assist you in that regard.

J. Drug and Alcohol Policy

While it is not the Company's intent to infringe upon the private lives of employees, the Company recognizes that employee involvement with alcohol or illegal drugs can be extremely disruptive and harmful to the workplace. It can adversely affect the quality of work and the performance of employees, pose serious safety and health risks to the user and others, and have a negative impact on work efficiency and productivity. Further, the Company is required by law to provide a safe and hazard free work environment for all its employees. As a consequence, the Company has established the following policy about the use, possession, and sale of illegal drugs (including, but not limited to, marijuana/cannabis in all forms as it remains illegal under federal law), controlled substances and alcohol by its employees.

All employees are expected to arrive at work fit for duty and to remain so for the remainder of the work period. Thus, the following are strictly prohibited by the Company:

- (1) Possession or use of alcohol, or being under the influence of alcohol while on the job or during work hours;
- (2) Driving on Company-related business, or in a Company provided vehicle, while under the influence of alcohol or illegal drugs;
- (3) Distribution, sale or purchase of an illegal or controlled substance while on the job;
- (4) Possession or use of an illegal, or controlled substance or being under the influence of an illegal or controlled substance while on the job.

Violation of the above rules and standards of conduct or any portion of this policy will not be tolerated and may result in discipline up to and including discharge. Conviction for the illegal use, sale, or possession of narcotics, drugs, or controlled substances off duty or off of the Company's property may also result in discharge. Nothing in this policy shall be construed to conflict with the at-will nature of the employment relationship between the employee and the Company.

The legal use and possession of controlled substances, such as prescription drugs prescribed by a licensed physician to the employee or over-the-counter medications, is not prohibited by this policy. An employee who is using prescription or over-the-counter medications that may impair the employee's ability to safely and efficiently perform his or her job, or affect the safety well-being of others, must notify their supervisor immediately before starting or resuming work. (The employee does not have to disclose the condition for which they are taking the medication or prescription.) If you cannot perform all of the essential

functions of your job satisfactorily, even with reasonable accommodation, because you are taking prescription or over-the-counter medication, the Company may require you to see a doctor, at the Company's expense. You may be obliged to take a leave of absence if the doctor concludes that you cannot do your job safely and efficiently because you are using prescription or over-the-counter medicine.

As indicated elsewhere in this handbook, the Company reserves the right to inspect employees, as well as any articles and property in their possession. An employee may also be asked or required to submit to testing procedures designed to detect the presence of drugs and/or alcohol if (a) he or she is acting in a manner that leads to a "reasonable suspicion" that he either possesses, controls, or is under the influence of a drug and/or alcohol, (b) he or she is in a "safety-sensitive position" and was directly or indirectly involved in a work-related accident or mishap, or (c) it is suspected that he or she has or may have been involved in the use, possession, transfer, distribution, manufacture, and/or sale of drugs or alcohol in the Company's controlled areas, on Company-owned property, while on duty, or while operating a vehicle or potentially dangerous equipment owned, leased or provided by the Company.

For the purpose of determining reasonable "suspicion," observation of any one or more of the following may constitute reasonable suspicion: slurred speech, loss of balance, the odor of alcohol or marijuana, red eyes, irregular work pace, decline in productivity, mood swings, frequent absences, trembling, disorientation, aggressive behavior, drowsiness, restlessness, hyperactivity, abnormal conduct or erratic behavior while at work, or a significant deterioration in work performance.

Job applicants who receive offers of employment may be asked to submit to and pass testing procedures that are designed to detect the presence of illegal drugs and/or alcohol. All offers of employment to such individuals will be conditioned upon the successful completion of the testing procedure. Effective January 1, 2024, pre-employment drug screening will be conducted as required by California law. Except for individuals in the building and construction trades, this generally means that drug screening will be conducted through methods that do not screen for non-psychoactive cannabis metabolites.

Testing of employees will also be conducted in accordance with California law. This also, generally, requires testing only for the psychoactive metabolites in cannabis, except for an employee in the building and construction trades or when otherwise required by federal law or regulations, federal funding, federal licensing or a federal contract.

In addition, certain employees are also subject to the Hampton Tedder DOT Drug and

Alcohol Testing Policy. Employees who are subject to this policy will be provided a copy of the policy and asked to sign an Acknowledgement of Receipt. By signing the Acknowledgement, these employees also acknowledge that abiding by the DOT Drug and Alcohol Policy is a condition of their employment.

Testing may be requested or required when the Company determines that it is appropriate to promote the interests of this policy. Any employee who does not consent to and cooperate fully with any search and/or medical testing procedure is subject to discipline up to and including immediate discharge. Employees who test positive for drugs and/or alcohol, are subject to discipline up to an including immediate discharge. An employee will be deemed to have tested positive if their blood alcohol level is over .04 or they exceed the testing threshold set forth in the federal Department of Transportation regulations.

The Company will encourage and reasonably accommodate employees with chemical dependencies (alcohol or drug) to seek treatment and/or rehabilitation. To this end, employees desiring such assistance should request a treatment or rehabilitation leave of absence prior to having been found in violation of the policy. The Company is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the Company obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency.

Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the Company's treatment of employees who violate the regulations described above. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

The health and safety of everyone is the primary concern for us. Help us keep our work place drug and alcohol free.

K. Social Media Policy

The Company understands that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist

you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

This policy applies to all employees who work for the Company.

Guidelines

In the rapidly expanding world of electronic communication, social media can mean many things. Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with Company, as well as any other form of electronic communication.

The same principles and guidelines found in Company policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow employees or otherwise adversely affects members, customers, suppliers, people who work on behalf of the Company or the Company's legitimate business interests may result in disciplinary action up to and including termination.

Know and follow the rules

Carefully read these guidelines, the Company Business Ethics Policy, the Company Property Policy and Harassment Policy: Zero Tolerance for Discrimination or Harassment and ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

In addition, some customers, including SCE, prohibit posting of any Company operations when working on their site or with their property without express written permission, so you should check with Management before any posting that includes Company operations.

Be respectful

Always be fair and courteous to fellow employees, customers, members, suppliers or people who work on behalf of the Company. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by utilizing our Open Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, members, employees or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policy.

Be honest and accurate

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about the Company, fellow employees, members, customers, suppliers, people working on behalf of the Company or competitors.

Post only appropriate and respectful content

- Maintain the confidentiality of Company trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- Respect financial disclosure laws. It is illegal to communicate or give a "tip" on inside information to others so that they may buy or sell stocks or securities. Such online conduct may also violate the Insider Trading Policy.
- Do not create a link from your blog, website or other social networking site to a Company website without identifying yourself as a Company associate.
- Express only your personal opinions. Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of the Company, fellow

employees, members, customers, suppliers or people working on behalf of the Company. If you do publish a blog or post online related to the work you do or subjects associated with the Company, make it clear that you are not speaking on behalf of the Company. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of the Company”.

Using social media at work

Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager. Do not use Company e-mail addresses to register on social networks, blogs or other online tools utilized for personal use.

Retaliation is prohibited

The Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Exception

Nothing in the Company’s Social Media Policy is designed to interfere with, restrain or prevent employee communications regarding wages, hours or other terms and conditions of employment, as allowed by applicable law. Company employees have the right to engage in or refrain from such activities.

For more information

If you have any questions or need further guidance, please contact the Executive Vice President or President.

CHAPTER THREE
PERSONNEL PRACTICES

A. New Hires

All offers of employment are contingent on verification of your right to work in the United States, as required by the Immigration Reform and Control Act of 1986. Upon receiving a conditional offer of employment, you will be asked to provide original documents verifying your right to work and identity, and sign a verification form required by federal law. If you cannot verify your right to work in the United States, the Company may be obliged to revoke the offer of employment.

B. Medical Examinations

The Company requires medical examinations as a part of its selection process or evaluation for continued employment in only very limited situations. Medical examinations may be required:

- After a conditional offer of employment has been made to a candidate, when examinations are required of all candidates for positions within certain designated job categories;
- When the Company has a reasonable belief, based on objective evidence, that an employee's ability to perform essential job functions will be impaired by a medical condition or an employee will pose a direct threat due to a medical condition; and
- When periodic examinations to assess fitness for duty or medical monitoring is required by federal, state, or local law.

The Company does not unlawfully discriminate against an employee or job applicant on the basis of disability or medical condition. The Company will not use the results of a medical examination to withdraw an offer of employment or discharge an employee unless the results reveal that (1) the disability limits the individual in the performance of the essential functions of the job, and no reasonable accommodation can be made, or (2) even with reasonable accommodation, the disabled person would pose a direct threat to him/herself or to the health and safety of other employees. These determinations will generally be made following an interactive process meeting with the employee or job applicant.

The results of any medical examination performed on behalf of the Company will be collected and maintained on separate forms and in separate medical files, and treated as confidential.

C. Introductory Period

New employees are introductory employees for the first 90 days of employment. During this period, you will have an opportunity to learn your new position and see whether you enjoy your employment here. The Company will use this period to verify skills, verify past employment and statements made on the job application, personal compatibility, capabilities and suitability to the particular job position, and determine whether you are able to meet its expectations. Introductory periods may be extended for business reasons or because of approved absences taken by the employee or as may be deemed appropriate in the Company's sole discretion. The designation of this time frame does not constitute an obligation on the Company to retain an employee until the end of the period specified. It should be remembered that either the employee or the Company can terminate the employment relationship at any time during or after the introductory period, with or without cause and without any advance notice.

D. Work Schedules

Your supervisor will inform you of your work schedule. Trading shifts is not allowed except with the prior written approval of your supervisor.

You must report to work in enough time to be ready to start your job at the beginning of your work schedule. You are expected to arrange your personal schedule to comply with your assigned work hours.

Our standard workweek begins at 12:01 a.m. each Monday and ends at 12:00 midnight the following Sunday. Employee work schedules are established within this framework. The standard work schedule is eight hours a day, normally between 8:00 a.m. to 5:00 p.m., for five week days. Work hours may vary for certain employees and will be determined by the employee's direct supervisor.

If you are a minor (under 18 years of age and not a high school graduate) it is against the law for you to work before 5:00 a.m. and after 10:00 p.m. on a day preceding a school day. If you are 16 or 17, you may work until up to four (4) hours on a school day and up to eight (8) hours on a school day preceding a non-school day. You may not work more than eight hours in one day, or more than 48 hours in one week.

If you are 15 years of age or younger it is against the law for you to work before 7:00 a.m. or after 7:00 p.m. except that from June 1 through Labor Day you may work until 9:00 p.m. You may not work more than three hours on a school day, eight hours on a non-school day, 18 hours in a school week or more than 40 hours in a non-school week.

E. Job Duties

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special assignments or projects, or to assist with other work necessary or important to the operation of the Company. Your cooperation and assistance in performing such additional work is expected.

The Company reserves the right, at any time, with or without prior notice, to alter or change job responsibilities, reassign or transfer job positions, assign additional job responsibilities or eliminate job positions.

F. Rest and Meal Breaks

Company policy provides rest and meal periods in accordance with California law. All California non-exempt employees are permitted to take paid rest periods, which insofar as practicable are in the middle of each work period. Employees are responsible for taking their rest and meal periods in accordance with Company policy. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. Employees whose total daily work time is less than three and one-half (3-1/2) hours are not permitted breaks. For example, employees are entitled to ten minutes' rest for shifts from three and one-half to six hours in length, two ten-minute breaks for shifts of more than six hours up to ten hours, and three ten-minute breaks for shifts of more than ten hours up to 14 hours, and so on. Authorized rest period time shall be counted as hours worked and need not be recorded.

