



**McKenney's**  
inc.

## EMPLOYEE HANDBOOK

Version #17

3/4/2024

# Table of Contents

Welcome to McKenney's!	4
Our Mission	5
How do we carry out our mission?	5
A Company Built On Values	5
Our Story	6
A Brief History Of Mckenney's, Inc.	6
General Information	8
Introduction	8
Harassment and Discrimination	8
Sexual Harassment	8
Other Forms of Unlawful Harassment	9
Addressing Claims of Unlawful Harassment or Discrimination	9
Retaliation	10
Business Code of Conduct and Ethics	10
Americans with Disabilities (ADA and ADAAA)	14
Travel, Entertainment, and Expenses	16
What To Wear	18
Cell Phone Policy	18
iPad Policy	20
Social Media	21
Inclement Weather	23
Electric Vehicle Charging Stations (Atlanta Campus)	23
Hiring, Performance & Progress	25
The Employee Lifecycle	25
Equal Employment Opportunity	25
Employee Referrals	25
Annual Coaching and Personal Development Plans	26
Resolving Differences	26
Transfers	27
Educational Assistance	27
Full-time Employee	27
Co-op/Intern Employee	27
Graduate School	27
Reimbursement Process	28
Reimbursement does NOT include...	29
You ARE NOT eligible for reimbursement if:	29
Termination of Employment	29
Undergraduate degree	29

Graduate degree	30
Your Time	31
Employment Status	31
Overtime	31
Holidays	32
Paid Time Off (PTO)	32
Bereavement	33
Jury Duty	34
Community Care Paid Time Off	34
Maternity and Paternity Paid Time Off	34
Maternity Leave Process	35
Family Medical Leave Act (FMLA)	36
Pay & Benefits	37
Payday	37
Pay Transparency	37
Wellness	37
Health and Benefits	37
Group Life Insurance	37
Profit Sharing and 401(k) Plan	38
Employee Assistance Program	38
Matching Gift Program	38
Workers' Compensation	39
Injury Reporting Policy	40
Keeping It Real	42
No Tobacco	42
Drug and Alcohol Policy	42
No Violence	45
Safety Policy	45
Rest Periods - Craft Personnel	48
Commercial Auto Fleet Safety Policy	48
Addendum A	53
Addendum B	54
Commercial Auto Call-In Policy	54
Visitor Security Policy	55
Computer Use Policy	56
Data Security Policy: Access Controls and Generative AI	60
1. Purpose	60
2. Scope	60
2.1 In Scope	60
2.2 Out of Scope	61

3. Policy	61
3.3 Access Control Authorization	61
3.4 Password Management Policy	61
3.5 Network Access	62
3.8 Application and Information Access	63
4. Technical Guidelines	65
5. Reporting Requirements	65
6. Ownership and Responsibilities	65
7. Enforcement	66
8. Definitions	66
9. Governing Law and Jurisdiction	67
Your Privacy	67
Sensitive Information Policy	67
Let's Talk	74
Employee Handbook Acknowledgement	75

# Welcome to McKenney's!

Hello!

We're so happy that you're a part of the McKenney's family, and we can't wait to get to know you as we all grow together.

We hold our beliefs and values in high regard, so you'll need to know them intimately. We created this Handbook to help you get started, keep track of our key initiatives and, most importantly, always know your purpose here. It is the responsibility of every employee to hold others accountable to everything in this Handbook.

You should use this Handbook in your first week and keep it handy as an on-going reference. As you grow with our company, you may have ideas on how to improve what's in here; please know that those ideas are always welcome.

So get ready, and thanks again for joining McKenney's!

Sincerely,

*The McKenney's Team*



# OUR MISSION

The mission of McKenney's, Inc. is to be the best mechanical service provider to work *for* as an employee and to work *with* as a customer.

## How do we carry out our mission?

Our reputation is rooted in our uncompromising commitment to quality and success—for our customers and our company. Ongoing employee training, generous benefits and a healthy work-life balance are just some of the ways McKenney's excels as a culture and a company. Our employees enjoy coming to work each day because they are challenged, rewarded and made to feel like family.

With this in mind, our focus is to improve the lives of our customers, employees and communities around us through all aspects of what we do.

# A COMPANY BUILT ON VALUES

## Customer Satisfaction

We strive to deliver the highest level of service possible with the unwavering goal of complete customer satisfaction.