All California non-exempt employees that work for a period of more than five (5) hours are provided a duty-free unpaid meal period of not less than 30 minutes (except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual written consent of the Company and the employee). The meal period must begin no later than five (5) hours into the employee's shift. If an employee works ten or more hours in a day, a second meal period is provided and must begin no later than the end of the tenth hour worked. (This second meal period may be waived by mutual written consent of the Company and the employee so long as the total hours worked do not exceed twelve hours in the workday and the employee has not waived the first meal period.) Authorized meal periods are not counted as hours worked and thus, you must accurately record when you stop work to take a meal period and record when you resume work after the meal period has been completed.

Employees are relieved of all work duties during their meal and rest periods and may leave the premises/work site. In the event you are prevented from taking or did not receive an uninterrupted meal or rest period, you must promptly advise your supervisor and indicate it on

your time card and secure the signature of your immediate supervisor prior to the end of the work day. If any supervisor or manager impedes or discourages you from taking a meal or rest period, you must notify the Executive Vice President or President immediately so appropriate corrective action may be taken. If it is determined, following an investigation, that because of Company action the employee was not provided a meal or rest period, they will be paid one (1) hour of premium pay, for any rest period or any meal period that was not provided (up to one (1) rest period and one (1) meal period per day). The premium pay will be paid at the employee's regular rate.

G. Personnel Records

The Company keeps a personnel file on each employee. The contents of your file, except for letters of reference, and certain other limited kinds of information, are open for your inspection in the presence of a Company officer at reasonable times and at reasonable intervals. You may add your version of any disputed item to your file, but you may not mark on or remove any such item or document. Call the appropriate management personnel if you wish to see or copy your personnel file.

Any changes in your personal data such as address, phone number, marital status, emergency contact or number of dependents must be reported to your supervisor or the appropriate management personnel in writing so that Company records, including those on which your benefits are based, can be kept up to date.

The Company will keep your personnel records private. However, there are certain times when information may be given to persons outside the Company. These are:

- In response to a subpoena, court order, or order of an administrative agency;
- To a governmental agency as part of an investigation by that agency of the Company's compliance with applicable law;
- In a lawsuit, administrative proceeding, grievance, or arbitration in which you and the Company are parties;
- In a workers' compensation proceeding;
- To administer employee benefit plans;
- To a health care provider;

- To first aid or safety personnel, when necessary; and
- To a prospective employer or other person requesting a verification of your employment, but only (a) if you give us a written release allowing us to give out information, or (b) we are providing only the dates of your employment, your last or present job title, and the fact of your employment.

H. Reference Checks

During the course of your employment at the Company, you may receive inquiries regarding current or former employees or requests for letters of reference from former employees. It is Company policy to refer every such inquiry to the Company Secretary/President, as no other supervisor or employee is authorized to release information concerning, or provide references for, current or former employees. You may not respond to these inquiries or requests yourself. Violation of this policy may lead to discipline up to and including discharge.

When dealing with reference requests, it is Company policy to disclose only the dates of employment and the title of the last position held. If you authorize disclosure in writing, the Company will confirm with a prospective employer a brief description of your work and the amount of salary or wage you last earned.

CHAPTER FOUR
EMPLOYEE COMPENSATION

A. Classification of Employment

For purposes of salary administration and eligibility for overtime payments and employee benefits, the Company classifies its employees as follows:

- ***Introductory employees.*** Employees who have not yet completed the "introductory period." Such employees may be "exempt" or "non-exempt" as defined below.
- ***Regular full-time employees.*** Employees hired to work the Company's normal, full-time, forty-hour workweek and work at least 30 hours a week on a regular basis, and who have completed their introductory period. Such employees may be "exempt" or "nonexempt" as defined below.
- ***Regular part-time regular employees.*** Employees hired to work fewer than 30 hours per week on a regular basis, and who have completed their introductory periods. Such employees may be "exempt" or "nonexempt" as defined below. Regular part time employees only receive Company benefits as required by law and as explicitly set forth in the handbook. Unless otherwise provided in the handbook, the benefits will be prorated based on the number of hours the employee works as compared to a forty (40) hour per week schedule.
- ***Temporary employees.*** Employees engaged to work full time or part time on the Company's payroll with the understanding that their employment will be terminated on the completion of a specific assignment, and who are not considered regular or introductory employees. (Note that a temporary employee may be offered and may accept a new temporary assignment with the Company and thus still retain temporary status.) Such employees may be "exempt" or "nonexempt" as defined below. (Note that employees hired from temporary employment agencies for specific assignments are employees of the respective agency and not of the Company.) Temporary employees only receive benefits as required by applicable law.
- ***Nonexempt employees.*** Employees who are required to be paid overtime and minimum wage in accordance with applicable local, state and federal wage and hour laws.
- ***Exempt employees.*** Employees who are not required to be paid overtime or minimum wage, in accordance with applicable state and federal wage and hour laws. Executives, professional employees, outside sales representatives, and certain employees in administrative positions are typically exempt.

You will be informed of your initial employment classification and of your status as an

exempt or nonexempt employee during your orientation session. If you change positions during your employment as a result of a promotion, transfer, or otherwise, you will be informed by the appropriate Management Personnel of any change in your exemption status.

AS NOTED ELSEWHERE IN THIS HANDBOOK, IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT.

Please direct any questions regarding your employment classification or exempt status to the appropriate management personnel or your Supervisor.

B. Pay Procedures

All Company employees are normally paid weekly based on a five working day schedule. Paychecks are available each Wednesday by 5:00 p.m. for Office Personnel and Thursday by 5:00 p.m. for Union Personnel in the Company's Payroll Department. All required deductions, such as for federal, state, and local taxes, and all authorized voluntary deductions, such as for health insurance contributions, will be withheld automatically from your paychecks.

Please review your paycheck for errors. If you find a mistake, report it to your supervisor immediately. Your supervisor will assist you in taking the steps necessary to correct the error.

In the event that your paycheck is lost or stolen, please notify your supervisor immediately. Your supervisor will, in turn, notify our payroll supervisor who will attempt to put a stop-payment notice on your check. If we are able to do so, you will be issued another check. Unfortunately, however, the Company is unable to take responsibility for lost or stolen paychecks, and if we are unable to stop payment on your check, you alone will be responsible for such loss.

C. Timekeeping

It is the policy of the Company to comply with applicable laws that require records to be maintained of the hours worked by our employees. To ensure that accurate records are kept of the hours you actually work (including overtime hours where applicable) and of the accrued

leave time you have taken, and to ensure that you are paid in a timely manner, you will be required to record your time worked and your absences on the Company's official time record form. This includes the time you start work, stop for a meal period, return from your meal period, and finish your workday. The form also requires employees to attest that they have been provided the opportunity to take their meal and rest periods, have not suffered a work-related injury, and have truthfully recorded all of their time worked. (If you ever believe that you cannot attest to any of these things, you must notify the President of Hampton Tedder, your supervisor and the Payroll Department.) This form should be completed or processed daily and signed and forwarded to your supervisor on a weekly basis. After reviewing the form and resolving any discrepancies, your supervisor will sign the form and forward it to payroll for processing.

Please ensure that your actual hours worked and leave time taken are recorded accurately. **Working “off the clock” is strictly prohibited. All time worked must be recorded and will be paid.**

Falsification of a time record is a breach of Company policy and may result in disciplinary action, up to and including discharge.

D. Overtime

If you are classified as a nonexempt employee (see the Classifications of Employment policy section of this handbook for the definition of a nonexempt employee), and not covered by a collective bargaining agreement, you will receive compensation for overtime work as follows:

- (i) You will be paid at straight time (i.e. your regular rate of pay) for all hours worked up to the fortieth hour in any given workweek.
- (ii) You will be paid overtime pay in accordance with applicable federal and state law. In California this includes one and one-half times your regular rate of pay for all hours worked beyond the eighth hour in a day, the fortieth hour in any given workweek, and for the first eight (8) hours on the seventh consecutive day of work in a workweek.
- (iii) In California you will be paid two (2) times your regular rate of pay for hours worked in excess of twelve in a workday and in excess of eight on the seventh consecutive day of work in the workweek.
- (iv) There is no “pyramiding” of overtime.

To work overtime on occasions not requested by management, you must obtain permission from your supervisor. If you work overtime without permission, you may be disciplined, up to and including discharge.

Your supervisor will attempt to provide you with reasonable notice when the need for overtime work arises. Please remember, however, that advance notice may not always be possible, and that if requested by management, you may be required to work overtime.

Time off for any reason, such as vacation, holidays or sickness, will not be considered hours worked for overtime purposes.

You will normally receive payment for overtime in the pay period following the period in which such overtime is worked, providing that your time record form has been properly prepared, approved by your supervisor, and forwarded to payroll for processing in a timely manner.

As noted previously, working off the clock is strictly prohibited and all time worked must be recorded and will be paid.

AS NOTED ELSEWHERE IN THIS HANDBOOK, IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT.

E. Non-Exempt Employee Use of Communication Devices

Non-exempt employees may perform necessary and authorized work duties on various communication devices (e.g., smartphones, tablets, laptops, PDAs). All such time spent will be considered as hours worked and will count toward overtime eligibility as set forth by applicable law. Accordingly, they are required to report all time spent working after hours. Therefore, to control costs and avoid unnecessary expenses, non-exempt employees shall not use communication devices for work-related purposes outside of their regularly scheduled hours unless they receive prior written authorization from management. In other words, non-exempt employees shall not review, read, send, or respond to work-related emails outside of their regularly scheduled hours without prior management authorization. Failure to follow this policy will result in disciplinary action.

F. Split Shifts

If you are scheduled to work a split shift and not covered by a collective bargaining agreement, we will pay you one additional hour's pay as a premium when required by applicable law. You should not schedule a split shift without advance permission from your supervisor.

G. Expense Reimbursements

The Company will reimburse employees for reasonable expenses incurred for business purposes. Examples of such expenses include meals, lodging, and transportation costs associated with business trips, automobile expenses, and incidental purchases of supplies, tools, and equipment undertaken at the Company's request. All business travel must be approved in advance by your supervisor. Only reasonable expenses will be reimbursed.

If you have any questions about what expenses will be reimbursed, you must ask your supervisor before incurring the expense.

You should submit completed expense reports within 30 days of incurring the expense, together with receipts for all expenses.

H. Pay Increases

All salary increases are based on merit, and are made at the sole discretion of Company management. There is no specific or specified period for awarding pay increases, although employee job performance will generally be reviewed for each employee once a year.

I. Bonuses

All Company bonuses are discretionary in nature and may be awarded to qualifying employees on an annual basis, in an amount and at a time to be determined in the sole discretion of the Company President. Such bonuses may be based upon discretionary or objective factors that Company, in its absolute discretion, may deem important to the success of Company-wide objectives; provided, however, that no obligation to award or pay any such bonus is created by Company's exercise of its discretion. The employee must be employed by Company at the time such bonuses are declared and paid in order to receive a bonus.

This policy supersedes any prior policy, agreement or practice on the subject of

bonuses, whether contained in any prior version of an Employee Handbook or otherwise.

J. Payroll Deductions

There are two types of payroll deductions:

- Those required by law; and
- Those authorized by the employee and approved by the Company.

Following are the deductions required by law:

1. Federal Income Tax (F.I.T.)
2. California Income Tax
3. Federal Insurance Contributions Act (F.I.C.A.) (Social Security and Medicare payroll tax.)
4. State Disability Insurance (S.D.I.)
5. Garnishments

The amount of Federal Income Tax withheld is governed by law and is based on earnings and the number of dependents claimed. A statement of taxes withheld during the previous year will be furnished on or before January 31 each year. If you want to change the number of your exemptions or your marital status for federal or state income tax withholding purposes, complete the appropriate form available from the Payroll Department.

The Federal Social Security Act provides income for old age as well as protection for certain family members in case of death. The cost of this tax is shared equally by the employee and the Company. The State Disability Act provides benefits in case of sickness or disability.

Other payroll deductions may be authorized by the employee. These include:

1. Employee portion of health (medical and dental) insurance premiums.
2. Life Insurance.
3. Retirement Plan.
4. Charitable Contributions.
5. Company Advances/Loans.

K. Garnishment

If the Company receives a court order to garnish your wages, we must comply with that order. A garnishment will reduce your take-home pay.

L. Profit Sharing

The Company is proud to offer eligible employees a profit sharing program. Contributions to the program are made at the sole discretion of the Company President. (In some years, there may be no contributions to the program.) Contributions may vary based on the profitability of divisions and classifications of employees at the discretion of the President. The terms of the profit sharing program are controlled by the program's plan documents. Please contact Human Resources if you would like to receive a copy of the documents.

The Company's employee profit sharing plan is designed to follow all applicable laws. To ensure employees have access to a broad range of investment alternatives, the Company has contracted with a service provider to handle the fiduciary functions including the execution of employees' investment decisions. By agreeing to participate in the Company's employee benefit plan, you are agreeing that the Company and Plan Administrator are to be relieved of all liability for losses or potential losses that may occur once the employee's contributions are in the control or possession of the employee and/or service provider. Any losses are the direct result of the employee's investment instructions to the service provider.

CHAPTER FIVE
OPERATIONAL CONSIDERATIONS

A. Customer Relations

Customers are the reason we are in business. As such, they should always be treated with courtesy, tact and respect. Customers should be addressed as "Mr.", "Mrs.", "Miss" or "Ms.", unless they request otherwise. You should never burden our customers with your personal affairs.

Customers are to be given proper attention at all times. Never regard a customer's question or concerns as an interruption or an annoyance. Customer inquiries, whether in person or by telephone, must be addressed promptly, professionally, and courteously. Never place a telephone call from a customer on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. All correspondence and documents, whether to clients or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to the principles of our Company.

Employees failing to adhere to proper customer relations standards with respect to their demeanor and work performance, are subject to disciplinary action, up to and including discharge.

B. Public Information

All inquiries regarding the Company from any representative of the news media or any other outside party, must be referred to the Company President, Executive Vice-President or Secretary.

C. Dress Standards

Because each employee is a representative of the Company in the eyes of our customers and industry representatives, and are our ambassadors to the general public, it is the policy of the Company that each employee report to work properly groomed and wearing appropriate business attire. Employees are expected to dress neatly and in a manner consistent with the nature of the work performed, and practice good grooming and personal hygiene. Thus, employees should utilize good judgment in determining their dress and appearance. Employees who are inappropriately dressed will be sent home and directed to return to work in proper attire. As a guideline, here are some suggestions:

- Clothing should not constitute a safety hazard.

- All employees should practice common sense rules of neatness, good taste and comfort.
- Midriff tops, miniskirts, jogging suits, shorts, thongs, muscle person shirts, or tight fitting clothes, and similar apparel are not permitted, unless a management-designated casual day is organized.
- The Company will not discriminate against employees based on “protective hairstyles” as set forth in California law.

D. Use of Company Property, Personal Calls and Other Personal Electronic Devices

Personal use of Company supplies is to be kept to an absolute minimum. Employees must not remove forms, books, records, equipment and/or systems from Company premises, for use personally or by other Companies or individuals. When you leave the Company's employment, you must return all keys, documents, manuals, and any other property belonging to the Company.

Employees who are issued Company equipment will be required to sign an Equipment Acknowledgement form upon issuance of the equipment. Failure to sign the form may result in non-issuance of the equipment and/or disciplinary action.

Personal telephone calls (whether to outside parties or to other employees on Company premises) should be kept to an absolute minimum. Our telephones are a critical business lifeline, and must be kept free for that purpose. Personal long distance calls not billed to the employee may not be made.

Employees who have their own personal cell phones or other electronic communication devices must generally limit their use of these devices for non-business matters to rest breaks and meal periods. This includes, but is not limited to, texting, emails and mobile phone calls. We expect that during working hours you will be working. The only exception to this will be emergencies as noted below.

The Company, however, recognizes that today, when many adult members of a household work, there may occasionally be times when personal calls must be made or received during business hours. Such calls must be held to a minimum and must not interfere with your work. Toll and long distance calls should be charged to your home. You are encouraged to make personal calls during break times or lunch time. Of course, in an

emergency, personal calls may be made and received at any time. Emergencies are regarded as a serious illness or injury to a family member, changed plans regarding your transportation home from work, extreme weather conditions, etc.

Employees are prohibited from using their personal cell phones for business related purposes. Employees who are required to utilize a cell phone for work related purposes will be issued one by the Company.

The Company also prohibits use of earphones, earbuds, headphones and similar devices while working. Studies have shown that use of such devices can reduce productivity and is a safety issue. Further, some employees may be reluctant to interact with you if they see you utilizing these devices. The only exception to this rule is for individuals who are utilizing earphones of purposes of transcribing business communications.

E. Personal Mail

Personal correspondence written on Company stationery is not allowed because of the potential for confusion or embarrassment it may cause Company. Employees are required to have all personal mail directed to their home address. Accordingly, employees may not use the Company's stationery and business address for personal correspondence.

F. Housekeeping

All employees are expected to keep their work areas clean and organized. Common areas such as lunchrooms, copy rooms, supply rooms and restrooms, and items therein, should be kept clean by those using them. Please clean up after meals. Dispose of trash properly.

G. Security and Loss Prevention

The Company has installed and maintains an elaborate security system to protect the premises from fire, unlawful entry, and theft. The details of this system are available from your supervisor.

Employees are encouraged to assist management in ensuring that the system is not compromised in any way, shape or form. Tampering with the system, divulging its operation to other persons who are not employed by Company or third parties who do not have a need to know, will result in immediate discharge.

H. Protection of Company and Employee Property

Respect and protection of Company property and employee personal property is everyone's concern. If you find property missing or damaged, please report it to your supervisor immediately.

I. Political Contributions

The Company respects employee participation in political activities, but not on behalf of, or as a representative of the Company, or on Company time.

CHAPTER SIX
EMPLOYEE JOB PERFORMANCE

A. Staff Competency

In order to maintain our commitment to excellence and our reputation of providing the highest quality service related to high voltage electric systems, it is the policy of Company to hire and retain only highly competent staff. Competence is assessed upon hire, during and at the conclusion of the introductory period, annually and on an on-going basis.

B. Evaluations

Your supervisor may review your job performance with you. This is generally done at least once a year, and whenever the Company is contemplating a pay raise. The purposes of these evaluations are:

- To evaluate the strengths and weaknesses of your work;
- To communicate these to you; and
- To set future performance goals.

Your supervisor may prepare a written assessment of your job performance, which may be reviewed by the next higher level of management. (However, it should be noted that performance evaluations are not an “employee right.” Rather, they are tools that may be used in Management’s sole discretion.) After that, you will meet with your supervisor to discuss the evaluation, at which time you are encouraged to ask specific questions and to comment about your evaluation. You will be allowed to write your own comments on the evaluation form and to sign it to show that you have read it and discussed it. You may request a copy of the completed form for your own records. A good performance evaluation does not guarantee a pay raise, nor is it a promise of continued employment.

C. Attendance and Absences

Employees should note that one of the basic indicators of job performance is regular attendance and punctuality. Regular attendance is an essential job duty. If an employee is to be absent for any reason, their supervisor must be notified immediately to allow for appropriate coverage. If you know in advance that you are going to be absent, you must schedule the absence with your supervisor at least one week in advance.

All employees are required to call their supervisor (not the answering service) a

minimum of thirty (30) minutes prior to their assigned schedule if they will be unable to report for work. All employees must notify their direct supervisor of the absence and when they expect to return to work. If a return date is unknown, the employee must call their supervisor each day within one (1) hour of the start of their regularly scheduled shift.

An absence is a failure to report to work that is not due to allowable time off or an approved leave of absence as provided in this handbook. **If you are absent three consecutive workdays without authorization or notice to Company, at the end of the third day, Company will assume that you have voluntarily quit your job, and your employment will thereon be terminated.**

A physician's statement may be required for each day of absence due to illness. When an employee is ill for three (3) consecutive days or more, a physician's statement may be required before returning to work.

Unauthorized or excessive absences, and failure to report absences on time, will lead to discipline, up to and including discharge. Absences are excessive if they occur frequently or if they show a pattern. Absences immediately before or after holidays and weekends are suspect. Frequent absences for minor complaints are also suspect.

D. Tardiness

You must arrive at your job location and be ready to start work at the beginning of your assigned shift. Be ready to resume work on time after authorized rest and meal periods. Tardiness may lead to discipline up to and including discharge.

Although traffic or weather conditions might seem to be an excuse for being late, you should always plan your commute to work so as to arrive on time, by leaving earlier to avoid traffic congestion or when the weather is inclement. When tardiness is unavoidable, notify your supervisor of how late you will be prior to the start of your shift.

Repeated or excessive tardiness will lead to disciplinary action up to and including discharge. Tardiness is excessive if you are frequently or unnecessarily late, or if you demonstrate a pattern of tardiness.

E. Counseling and Discipline

It is important that all employees perform to the best of their abilities at all times. There will be occasions, however, where employees perform at an unsatisfactory level, violate a policy, or commit an act that is inappropriate or contrary to the best interests of the Company, which may subject an employee to discipline. The nature of the discipline imposed may depend upon the seriousness of the problem and the record of an employee's prior performance, behavior problems or safety violations. The Company has the right to determine what disciplinary action is appropriate based on the facts of each case, and may choose to exercise its discretion to utilize forms of discipline that are less severe than termination. Examples of such less severe forms of discipline include verbal warnings, written warnings, probationary action, suspension without pay and demotion.

Although one or more disciplinary steps may be taken to deal with a particular employee, no formal order or system is necessary. The Company's practice of employee discipline does not imply that "progressive" discipline is required or that employment may be terminated only for cause. As noted elsewhere in this handbook, any employee may resign at any time. The Company may also terminate the employment relationship, at any time, with or without cause, and without following any particular series of steps whenever it determines, in its sole discretion, that such action should occur.

CHAPTER SEVEN
COMMUNICATIONS AT COMPANY

A. Open Door and Problem Solving Policy

In our spirit of willingness to listen and solve problems, the Company believes in an open-door policy. Employees are encouraged to share their concerns, seek information, provide input, and resolve problems/issues through their immediate management, and as appropriate, consult with any member of management toward those ends. Managers and supervisors are expected to listen to employee concerns, and discuss those matters with the appropriate Company officer(s). Managers or supervisors should encourage a free flow of employee input and open discussion of employee problems or issues that affect the Company.