## Accountability

We accept responsibility for our performance by following through on our commitments, delivering quality work, and striving to improve.

## Integrity

We conduct ourselves with honesty, transparency, and respect towards our employees and customers.

## People Development

We invest in our people through teaching, training, mentoring, and providing opportunities to reach their career goals. We believe in servant leadership and growing our company's leaders of tomorrow.

## Collaboration

We foster a culture of open communication, inclusiveness, and teamwork with our employees and customers. We will focus on solutions for overall project success, not just our own.

## Safety

Safety comes first. Our highest priority is the health and well-being of our employees and customers. We are committed to doing everything in our power to send each teammate home injury-free at the end of each day.

# OUR STORY

Based on the origin of McKenney's, Inc., it is only natural that the company would display an entrepreneurial personality even now. In 1943, John M. McKenney, then age 35 and ready to work for himself, invested all the cash he had on hand (about \$500) and could borrow (about \$5,000) into a tire-recapping business near the Army's Fort McPherson just outside of Atlanta. In his last job as controller of a local tire company, he could see opportunity in recapping tires for Army vehicles during the war.

## A BRIEF HISTORY OF MCKENNEY'S, INC.

**1943**

### **McKenney's Tire & Recapping Co.**

The company's first location was a 4,000-square-foot converted auto dealership on Main Street in East Point.

**1945**

### **McKenney's Tire & Appliance Co.**

McKenney's first service truck was driven by Steve Widener, who became the appliance and furnace serviceman.

**1948**

### **Official Incorporation**

McKenney's, Inc. was officially incorporated on June 4, 1948.

**1951**

### **Expanding**

The company moves into a 6,000-square-foot warehouse building on Nabell Avenue in East Point.

**1965**

### **Moving Up**

McKenney's moves to its third location on Sylvan Road in East Point.

**1972**

### **The Final Move**

McKenney's volume doubles to \$7.5 million and moves to its final home on Moreland Industrial Boulevard. John's son David joins the company.

**1991**

### **Charlotte Office**

The company expanded our offices to Charlotte, North Carolina.

**2007**

**Atlanta Expansion & Renovation**

Using new technologies and green practices, the company renovated and expanded our Atlanta campus.

**2017**

**Atlanta's Latest Renovation**

McKenney's renovated the original administrative building to create a bright, open-concept space for collaboration.



# GENERAL INFORMATION

How we do things around here

## Introduction

This employee handbook will give you important information about working at McKenney's. The policies in the handbook explain many of the benefits of working here. The handbook also explains what we expect of you and tells about many of our policies and procedures. Your employment with McKenney's is at-will, which allows you or McKenney's to terminate your employment at anytime for any reason.

However, this employee handbook cannot cover every situation or answer every question about policies and benefits at McKenney's. Also, sometimes we may need to change the handbook. McKenney's has the right to add new policies, change policies or cancel policies at any time. If you have any questions on the information contained in the handbook, please contact Human Resources.

## Harassment and Discrimination

Be respectful of others and follow the golden rule. Disrespectful behavior not in line with our values is grounds for discipline or termination.

McKenney's is firmly committed to maintaining a working environment free from unlawful harassment and/or discrimination, including but not limited to sexual harassment.

### Sexual Harassment

Sexual harassment is a form of sex discrimination. It is our firm commitment to maintain a working environment free from sexual harassment.

It shall be a violation of Company policy for any employee to harass another employee, applicant, vendor, visitor or client through conduct or communications of a sexual nature as defined by this policy. If you become a victim or aware of any such harassment occurring within McKenney's at any level, you are strongly encouraged to immediately approach your manager or the Vice President of Human Resources to discuss the nature of such harassment. We will act to investigate all complaints of sexual harassment, either formal or informal, verbal or written, and to discipline any employee who sexually harasses another employee, vendor, visitor or client.

Sexual harassment can consist of unwelcome sexual advances, requests for sexual favors, sexually motivated physical conduct, the display of derogatory posters, cartoons or drawings, or other verbal or physical conduct or communication of a sexual nature in the workplace.

Sexual harassment exists when:

- 1.Submission to such conduct is either an explicit or implicit term or condition of employment (including, but not limited to, hiring, compensation, promotion, retention, assignment or opportunities);
- 2.Submission to or rejection of such conduct is used as a basis for employment decisions; or

3. Such conduct has the purpose or effect of interfering with an individual's work performance or of creating an intimidating, hostile or offensive work environment.