In order to have open communication, there must be mutual respect. Thus, employee problems or complaints that are not covered under a collective bargaining agreement should be communicated using the following procedures:

- I. You should first see your immediate supervisor and openly discuss your questions, complaints or problems relating to your job or feelings of well-being. Your supervisor's assistance may involve getting the aid of other human resource persons. The Company requests that you bring forward your questions, complaints or problems no later than seven (7) days after the occurrence that gives rise to the issue.
- II. If, after you have exhausted your efforts with your immediate supervisor and do not believe you have achieved satisfactory review and resolution, or if your problem is highly sensitive and personal, you should discuss the situation with the Company Secretary/President and if he/she is not available, any Company officer who you feel comfortable discussing the matter with.
- III. If you still feel the problem was not properly acted upon or resolved, you should present a written complaint to the Company's Board of Directors. The Company will make a good faith reasonable effort to review and resolve the problem. Within two weeks after you submit your written complaint (or as soon as practicable) the Board of Directors will give you a written reply, which will be final.

You may use this procedure without fear of reprisal, loss of job or discrimination. Nothing in the manner in which the Company resolves problems is intended to create an express or implied agreement that alters the at-will employment policy as noted elsewhere in

this handbook, nor is intended to alter any collective bargaining agreement in which the Company is a party.

Please remember: Do not keep a problem inside. You cannot reach a solution if no one knows about it.

B. Bulletin Boards

The Company has bulletin boards for the purpose of communications with its employees. Postings on these boards are limited to Company-related materials including statutory and legal notices, safety and disciplinary rules, Company policies, and memos of general interest relating to the Company. For example, the Company policy is to comply with all applicable wage orders, which can be found on the Company bulletin boards. All postings require approval of the appropriate Management Personnel. Each employee has the responsibility to read the information that is posted. Your supervisor can show you the location of the bulletin board nearest your office location.

C. Solicitation

In the interest of maintaining a proper business environment and preventing interference with work and inconvenience to others, employees may not distribute literature or printed materials of any kind, sell merchandise, solicit financial contributions, or solicit for any other cause during working time. Employees who are not on working time (e.g., those on lunch hour or breaks) may not solicit employees who are on working time for any cause or distribute literature of any kind to them. This policy also prohibits solicitations via the Company's e-mail and other telephonic communication systems. Furthermore, employees may not distribute literature or printed material of any kind in working areas at any time.

Non-employees are likewise prohibited from distributing material or soliciting employees on Company premises at any time. Absolutely no visitors will be allowed on the premise for the purpose of non-business related reasons.

D. Suggestions

If you have any suggestions or ideas that you feel would benefit the Company or its subsidiaries, the officers of the Company would encourage you to inform them of your suggestions. The Company is always looking for suggestions that improve methods,

procedures and business conditions, reduce costs or errors, and benefit the Company and its employees.

Persons who make suggestions which are used to substantially benefit the Company and its employees will, at the sole discretion of the Company be considered for an appreciation award based on the cost savings to the Company or the increase in business it brings the Company.

CHAPTER EIGHT
EMPLOYEE BENEFITS

A. Introductory Statement Regarding Benefit Programs

The Company has established a number of employee benefit programs for its eligible employees. Employees already receiving benefits under a collective bargaining agreement, however, are not eligible for additional benefits beyond that specified in the applicable collective bargaining agreement. AS NOTED ELSEWHERE IN THIS HANDBOOK, IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT. Although this handbook does not restate all of the features of these benefit programs, it provides brief summaries to acquaint employees with some of the key features of the programs. It is important that employees remember that additional terms, conditions, and limitations regarding program eligibility and benefit entitlement often exist. Official plan documents should be consulted for further information regarding each benefit program. In the case of an actual or apparent conflict between the benefit summaries set forth in the handbook and the terms of the official plan documents, the provisions of the official plan documents, as interpreted in the sole and absolute discretion of the plan administrator, shall control.

In addition, while it is the Company's present intention to continue these benefits, the employer reserves the right, whether in an individual case or more generally, to modify, curtail, reduce or eliminate any benefit, in whole or in part, either with or without notice. Finally, neither the benefit programs nor their descriptions are intended to create any guarantees regarding employment or continued employment, nor do they alter the at-will relationship between the employee and the Company.

B. Discretionary Authority Under Employee Welfare Benefit Plans

The Plan Administrator of the Company's employee benefit plans and any representative whom the Plan Administrator chooses to assist it to carry out its responsibilities under the plans shall have the maximum discretionary authority permitted by law to interpret, construe, and administer the plans, to make determinations regarding plan participation, enrollment and eligibility for benefits, to evaluate and determine the validity of benefit claims, and to resolve any and all claims and disputes regarding the rights and entitlements of individuals to participate in the plans and to receive benefits and payments pursuant to the plans. The decisions of the Plan Administrator and its representatives shall be entitled to the maximum deference permitted by law.

C. Group Medical Insurance

After the required number of days of consecutive employment, all regular full-time employees and their eligible dependents are covered by the Company's group medical plan. Temporary, introductory, leased and part-time employees are not eligible for these medical benefits. All full-time employees working no less than 30 hours per week are eligible for medical insurance. If you work less than thirty (30) per week, you will be required to pay 100% of the medical insurance premiums, unless otherwise provided by applicable law (for example, FMLA, CFRA or PDL). If elected, benefits begin on the first regular work day following a 90-day waiting period.

The total cost for medical insurance is paid as follows:

	Employee	Dependents
Company pays	50%	50%
Employee pays	50%	50%

The Medical Plans were selected to ensure the employees are not burdened with extreme medical costs. This very comprehensive policy was developed for the benefit of all full-time employees.

Eligibility requirements and further information concerning insurance benefits are described in detail in the Summary Plan Description furnished to you and in the medical plans located in the Personnel office which you may review at your convenience.

You should verify your eligibility for coverage before undergoing treatment in order to ensure that the treatment is covered. To verify your insurance coverage for medical treatment or problems, or if you need claim forms, contact the payroll/ personnel office or appropriate management personnel.

You must tell the appropriate Payroll/personnel if your address changes, if you get married or divorced, or if the number of your dependents changes.

The Company reserves the right to change, amend, or discontinue the benefits it offers to its employees at any time. The Company's right to make these changes is not limited by

your length of service, or by your reliance on the availability of these benefits in deciding whether to accept, continue, or retire from employment with the Company.

D. Dental Insurance

All full-time employees working no less than 30 hours per week are eligible for dental insurance. If elected, benefits begin on the first regular work day following a 90-day waiting period and upon approval by medical underwriting.

The cost for dental insurance is paid as follows:

	Employee	Dependents
Company pays	50%	50%
Employee pays	50%	50%

This Dental Plan was selected to ensure that employees are not burdened with extreme dental costs. The intention of this benefit is to encourage employees to take preventative dental care.

The specific coverage of this Dental Plan is located in the Payroll/Personnel office.

E. Life Insurance

A group Life Insurance Plan has been provided to give basic protection to all full-time employees. Temporary and part-time employees are not eligible on the Company plan. This Group Policy is in force on the first regular work day following a 90-day waiting period and upon approval by medical underwriting.

The total cost of this Group Insurance Plan is paid as follows:

	Employee	Dependents
Company pays	50%	50%
Employee pays	50%	50%

The specific coverage of the plan is located in the Personnel office.

F. Paid Leave

Everyone needs time off from work. Thus, the Company offers eligible employees paid vacations and sick leave. Vacation time off is paid on the basis of your base hourly rate, excluding premiums and overtime compensation, if any. AS NOTED ELSEWHERE IN THIS HANDBOOK, IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT.

Temporary and part-time employees working less than 30 hours per week are not entitled to vacation or holiday time off with pay.

(1) Vacations

Regular full-time employees accrue vacation days on a monthly basis according to the following schedule:

<u>Length of Service</u>	<u>Days of Vacation Accrued Annually</u>
Start to 12 months	0
13 months to 24 months	5
25 months to 60 months	10
61 months to 120 months	15

Years 11 through 15 accrue one additional day per year to a maximum of 20 total vacation days per year after 15 years.

You are strongly encouraged to take your vacation within the year after you earn it. You may accrue vacation up to a maximum of the number of days equal to your annual vacation accrual. Once you have reached this ceiling, no more will accrue until you have used some of it and reduced the number of available time below the ceiling. For example, an employee with three (3) years of service with the Company can accrue vacation up to ten (10) days. You may not receive pay instead of vacation except when you leave the Company.

You may not take vacation before you earn it, unless you obtain written permission from your supervisor.

If you are on vacation on an official Company holiday, the day will count as a holiday and not as a vacation day taken.

The scheduling of your vacation is based on the Company's operational needs and the requests for vacation and leave of absence of other employees. You must give your supervisor at least 30 days' advance notice before you take your vacation. All vacation requests must be approved in advance by your supervisor. If there is a conflict in requests for time off, the Company will consider a number of factors in determining who will be given preference, including but not limited to operational needs, timeliness of request, frequency and history of past requests, employee seniority, etc.

(2) Company Holidays

The Company provides the following paid holidays each year for regular full-time employees:

New Year's Day
Veteran's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

Employees are paid for the number of hours they would have been regularly scheduled to work on the day in question. To receive holiday pay, the employee must work the scheduled workdays before and after the holiday unless on an authorized leave. Temporary, introductory employees and part-time employees regularly scheduled to work less than 30 hours per week are not eligible for paid holidays.

Holiday pay for nonexempt employees consists of two components, the employee's straight time hourly rate plus compensation for all hours worked.

Employees may not elect financial compensation in lieu of taking time off for a holiday. If an employee is requested to work on a holiday, an alternate day off will be allowed in lieu of taking the holiday. If a non-exempt employee is requested to work on a holiday, he/she will be paid at the overtime rate.

When a holiday falls on a Saturday, it will be observed the preceding Friday. When it falls on a Sunday, it will be observed the following Monday. Holidays that fall during a scheduled vacation do not count as a vacation day used.

(3) Sick Leave

Regular full-time employees accrue sick leave on a monthly basis at a rate of one-half day for each month of service, up to a total of five days per year. Part time and Temporary employees are provided 24 hours or 3 days of sick leave upon employment. (Part time and Temporary employees sick leave balances reset to 24 hours or 3 days upon the anniversary of their employment. Any unused sick leave will be forfeited on that date and will not roll over to the next anniversary year.) Sick leave may be used by employees beginning on the 90th day of their employment.

Sick leave may be used for the diagnosis, care or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member. "Family member" is defined as: a child (whether biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis) regardless of the age of the child or dependency status, a parent (whether biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), a spouse, a registered domestic partner, a grandparent, a grandchild, a sibling and a designated person. (A "designated person" means a person identified by the employee at the time the employee requests paid sick days. The Company limits an employee to one (1) designated person per twelve (12) month period for paid sick days.) The Company will also approve of the use of an employee's accrued paid sick time if the employee is a victim of domestic violence, sexual assault, stalking and as otherwise required by applicable law.

For full time employees, your unused sick leave is carried forward from one year to the next, up to a cap of 48 hours, and only 48 hours may be used in any 12-month period. You will not be paid for unused sick leave at termination of employment.

Employees who are rehired within one year of the date of their termination will have any unused sick leave reinstated.

The Company will also follow all applicable local ordinances when working in cities that have their own sick leave requirements which differ from California law.

For nonexempt employees, sick leave is paid at the "regular rate."

If you are sick, you should call your supervisor (not the answering service) within 30

minutes of the beginning of your shift, or you may not receive sick pay for that day.

If you miss work because of sickness, we may ask you to do one or more of the following:

- Provide us with a doctor's certificate as a condition to receiving sick leave pay, if allowed by applicable law;
- Undergo a physical examination to determine your fitness for duty when the Company has a reasonable belief, based on objective evidence, that: (1) your ability to perform essential job functions can be impaired by a medical condition; or (2) you will pose a direct threat due to a medical condition, at the Company's expense, by a physician selected by the Company; or
- Obtain a doctor's certification that you can safely perform all of the essential functions of your position, with or without reasonable accommodation, before you are allowed to return to work.

If you are hospitalized or out sick for more than seven calendar days for an injury or illness that is not work-related, you should apply for State Disability Insurance (SDI) benefits. The appropriate Management Personnel can supply the form you will need to apply for SDI.

Sick leave can be used in increments of one hour or more. Abuse of the Company's sick leave policy may lead to discharge from employment.

G. Legislated Benefits

(1) Workers' Compensation Benefits

You are covered immediately by our workers' compensation insurance program in accordance with applicable law. This is provided at no cost to you for any job-related illness or accident that prevents you from working. It offers medical, surgical, and hospital treatment and pays for loss of wages after a designated waiting period.

We remind you to report all on-the-job injuries to your supervisor and the Safety Department (at safety@hamptontedder.com) immediately and within half (1/2) hour to the Executive Vice President or President for your own protection, and to ensure the proper reports are filled out.

(2) State Disability Insurance

To protect our employees who miss work due to a non-work-related accident or illness, the law requires that a small percentage of each employee's wages, up to the prevailing maximum, be deducted each pay period for State Disability Insurance (SDI). Benefits begin from the first day an employee is hospitalized or after the seventh day of the illness or accident if the employee is not hospitalized. Eligible employees will be paid a percentage of their regular earnings for a maximum period provided by law in any one year. The employer will make up the difference between the compensation an employee receives from state disability insurance benefits and his regular wages until his or her accumulated sick pay is used up.

(3) Unemployment Insurance

If your employment terminates, you may be eligible to receive unemployment insurance. In most cases, you must file a claim in order to collect this benefit. Should such a situation arise, you should inquire about unemployment insurance at the time of your separation from service.

(4) Social Security

As an employee of the Company, you are covered under the provisions of the Federal Social Security Law (F.I.C.A.). Social Security benefits are often a significant step to provide you and your family a retirement income. The amount of deduction from your wages for social security taxes is matched by the Company. The total contribution by you and the Company is credited toward your social security benefits, which may be available at the time you are eligible to retire. In addition, disability and survivors benefits are financed through social security deductions.

CHAPTER NINE
POLICIES GOVERNING LEAVES OF ABSENCE

A. Discretionary Unpaid Leave of Absence

Sometimes an employee may wish to take a leave of absence from employment. To the extent that your need to take leave is sufficiently foreseeable, you must give the Company at least 30 days advance notice; otherwise, inform us as early beforehand as possible. AS NOTED ELSEWHERE IN THIS HANDBOOK, IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT.

Regardless of the nature of the leave of absence, you must submit a completed Request for Leave of Absence to the Company Secretary and Personnel Department, with a copy to your supervisor, as soon as possible, for review and approval at the Company's sole discretion. During the first 30 days of a leave of absence, the Company may continue to pay its portion of Company paid benefits; employees, however, must pay their portions of all benefit plans at least 20 days in advance of the due date for such plans.

If you take actions during your leave that are inconsistent with an intention to return to your employment with the Company, such as accepting employment with another employer, you will be considered to have voluntarily terminated your employment. If your leave of absence expires and you do not contact your supervisor concerning a date to return to work, you will be considered to have voluntarily terminated your employment.

An unpaid leave of absence may be requested by regular full-time and regular part-time employees, as follows:

A personal leave of absence may be requested and granted in a few well defined cases, up to a maximum of 30 days. An extension may be considered only in the event of serious or extenuating circumstances.

If you expect to be absent for more than three (3) consecutive workdays as a result of an illness, non-occupational injury or disability (including pregnancy), you may request an unpaid medical leave of absence, by submitting a written request for medical leave to the Company Secretary and the Personnel Department, as far in advance of your anticipated leave date as is practicable. If your absence is due to an emergency or unanticipated sickness, you or a member of your immediate family must inform your supervisor and the Company Secretary as soon as is practicable; this should be followed up with a written leave request,

normally submitted within two days of the beginning of your leave. All medical leave requests must be accompanied by appropriate medical certification from your physician, indicating the condition necessitating your leave request and your projected date of return to work.

If your leave request is granted, you are required to provide the Company with additional physician's statements attesting to your continued disability and inability to work at least once every seven days or more frequently if requested, unless prohibited by applicable law. You will not accrue vacation or sick leave, nor will you be paid for holidays during your leave of absence.

While on an approved medical leave of absence you may be eligible for short-term state disability benefits. (Please also refer to the Company's Sick Leave Benefit statements in this handbook for further details.)

Before being permitted to return from medical leave, you may be required to present the Company with a note from your physician indicating that you are capable of returning to work and performing the essential functions of your position, with or without reasonable accommodation. (Note: The Company will consider making reasonable accommodation to your disability in accordance with applicable laws where required.)

Unless applicable federal, state or local law requires otherwise, reinstatement cannot be guaranteed to any employee returning from personal, non-occupational disability or medical leave. For leaves not exceeding 30 days; however, the Company endeavors to place employees returning from leave in their former position or in a position comparable in status and pay, subject to budgetary restrictions, the Company's need to fill vacancies, and the ability of the Company to find qualified temporary replacements.

B. Your Rights and Responsibilities as a Pregnant Employee

If you are pregnant, have a related medical condition, or are recovering from childbirth, **PLEASE READ THIS NOTICE.**

California law protects employees against discrimination or harassment because of an employee's pregnancy, childbirth or any related medical condition (referred to below as "because of pregnancy"). California law also prohibits employers from denying or interfering with an employee's pregnancy-related employment rights.

The Company has an obligation to:

- reasonably accommodate your medical needs related to pregnancy, childbirth or related conditions (such as temporarily modifying your work duties, providing you with a stool or chair, or allowing more frequent breaks);
- transfer you to a less strenuous or hazardous position (where one is available) or duties if medically needed because of your pregnancy; and
- provide you with pregnancy disability leave (PDL) of up to four months (the working days you normally would work in one-third of a year or 17½ weeks) and return you to your same job when you are no longer disabled by your pregnancy or, in certain instances, to a comparable job. Taking PDL, however, does not protect you from non-leave related employment actions, such as a layoff.
- provide a reasonable amount of break time and use of a room or other location in close proximity to the employee's work area to express breast milk in private as set forth in the Labor Code.

For pregnancy disability leave:

- PDL is not for an automatic period of time, but for the period of time that you are disabled by pregnancy. Your health care provider determines how much time you will need.
- Once the Company has been informed that you need to take PDL, the Company must guarantee in writing that you can return to work in your same position if you request a written guarantee. The Company may require you to submit written medical certification from your health care provider substantiating the need for your leave.
- PDL may include, but is not limited to, additional or more frequent breaks, time for prenatal or postnatal medical appointments, doctor-ordered bed rest, severe “morning sickness,” gestational diabetes, pregnancy-induced hypertension, preeclampsia, recovery from childbirth or loss or end of pregnancy, and/or post-partum depression.
- PDL does not need to be taken all at once but can be taken on an as-needed basis as required by your health care provider, including intermittent leave or a reduced work schedule, all of which counts against your four month entitlement to leave.
- Your leave will be paid or unpaid depending on the Company policy for other medical leaves.
- You may also be eligible for state disability insurance or Paid Family Leave (PFL), administered by the California Employment Development Department.

- At your discretion, you can use any vacation during your PDL.
- The Company requires you to use any available sick leave during your PDL.
- The Company is required to continue your group health coverage during your PDL at the same level and under the same conditions that coverage would have been provided if you had continued in employment continuously for the duration of your leave.
- Taking PDL may impact certain of your benefits and your seniority date; please contact Human Resources for details.
- If possible, you must provide at least 30 days' advance notice for foreseeable events (such as the expected birth of a child or a planned medical treatment for yourself.) For events that are unforeseeable, we need you to notify us, at least verbally, as soon as you learn of the need for the leave. Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until you comply with this notice policy.

Notice Obligations of Employees.

- Give the Company reasonable notice: To receive reasonable accommodation, obtain a transfer, or take PDL, you must give the Company sufficient notice for it to make appropriate plans. Sufficient notice means 30 days' advance notice if the need for the reasonable accommodation, transfer or PDL is foreseeable, otherwise as soon as practicable if the need is an emergency or unforeseeable.
- Provide a Written Medical Certification from Your Health Care Provider. Except in a medical emergency where there is no time to obtain it, the Company may require you to supply a written medical certification from your health care provider of the medical need for your reasonable accommodation, transfer or PDL. If the need is an emergency or unforeseeable, you must provide this certification within the time frame the Company requests, unless it is not practicable for you to do so under the circumstances despite your diligent, good faith efforts. The Company must provide at least 15 calendar days for you to submit the certification. See Human Resources for a copy of a medical certification form to give to your health care provider to complete.
- PLEASE NOTE that if you fail to give the Company reasonable advance notice or written medical certification of your medical need, the Company may be justified in delaying your reasonable accommodation, transfer, or PDL.

You also may be entitled to additional rights under the California Family Rights Act of 1993 (CFRA) if you have more than 12 months of service with us, have worked at least 1,250

hours in the 12-month period before the date of you want begin your leave and work at a worksite with 50 or more employees within 75 miles of that worksite. This leave may be up to 12 workweeks in a 12-month period. For further information on the availability of CFRA leave, please review your employer's Notice regarding the availability of CFRA leave.

This notice is a summary of your rights and obligations under the Fair Employment and Housing Act (FEHA). For more information about your rights and obligations as a pregnant employee, contact Human Resources, visit the California Civil Rights Department's website at www.calcivilrights.ca.gov, or contact the Department at 800-884-1684. The text of the FEHA and the regulations interpreting it are available on the Department's website at www.calcivilrights.ca.gov.

C. Employee Rights and Responsibilities Under the Family and Medical Leave Act ("FMLA")

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave in a 12 month period to eligible employees for the following reasons:

- for incapacity, due to pregnancy, prenatal medical care or child birth;
- to care for the employee's child after birth, or placement for adoption or foster care;
- to care for the employee's spouse, son, daughter or parent, who has a serious health condition; or
- for a serious health condition that makes the employee unable to perform the employee's job.

Except for military caregiver leave, in computing the 12 month period the employer utilizes a rolling 12 month period measured backward from the date leave is used.

Military Leave Family Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or called to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-development reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on temporary disability retired list, for a serious injury or illness*, or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

***The FMLA definitions of “serious injury or illness” for current service members and veterans are distinct from the FMLA definition of “serious health conditions.”**

Benefits and Protections

During FMLA leave, the employer must maintain the employee’s health coverage under any “group health plan” on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a condition that either prevents the employee from performing the functions of the employee’s job or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits

to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of an accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employers also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well

as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employer

The FMLA makes it unlawful for any employer to:

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

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

D. California Family Rights Act ("CFRA") Leave

Under the California Family Rights Act of 1993 ("CFRA"), if an employee has more than 12 months of service with the Company and has worked at least 1250 hours in the past 12 months, and the Company employs five or more employees, the employee may have a right to CFRA leave.