Any sexual harassment as defined above, when perpetrated on an employee, applicant, vendor, visitor or client by any McKenney's employee, will be treated as sexual harassment under this policy.

Sexual harassment may include, but is not limited to:

- Verbal harassment or abuse;
- Subtle pressure for sexual activity, including flirtation, propositions or advances;
- Inappropriate patting, pinching or other close physical contact;
- Intentional brushing against another's body in the workplace;
- Demanding sexual favors, accompanied by implied or overt threats;
- Any unwelcome sexually motivated comments, including comments about a person's dress or body.

This list is not intended to be exhaustive; rather, it is merely illustrative of the types of behavior that will be deemed sexually harassing, inappropriate, and grounds for disciplinary action, up to and including immediate discharge.

## Other Forms of Unlawful Harassment

Unlawful harassment includes verbal, physical or visual conduct, including ethnic or racial jokes and remarks, used to criticize, stereotype, ridicule, insult or show hostility towards another because of his or her race, religion, color, sexual orientation, transgender, gender identity, national origin, age, marital status, disability, veteran status or other protected category. Such conduct includes, but is not limited to, the following:

- Using epithets or slurs, offensive jokes or pranks;
- Mocking, ridiculing or mimicking another's culture, accent, appearance or customs;
- Engaging in hostile or offensive acts or threatening to do so or otherwise intimidating others;
- Posting or circulating offensive material in any form, including by email or on company property

The above list is not intended to be exhaustive, but merely illustrative of the types of conduct that will be deemed unlawful harassment and serve as grounds for disciplinary action, up to and including immediate discharge.

## Addressing Claims of Unlawful Harassment or Discrimination

Any employee who feels that he or she has been harassed or been a victim of unlawful discrimination or harassment is strongly encouraged to immediately bring the subject to the attention of an appropriate supervisor. If the employee's direct supervisor is the offending person, or the employee does not feel comfortable discussing the matter with his or her direct supervisor, the employee is encouraged to approach the Vice President of Human Resources.

An appropriate impartial officer of McKenney's will investigate a claim immediately. Any such investigation will be conducted in as confidential a manner as is compatible with a thorough investigation of the complaint. Every effort will be made to assure the confidentiality of the process. Generally, all parties concerned will be interviewed.

Any employee determined to have harassed or discriminated against another employee, applicant, vendor, visitor or client will be subject to disciplinary procedures, up to and including immediate termination.

A non-employee who subjects one of our employees to harassment or discrimination will be informed of McKenney's Workplace Harassment and Discrimination policy by the employee's supervisor or manager; other action may be taken under the circumstances as appropriate.

If the investigation results in a finding that an individual falsely accused another of harassment, discrimination or retaliation in a knowing or malicious manner, or otherwise knowingly or maliciously provided false information during the course of the investigation, that individual will also be subject to the appropriate sanctions, up to and including discharge.

## Retaliation

Retaliation against any individual, who makes a good faith complaint or provides any information regarding harassment or discrimination, including those who participate in any investigation of such complaints, will not be tolerated. Any individual who engages in retaliation is in violation of this policy and will be disciplined accordingly, up to and including termination. Complaints and information of retaliation are subject to the same reporting, investigation and remedial procedures as harassment or discrimination claims.

If any employee has a suggestion, problem or complaint regarding equal employment issues, he or she should contact the Vice President of Human Resources. If the Vice President of Human Resources is otherwise unavailable, employees with such issues should contact the Chief Executive Officer.

Any employee who is a witness to any incident of harassment or discrimination, has knowledge of harassment or discrimination, or otherwise has reason to believe that harassment or discrimination in or related to the McKenney's workplace is taking or has taken place (whether involving a co-worker, supervisor, or non-employee), is required to report such conduct to their supervisor or an officer immediately.

## Business Code of Conduct and Ethics

The success of our business is dependent on the trust and confidence we earn from our employees and customers. We gain credibility by adhering to our commitments, doing the right thing, displaying honesty and integrity and reaching company goals solely through honorable conduct. It is easy to say that we must do, but the proof is our actions. Ultimately we will be judged on what we do.

When considering any action, it is wise to ask the following:

- Is it legal?
- Will this build trust and credibility for McKenney's?
- Will this help create a working environment in which McKenney's can succeed over the long term?
- Is the commitment I am making one which I can follow through?
- Is this consistent with McKenney's policies, mission, and values?
- If this were made public, would I be comfortable?