In computing the 12 month period, the Company utilizes a rolling 12-month period measured backward from the date leave is used.

If eligible for such leave, an employee may be entitled to take up to 12 work weeks of unpaid, job protected leave in a 12-month period for the birth, adoption, or foster care placement of employee's child, for an employee's own serious health condition or to care for employee's child, parent, parent-in-law, spouse, grandparent, grandchild, sibling, registered domestic partner or "designated person". ("Designated person" means any individual related by blood or whose

association with the employee is the equivalent of a family relationship. An employee is limited to one (1) “designated person” per 12-month period.) In addition, under CFRA an employee may take leave because of a qualifying exigency related to covered active duty or call to covered active duty of an employee’s spouse, registered domestic partner, child or parent in the armed forces of the United States as specified in applicable law.

For CFRA leave, the Company generally requires the employee to utilize vacation leave and sick leave while on such leave. An exception to this is the employee may not use sick leave during a period of CFRA leave in connection with the birth, adoption or foster care of a child, or to care for a child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, registered domestic partner or designated person unless mutually agreed to by the employee and the President, or designee.

Another exception is that employees will not be required to use their sick leave if the employee’s CFRA leave also qualifies as “kin care” under California law. Under these circumstances, it will be the employee’s sole discretion as to whether they wish to utilize sick leave.

While on CFRA leave, the Company will maintain and pay for coverage under a group health plan, for the duration of the leave, not to exceed 12 workweeks in a 12 month period, commencing on the date leave under CFRA commences, at the level and under the conditions coverage would have been provided if the employee continued employment continuously for the duration of the leave. Employees must continue to pay their portion of group health plan premiums while on CFRA leave.

During CFRA leave, the leave shall not constitute a break in service for any employee benefit plan. An employee shall return with no less seniority than employee had when leave commenced, for purposes of layoff, recall, promotion, job assignment, and seniority related benefits, such as vacation.

If the employee’s need for leave is foreseeable, the employee shall provide the Company with reasonable advance notice of the need for the leave.

If the employee’s need for leave pursuant to this section is foreseeable due to planned medical treatments or supervision, the employee shall make a reasonable effort to schedule the treatment or supervision to avoid disruption to the operations of the Company, subject to the approval of the health care provider of the individual requiring the treatment or supervision.

The Company requires that an employee’s request for leave to care for a child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, registered domestic partner or designated

person who has a serious health condition be supported by a certification issued by the health care provider of the individual requiring care. That certification shall be sufficient if it includes all of the following:

- (A) The date on which the serious health condition commenced.
- (B) The probable duration of the condition.
- (C) An estimate of the amount of time that the health care provider believes the employee needs to care for the individual requiring the care.
- (D) A statement that the serious health condition warrants the participation of a family member to provide care during a period of the treatment or supervision of the individual requiring care.

Upon expiration of the time estimated by the health care provider, the Company requires the employee to obtain recertification, if additional leave is required.

The Company requires that an employee's request for leave because of the employee's own serious health condition be supported by a certification issued by the employee's health care provider. That certification shall be sufficient if it includes all of the following:

- (A) The date on which the serious health condition commenced.
- (B) The probable duration of the condition.
- (C) A statement that, due to the serious health condition, the employee is unable to perform the function of the employee's position.

The Company requires that employees obtain subsequent recertification regarding the employee's serious health condition on a reasonable basis, if additional leave is required.

As a condition of an employee's return from leave taken because of an employee's own serious health condition, the Company requires the employee to obtain a certification from the employee's health care provider that the employee is able to resume work.

CFRA leave provided for in this Policy may be taken in one or more periods.

"Serious health condition" means an illness, injury, impairment, or physical or mental condition that involves either of the following:

- 1) Inpatient care in a hospital, hospice or residential health care facility; or
- 2) Continuing treatment or continuing supervision by a health care provider.

“Health care provider” means any of the following: an individual holding either a physician’s and surgeon’s certificate issued pursuant to California law, an osteopathic physician and surgeon certificate issued pursuant to California law, or an individual duly licensed as a physician, surgeon, or osteopathic physician or surgeon in another state or jurisdiction, who directly treats or supervises the treatment of the serious health condition. In addition, any other person determined by the United States Secretary of Labor to be capable of providing health care services under the FMLA shall also qualify as a health care provider.

The Company may recover the premiums for such group health plans that it pays on behalf of the employee if both of the following conditions occur:

- 1) The Employee fails to return from leave after the period of leave to which the employee is entitled has expired; and
- 2) The failure of the employee to return from the leave is for a reason other than the continuation, recurrence, or onset of “serious health condition” or other circumstances beyond the control of the employee.

Eligible employees may also take Qualifying Exigency Leave as set forth in California law.

E. Occupational Disability (Worker's Compensation) Leave

You are entitled to take a leave of absence up to twelve (12) months of any disability due to work-related illness or injury. When on occupational disability leave, you must be examined by a health care provider and certified to be disabled from returning to your employment. During your leave, you will receive workers' compensation insurance benefits in accordance with California law.

Your leave of absence will end as soon as a health care provider certifies that you are able to perform safely all of the essential functions of your job, with or without reasonable accommodation. If the Company receives medical evidence satisfactory to it that you will be permanently unable to resume safely all of the essential functions of your job, with or without reasonable accommodation, and if reassignment to a vacant position is not possible, your employment will be terminated.

You will be reinstated to your former position when a health care provider certifies that you are able to perform safely all of the essential functions of your job, with or without

reasonable accommodation. The exceptions to this rule are as follows:

- When you directly or indirectly indicate to the Company that you do not intend to return to the Company's employ;
- When your former position no longer exists;
- When the Company had to replace you as a business necessity;
- When you are no longer qualified for your former job; and
- When you cannot return to your former job without posing a direct threat to your health or safety or to the health and safety of another employee, client or customer.

During a leave of absence for occupational disability, you may, at your option, integrate unused sick leave and vacation time so that you do not receive over 100 percent of your base pay. You are not, however, compelled to do so.

During a leave of absence for occupational disability, your group health-plan benefits will continue uninterrupted during your absence as required by applicable law; although employees will still be requested to pay their portion of all benefit plans in advance of the due date for such plans, but no later than the date it would be if by payroll deduction. You will also be credited with service for the period of your disability.

F. Other Allowable Time Off

(1) Jury Duty

If you receive a jury summons, you must notify your supervisor and the appropriate Management Personnel immediately. If you are not excused from jury duty or your work schedule cannot be rearranged to avoid conflict, you will be allowed to take time off without pay for each full or partial working day you serve on jury duty. (Exempt employees salary will not be reduced, except as allowed by applicable law.)

You must report to work on days or parts of days when you are not required to serve. If you do not return to work immediately after jury duty ceases, the Company will assume you have resigned.

(2) Witness Duty

You may be required by law to appear in court as a witness. You will be allowed to take unpaid time off for this purpose, but you are expected to give your supervisor reasonable advance notice of when you will be absent.

(3) Voting Time

Those whose work hours preclude them from being able to vote in a statewide election during any of the designated voting hours will be allowed, with prior supervisory approval, to take up to two hours paid time to go vote. You must give your supervisor at least two day's advance notice that you will need time off to vote on election day. Your supervisor may require you to take voting time at the beginning or end of your shift. Your supervisor will ask you to present a voter's receipt before you are paid for voting time off.

(4) Bereavement Leave

Employees are provided five days of unpaid Bereavement Leave in accordance with California law. This leave is available for employees who have been employed for at least 30 days prior to the commencement of the leave. It is available for the death of a spouse, child, parent, sibling, grandparent, grandchild, registered domestic partner or a parent-in-law as these terms are defined in California law. The five days need not be consecutive, but all Bereavement Leave must be completed within three months of the date of death of the family member. The Company may require documentation of the death of the family member so long as it is requested within 30 days of the first day of the leave. Employees may utilize accrued and available sick leave, personal leave, compensatory time off or vacation leave while on Bereavement Leave. The Company requests that employees provide reasonable advance notice of when they plan to use Bereavement Leave.

(5) School Visits

If you are the parent or guardian of a child or children enrolled in kindergarten through grade 12 or licensed child care provider, you may take time off from work, up to 40 hours per year, to participate in activities of the school or licensed child care provider. This includes finding, enrolling, or re-enrolling the employee's child in a school or with a licensed child care provider as well as time taken off to address a child care provider or school emergency. You must provide reasonable advance notice of your planned absence to your supervisor, and you must use vacation time for the visit(s). If you are asked by your supervisor, you must provide

documentation from the school verifying the date and time of your visit(s).

If you are the parent or guardian of a child who has been suspended from school and you receive a notice from the child's school requesting that you appear in the school in the child's classroom, you may take unpaid time to appear at the school. You must, prior to your planned absence, give reasonable notice to your supervisor that you have been requested to appear in your child's school.

(6) Military Leave of Absence

An employee who is drafted for service in the armed forces is eligible for military leave of absence. If military service is longer than 30 days, employment will be terminated; however, upon return from service, the employee will be eligible for re-employment, as required by applicable law.

An employee who is a member of the Armed Forces Reserve or the National Guard and who is required to attend annual active duty for training or other short-term reserve or Guard duty (i.e., forest fire fighting, policy duty for natural disaster, etc.) is eligible for a military leave of absence. Such time off will not be considered vacation time.

FMLA-eligible employees will also be granted “qualifying exigency leave” up to 12 work weeks in any 12-month period, and military caregiver leave up to 26 weeks of unpaid leave in any single 12-month period to care for a covered service member with a serious injury or illness. Military caregiver leave is based on a single 12-month period that begins on the first day the eligible employee takes FMLA leave to take care of a covered service member and ends 12 months after that date.

G. Rights of Victims of Domestic Violence, Sexual Assault, Stalking, Crimes that Cause Physical Injury or Mental Injury, and Crimes Involving a Threat of Physical Injury; and of Persons Whose Immediate Family Member is Deceased as a Direct Result of a Crime

1. Your Right to Take Time Off:

- You have the right to take time off from work to obtain relief from a court, including obtaining a retaining order, to protect you and your children’s health, safety or welfare.

- If your company has 25 or more workers, you can take time off from work to get medical attention for injuries caused by crime or abuse, receive services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of the crime or abuse, receive psychological counseling or mental health services related to an experience of crime or abuse, or participate in safety planning and take other actions to increase safety from future crime or abuse.
- You may use accrued paid sick leave or vacation, personal leave, or compensatory time off that is otherwise available for your leave unless you are covered by a union agreement that says something different. Even if you do not have paid leave, you still have the right to time off.
- In general, you do not have to give your employer proof to use leave for these reasons unless it involves an unscheduled absence.
- If you can, you should tell your employer before you take time off. Even if you cannot tell your employer beforehand, your employer cannot discipline you if you give proof explaining the reason for your absence within a reasonable time. Proof can be a police report, a court order, a document from a licensed medical professional, a victim advocate, a licensed health care provider, or counselor showing that you were undergoing treatment for domestic violence related to trauma, or a written statement signed by you, or an individual acting on your behalf, certifying that the absence is for an authorized purpose..

2. Your Right to Reasonable Accommodation:

- You have the right to ask your employer for help or changes in your workplace to make sure you are safe at work. Your employer must work with you to see what changes can be made. Changes in the workplace may include putting in locks, changing your shift or phone number, transferring or reassigning you, or help with keeping a record of what happened to you. Your employer can ask you for a signed statement certifying that your request is for a proper purpose and may also request proof showing your need for an accommodation. Your employer cannot tell your coworkers or anyone else about your request.

3. Your Right to be free from Retaliation and Discrimination:

Your employer cannot treat you differently or fire you because:

- You are a victim of domestic violence, sexual assault, or stalking, a crime that caused physical injury or mental injury, or a crime involving threat of physical injury, or are someone whose immediate family member is deceased as a direct result of a crime..
- You asked for leave time to get help.
- You asked your employer for help or changes in the workplace to make sure you are safe at work.

You can file a complaint with the Labor Commissioner's Office against your employer if he/she retaliates or discriminates against you.

H. Lactation Accommodation Policy

The Company provides employees the right to request lactation accommodation in accordance with California law. The Company will provide a reasonable amount of break time to accommodate an employee desiring to express breastmilk for the employee's infant child each time the employee has a need to express milk. The break time shall, if possible, run concurrently with any break time already provided to the employee. Break time for a nonexempt employee that does not run concurrently with the rest time authorized for the nonexempt employee shall be unpaid.

The Company will provide the employee with the use of a room or other location for the employee to express milk in private. This room may include the place where the employee normally works if it otherwise meets the requirements set forth below.

The room shall be safe, clean and free of hazardous materials. There will be a surface to place a breast pump and personal items as well as a place to sit. The room will have access to electricity or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery-powered breast pump. The employee shall also have access to a sink with running water and a refrigerator suitable for storing milk in close proximity to the employee's workspace. If a refrigerator cannot be provided, the Company may provide another cooling device suitable for storing milk, such as a company-

provided cooler. If a multipurpose room is used for the lactation, among other uses, the use of the room for lactation shall take precedence over the other uses, but only for the time it is in use for lactation purposes.

Employees who require lactation accommodation should contact Human Resources. If the Company cannot provide break time or a location that complies with California law the Company will provide a written response to the employee. Employees have the right to file a complaint with the Labor Commissioner for any violation of the employee's lactation rights under California law.

CHAPTER TEN
COMPANY RULES AND TERMINATION PROCEDURES

A. Overview

Every organization has certain guidelines which were developed to reflect good business practices. In establishing any rules of conduct, the Company has no intention of restricting the personal rights of any individual. Rather, we wish to define the guidelines that protect the rights of all employees and to ensure maximum understanding and cooperation among Company management and employees. Therefore, employees are expected to be:

- On-time and alert when scheduled to be at work.
- Careful and conscientious in performance of duties.
- Thoughtful and considerate of other people.
- Courteous and helpful, both when dealing with customers and with other employees.
- Employees are not to be on the Company premises unless they are scheduled to work.

B. Code of Conduct

It is not possible to provide employees with a complete list of every possible offense that will, like unsatisfactory job performance, result in discipline, including discharge. However, in order to give you some guidance, examples of unacceptable conduct are listed below. **You should be aware that conduct that is not listed, which adversely affects or is otherwise detrimental to the Company's interests, or the interests of its employees, customers, or the public at large, may also result in disciplinary action, up to and including immediate discharge.**

By way of example, the following conduct will not be tolerated:

1. ***Inadequate Job Performance.*** Failure or refusal to satisfactorily perform the duties that are part of the employee's job, including failure to follow instructions or the Company's procedures or policies.
2. ***Tardiness and Absenteeism.*** Failure to be present at work as scheduled, including unauthorized failure to report to work on time; unauthorized failure to observe time limitations for meal periods or other work breaks; leaving work early without obtaining prior approval; excessive absences from work, regardless of the reason; and failure to notify the employee's

supervisor or other appropriate employer representative of authorized absences from the job (such as for illness or vacation).

3. ***Insubordination and Disruptive Conduct.*** Examples include failure or unreasonable delay in carrying out instructions; discourteous, abusive, obscene, or offensive conduct or language toward customers, business contacts, supervisors, or other employees; violation of the Company's client relations policy; fighting on the job or on Company property; and threatening or inflicting bodily harm on another person.
4. ***Sexual and Other Forms of Harassment or Discrimination.***
5. ***Health and Safety Violations.*** Failure to observe the health and safety regulations of the Company, or otherwise endangering the health and safety of others, including possession of a firearm or other dangerous weapon on company property.
6. ***Willful or Negligent Destruction or Damage or misuse of Company Property, or of Another Employee's Property.***
7. ***Dishonesty or Abuse of Company's Policies.*** Examples include failure to give complete or accurate information for personnel records; falsification of employment application, Company records and time records; false or disparaging statements about Company, other employees, or yourself; disclosure of confidential or proprietary information about Company or its customers; being under the influence or in possession of, or selling, alcoholic beverages or narcotic or illegal drugs during work hours or on Company property; unauthorized possession of Company property; or other violation or abuse of the Company's policies.
8. ***Misuse of Time.*** Examples include neglect of job responsibilities; interfering with the work of other employees; sleeping on the job; or acts of inattention to duty.
9. ***Theft or Pilfering.*** Taking, possession, or tampering with Company property, or that of clients or other employees, without management authorization.
10. ***Illegal Actions.*** Violations of public law or the commission of a criminal offense, if such violation or offense (a) indicates unfitness for the job, (b) adversely affects or indicates a potential threat to the Company and/or its employees, customers, clients, or property, or (c) results in imprisonment of the employee or other criminal punishment that adversely affects his or her ability to adequately perform the duties of his or her job.

This list is not intended to be all inclusive. Employees and supervisors of Company are responsible for compliance and adherence to all aspects of our code of conduct. Employees of the Company are a working community and it is in the best interest of all employees to apply and live by our established rules and regulations. As noted elsewhere in the handbook, it should be remembered that although Company has established a Code of Conduct, employment relationships are for an undetermined period of time and can be terminated at-will, with or without cause or advance notice, either at the option of the employee or Company.

Consistent with the Company's at will employment status, the Company reserves its right to use discretion in deciding when and how discipline is imposed. No formal system, procedure or proof of cause is required. Further, exempt employees shall not be subject to any disciplinary action that would invalidate their exempt status.

C. Procedure on Termination of Employment

As noted elsewhere in the handbook, your employment with the Company is at-will, which means that you may terminate your employment at any time, with or without notice or reason, and similarly, the Company may terminate your employment at any time, with or without notice or reason. No one other than the Board of Directors of the Company has the authority to alter the "at-will" nature of employment, and even then, can only do so through a formal written agreement signed by both parties. **AS NOTED ELSEWHERE IN THIS HANDBOOK, IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF THIS HANDBOOK AND THE PROVISIONS IN ANY APPLICABLE COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING AGREEMENT SHALL GOVERN IN ALL CASES WITH RESPECT TO EMPLOYEES COVERED BY SUCH AGREEMENT.**

In addition, your employment with the Company may be terminated through one of the following events:

- Voluntary resignation;
- Retirement;
- Reduction in force;
- Reorganization of the Company (including, but not limited to, job elimination);

- Involuntary termination, with or without cause, with or without notice;
- Failure to return to work in a timely fashion after an absence;
- Failure to report to work without notice for three consecutive work days; or
- Prolonged disability resulting in an inability to safely and satisfactorily perform all of the essential functions of the job with or without reasonable accommodation.

If you wish to resign from the Company, you are requested to give at least two weeks' written notice, if possible.

Upon notice of resignation, the Company may, at its discretion, pay you for all hours of work for which you are scheduled, up to the noticed date of termination or a period of two weeks from the date of notice, at the Company's sole discretion, and excuse you from coming to work during that time.

Upon termination of employment, all employees will be required to review and sign the termination certificate contained in Chapter 11 to ensure they understand and meet the obligations contained in the Employee Confidentiality Agreement they signed upon employment in a separate document.

CHAPTER ELEVEN
ACKNOWLEDGMENT OF HANDBOOK

ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK

I, hereby acknowledge that I have received a copy of the Hampton Tedder Technical Services, Inc. (the "Company") Employee Handbook dated October 2023, and that I understand that I am promptly to read its contents. I understand that if I have any questions about this Handbook or its contents, I am to discuss them with my supervisor or the Vice President/President/Company Secretary.

I recognize that with exception to the terms of an applicable collective bargaining agreement, this Handbook supersedes and replaces any prior agreements, understandings, and representations concerning my employment with Company, and to the extent that provisions of this Handbook conflict with previously issued policies or practices, whether or not such policies were contained in an Employee Handbook, this Handbook shall prevail. I agree that changes in the policies set out in this Handbook are not valid unless made and approved, in writing, by the Company's Board of Directors. And, that except for its policy of at-will employment and those policies required by law, the Company may modify, or rescind any of its policies, benefits or practices described in this Handbook, at any time in its sole discretion. I further understand that the statements contained in this Handbook are not intended to create any contractual or legal obligations of any kind, as no implied contract to engage in any employment related decision only for cause can be established by this Handbook, or by the Company's statements, practices, policies or procedures.

Finally, I agree that my employment with the Company is at-will and for no specified term, as set forth in the "At-Will Employment" section of this Handbook, and that this agreement on at-will employment status is the sole and entire agreement between me and the Company regarding the term and conditions of my employment, and termination thereof. I further agree that this agreement on at-will employment status cannot be changed in any way, whatsoever, except in a writing signed by both me and the Company Board of Directors through two duly authorized officers, which clearly specifies the intent of altering the at-will nature of employment.

Dated: _____

(Signature of employee)

(Printed or typed name of employee)

NOTE TO THE EMPLOYEE: The original of this form will go into your personnel file. A copy of the form will be sent to you by Company.

CHAPTER TWELVE
TERMINATION CERTIFICATE

HAMPTON TEDDER TECHNICAL SERVICES, INC.

TERMINATION CERTIFICATION

This is to certify that I do not have in my possession nor have I failed to return, any documents, data, customer lists, customer records, sales records, or copies of them, or other documents or materials, equipment or other property belonging to the Company, its successors and assigns.

I further agree that in compliance with the Employee Confidentiality Agreement and policies contained in my Employee Handbook, I will preserve as confidential all trade secrets, confidential information, knowledge, data or other information relating to products, job sites, processes, know-how, designs, formulas, test data, customer lists or other subject matter pertaining to any business of the Company or any of its clients, customers, consultants, licensees or affiliates (hereafter "Proprietary Information").

I understand that if I fail to preserve the confidences related to the Company's trade secrets and Proprietary Information, the Company may pursue all legal remedies, including but not limited to a lawsuit against me (and possibly a subsequent employer to whom I may divulge such Proprietary Information) for an injunction and/or damages, costs and attorney's fees.

Dated _____

Name

Signature

Current Address

City State Zip

Phone Number

[TO BE SIGNED ONLY UPON EMPLOYMENT SEPARATION.]

CHAPTER THIRTEEN

VOLUNTARY MUTUAL AGREEMENT TO ARBITRATE DISPUTES/CLAIMS

HAMPTON TEDDER TECHNICAL SERVICES, INC.
VOLUNTARY MUTUAL AGREEMENT TO
ARBITRATE DISPUTES/CLAIMS

HAMPTON TEDDER TECHNICAL SERVICES, INC. and its affiliates, partners, agents, successors and assigns (collectively referred to as "the Company") sincerely hopes that you will never have a dispute relating to your employment here. However, we recognize that disputes sometimes arise between an employer and its employees relating to the employment relationship. Often times, these disagreements can be resolved through internal discussions between you and your supervisor. The Company encourages you to work with your supervisor and/or the President of the Company to resolve such disputes, but the Company recognizes, however, that you may wish to forgo these informal means of resolving your dispute.

In order to facilitate resolution of such disputes, the Company has implemented a binding arbitration process for any and all legal disputes between you and the Company (collectively, the "Parties"), as set forth in this Voluntary Mutual Agreement to Arbitrate ("Agreement"). It should be noted, however, that this Agreement does not supersede any conflicting provision in any applicable Collective Bargaining Agreement ("Union Contract") and is intended to cover only those claims, disputes, grievances, or grievance procedures, not covered by the Union Contract. In the event of any conflict between the provisions of any applicable Union Contract, the Union Contract shall govern in all cases with respect to employees covered by a Union Contract.

By signing this Agreement, you and the Company both agree to arbitrate all disputes that are related in any way to your employment as described below. This Voluntary Mutual Agreement to Arbitrate means that both you and the Company agree to forego any right you may have to a jury trial on claims relating to your employment. Arbitration will be governed by the JAMS Employment Arbitration Rules & Procedures ("JAMS Rules"), in place as of the time of the demand for arbitration, except as provided by this Agreement. You may contact the Company's President or contact JAMS to request a copy of these rules by telephone at 1-800-352-5267. You may also obtain them from JAMS' website (<http://www.jamsadr.com/>).

A. The Voluntary Mutual Agreement to Arbitrate: Overview

Arbitration is a process in which a dispute is presented to a neutral third party, the arbitrator, for a final and binding decision. The arbitration shall be arbitrated by a single arbitrator in accordance with the JAMS Rules. The arbitrator makes his or her decision after both sides present their evidence and arguments at the arbitration hearing. There is no jury in arbitration. A prevailing party can be awarded any remedy they might obtain in a court. The arbitrator's decision is final and binding, subject only to limited judicial review.

This Agreement is governed by the Federal Arbitration Act, to the fullest extent permitted by applicable law. If for any reason the FAA is deemed inapplicable, only then will the Agreement be governed by the procedural requirements of the California Arbitration Act, Cal. Civ. Code§ 1281 et seq.

Except for the claims expressly excluded by this Agreement as noted below, both you and the Company agree to arbitrate any and all other disputes, claims, or controversies ("Claims") that the Company may have against you or that you may have against the Company which could be brought in a court arising out of your relationship with the Company, including, but not limited to, all Claims arising out of or relating to your employment with the Company and the end of your employment with the Company. This Agreement includes, but is not limited to, claims under the Age Discrimination in Employment Act; Title VII of the Civil Rights Act; the Fair Labor Standards Act; the Americans with Disabilities Act; the California Fair Employment & Housing Act, the California Labor Code, the California Family Rights Act, the California Wage Orders, California Pregnancy Disability Leave, the California Government Code, any federal, state or local laws, regulations, or statutes prohibiting employment discrimination (such as, without limitation, race, sex, national origin, ancestry, age, disability, religion, medical condition, reproductive health decision-making, marital status, sexual orientation, military status, public policy, gender, gender identity, gender expression), harassment of any kind and retaliation; any alleged or actual agreement, contract or covenant (oral, written or implied) between you and the Company; any Company policy or compensation or benefit plan, unless the decision in question was made by an entity other than the Company; any public policy, including but not limited to, whistle blower or Business and Professions Code claims; or any other federal, state, or local law, ordinance or regulation, or Claim based on any public policy, contract, tort, or common law or any Claim for costs, fees, or other expenses or relief, including personal, emotional, physical or economic injuries, or attorney's fees. This Agreement also applies to all Claims the Company may have against you.

Any Claims that could be raised before a court must be raised in a timely manner at the time of the arbitration; and the arbitrator shall apply the law regarding the applicable statute of limitations of Claims accordingly.

Claims not specifically covered by this Agreement are: (i) claims for workers' compensation benefits; (ii) claims for unemployment compensation benefits; (iii) claims based upon any current (successor or future) stock option plans, employee pension and/or welfare benefit plans if those plans contain some form of a grievance, arbitration, or other procedure for the resolution of disputes under the plan; (iv) claims under the National Labor Relations Act; (v) claims, disputes, grievances, and grievance procedures covered under an applicable Union Contract, and (vi) claims by law which are not subject to binding pre-dispute arbitration pursuant to the Federal Arbitration Act, such as claims under the Dodd-Frank Wall Street Reform Act.

Further, this Agreement does not prohibit the filing of an administrative charge with any federal, state, or local administrative agency such as the California Civil Rights Department (the "CRD"), National Labor Relations Board ("NLRB") or the Equal Employment Opportunity Commission ("EEOC"). However, upon receipt of a right to sue letter or similar administrative determination, your Claim will be subject to arbitration as defined herein. Statutory or common law claims made outside of the state unemployment insurance system alleging that the Company retaliated or discriminated against an individual for filing a state unemployment insurance claim, however, shall be subject to this Agreement.

The Parties agree to be mutually obligated to arbitrate all Claims as set forth above. This means

that both you and the Company are bound to use arbitration as the only means of resolving any employment-related disputes. No remedies that otherwise would be available to you individually or to the Company in a court will be forfeited by virtue of this Agreement.

The Company will pay for any administrative filing fees (above what would be required to file a civil action) that JAMS may impose on you to initiate arbitration under this Agreement. As further consideration, the Company agrees to pay all fees charged by the arbitrator for his or her services, including travel, lodging, and meal costs. Any deposits for the hearing shall be due no earlier than 60 days before the hearing. Each party shall bear its own attorney's fees; however, it is understood that the arbitrator will have the same power to award attorney's fees to the prevailing party as a court would have with respect to the same Claims.

B. Class/Collective Action Waiver and Jury Waiver

All Claims must be pursued on an individual basis only. The arbitrator shall have no power under this Agreement to consolidate Claims and/or to hear a collective or class action. By signing this Agreement, the Parties waive their right to commence, or be a party to, any class, representative (including but not limited to Private Attorney General Act Claims) or collective Claims or to bring jointly with any other person or entity, except as provided in the paragraph below. The Parties agree any civil litigation will be stayed pending Arbitration on Employee's individual claims. The Parties also agree by signing this Agreement to waive their right to a jury trial.

Nothing herein limits your right and the rights of others collectively to challenge the enforceability of this Agreement, including the class/collective action waiver. While the Company will assert that you have agreed to pursue all Claims individually in arbitration and may ask a court to compel arbitration of each individual's Claims, to the extent the filing of such an action is protected concerted activity under the National Labor Relations Act, such filing will not result in threats, discipline, retaliation or discharge.

C. Severability

The arbitrator, and not any federal, state or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement including, but not limited to any claim that all or any part of this Agreement is void or voidable. If the prohibition against class/collective and/or representative claims is deemed unlawful, then such claims shall proceed in court as a class, collective and/or representative claims to the extent required by law and all other claims shall be subject to arbitration. The Parties agree that any representative claims that are not found subject to arbitration under this Agreement shall be resolved in court, and are stayed pending the outcome of all remaining claims subject to arbitration.

If the arbitrator finds any provision of this Agreement unenforceable, the arbitrator shall interpret or modify this Agreement, to the extent necessary, for it to be enforceable, subject to the provisions of this paragraph. This Agreement shall be self-amending; meaning if by law or common law a provision is deemed unlawful or unenforceable that provision and the Agreement automatically, immediately and

retroactively shall be amended, modified, and/or altered to be enforceable.

D. The Arbitration Process

Either Party may commence the arbitration process by filing a written demand for arbitration with JAMS and sending a copy by personal delivery or certified mail to the other Party. If you initiate the arbitration process, you must send the notice to the Company at chris.tedder@hamptontedder.com, Attn: President. If the Company initiates arbitration, it will send a copy of the written demand for arbitration to your last known home address as reflected in the Company's personnel records.

The arbitration shall be conducted within San Bernardino County, unless the Parties agree otherwise. The arbitrator shall be a retired judge selected pursuant to JAMS' rules, unless the Parties agree otherwise. The Parties will cooperate in scheduling the arbitration proceedings. Either party shall have the right to file in the court in the county in which an arbitration proceeding is pending, or if an arbitration proceeding has not commenced, in any proper court, an application for a provisional remedy in connection with the arbitration upon the ground that the award to which the applicant may be entitled may be rendered ineffectual without provisional relief.

The arbitrator's authority shall be limited to deciding the case submitted for arbitration. Therefore, no decision by any arbitrator shall serve as precedent in other arbitrations. The arbitrator cannot modify any of the provisions of this Agreement.

Any Claim for arbitration will be timely only if brought within the time in which an administrative charge or complaint could have been filed if the Claim is one which could be filed with an administrative agency. If the arbitration Claim raises an issue which could not have been filed with an administrative agency, then the Claim must be filed within the time set by the appropriate statute of limitation.

Reasonable discovery shall be permitted in the arbitration. However, discovery shall be limited to effectuate two of the primary purposes of alternative dispute resolution: efficiency and cost effectiveness. For example, each side may take one deposition (with the right to take more than one, upon the arbitrator's approval).

The arbitrator shall issue a written award which shall be signed by the arbitrator and shall provide the essential findings and conclusions on which the award is based.

All other fees and expenses of the arbitration, in excess of those that you would have been required to pay if the matter was in court, shall be borne by the Company. Invoices for filing fees, administrative initiation costs or for services rendered, shall not be due earlier than thirty (30) days following the presentation of such invoice. Invoices for the binding arbitration hearing, shall not be due earlier than thirty (30) days before the commencement of the actual arbitration hearing.

Any authorized decision or award of the arbitrator shall be final and binding upon the parties, and

may be entered as a judgment in any court of competent jurisdiction.

The arbitrator shall apply California substantive law, including its conflicts of law rules, as determined by the California Supreme Court or the California Courts of Appeal if there is no controlling Supreme Court precedent. For Claims or defenses arising under or governed by federal law, the arbitrator shall follow the substantive law as set forth by the United States Supreme Court. If there is no controlling United States Supreme Court authority, the arbitrator shall follow the substantive law that would be applied by the United States Courts of Appeals or the United States District Courts.

Proceedings to enforce, modify, set aside or vacate an award or decision rendered by the arbitrator will be controlled by and conducted in conformity with applicable California law. The arbitrator's decision shall be final and binding upon the Parties, except as provided in this Agreement. Neither the Parties nor the arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of the Parties.

E. Other Provisions of this Agreement

Neither the terms nor conditions described in this Agreement are intended to create a contract of employment for a specific duration of time. Employment with the Company is voluntarily entered into, and you are free to end your employment at any time, with or without notice or cause. Similarly, the Company may terminate the employment relationship at any time for any reason, with or without prior notice or cause with exception only to a conflicting provision in any applicable Union Contract. This at-will employment relationship between you and the Company can only be changed by an express written agreement, individually or collectively, signed by the President of the Company and you.

ACKNOWLEDGMENT AND CONSENT TO ARBITRATION

By signing below, I knowingly and voluntarily agree to this Voluntary Mutual Agreement to Arbitrate any and all disputes between me and the Company that otherwise could have been brought in court and/or before a jury. I affirm that I have had sufficient time to read and understand the terms of this Agreement and that I understand that I have the right to seek legal counsel regarding the meaning and effect of this Agreement prior to signing.

Employee Signature

Date

Employee Name (Please Print)

HAMPTON TEDDER TECHNICAL SERVICES, INC.
Representative Signature

Date