The only way we will maximize trust and credibility is by answering "yes" to each of these questions and by working every day to build our trust and credibility. Therefore, McKenney's, Inc. (the "Company") has created this Business Code of Conduct and Ethics Policy (this "Code") to:

- Encourage honest and ethical conduct, including fair dealing and ethical handling of conflicts of interest;
- Encourage full, fair, accurate, timely and understandable disclosure;
- Ensure compliance with applicable laws and governmental rules and regulations;
- Ensure protection of the Company's business interests, including corporate opportunities, assets and confidential information; and
- Deter wrongdoing.

All employees, officers and directors of the Company are expected to be familiar with the Code and adhere to the principles and procedures set forth in the Code.

## **Honest and Ethical Conduct**

We owe a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity.

We must

- Act with integrity, including being honest and ethical while still maintaining the confidentiality of information where required or consistent with the Company's policies.
- Observe both the form and spirit of laws and governmental rules and regulations and accounting standards.
- Adhere to a high standard of business ethics.
- Accept no improper or undisclosed material or personal benefits from third parties as a result of any transaction or transactions of the Company.

## **Conflicts of Interest**

A "conflict of interest" arises when an individual's personal interest interferes or appears to interfere with the interests of the Company. A conflict of interest can arise when we take actions or have personal interests that may make it difficult to perform our Company work objectively and effectively. For example, a conflict of interest would arise if an employee, or a member of his or her family, receives improper personal benefits as a result of any transaction or transactions of the Company. Interests in other companies, including potential competitors and suppliers, that (i) are purely for investment purposes; (ii) are significant to the individual and do not include involvement in the management of the other entity; (iii) or where an otherwise questionable relationship is disclosed to the Board of Directors (the "Board") and any necessary action is taken to ensure there will be no effect on McKenney's, may not be considered conflicts but must be disclosed to our Board of Directors. Actual conflicts – as well as the appearance of conflict – should be avoided.

## **Gifts and Entertainment**

Gifts and entertainment can create goodwill in our business relationships, but they can also make it hard to be objective about the person providing them. These should always be given as a thank you for business already tendered and should be immaterial in nature. Our choices of suppliers, vendors and partners must be based on objective factors like cost, quality, value, service and ability to deliver. When we work with government officials, we are aware that even the simple offers such as purchasing a meal or refreshments may be unacceptable or even against the law.

In most cases, anything that would constitute a conflict for any of us would also present a conflict if it is related to a member of our family or anyone living in our household.

## **Compliance**

We will comply with all applicable laws, rules and regulations. It is the personal responsibility of each of us to adhere to the standards and restrictions imposed by those laws, rules and regulations in the performance of their duties for and on behalf of the Company, including those relating to accounting and auditing matters. We are also responsible for honoring and abiding by the contracts we have entered into with other parties, including intellectual property licenses (e.g., software licenses related to software packages used in our business), confidentiality agreements, contracts with our customers and suppliers, and undertakings and other commitments we may have with government authorities.

### **Business and Financial Records**

Ensuring accurate and complete business and financial records is everyone's responsibility, not just a role for accounting and finance personnel. Accurate record keeping reflects on the Company's reputation and credibility and ensures the Company meets its legal and regulatory obligations. We must ensure that all reports to regulatory authorities are full, fair, accurate, timely and understandable. No document should ever be falsified, and the true nature of any transaction should not be distorted.

### **Securities and Insider Trading**

In the course of their duties, we may be exposed to information about the Company or other companies that is not available to the general public. The use of such non-public or "inside" information for the purposes of trading stock is strictly forbidden, whether by us or by any member of family or household, or by any other person to whom we may have communicated the information. This type of activity is commonly referred to as "insider trading". It is not only unethical, but also illegal, and could personally expose you to civil and criminal penalties.

### **Competition**

We are dedicated to ethical, fair and vigorous competition. We will sell McKenney's products and services based on their merit, superior quality, functionality, and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for McKenney's or the sales of its products or services, nor will we engage or assist in unlawful boycotts of particular customers.

Other policies issued by the Company provide guidance as to certain laws, rules and regulations that apply to the Company's activities.

## **Reporting and Accountability**

Each of us is responsible for knowing and adhering to the values and standards set forth in the Code and for raising questions if we are uncertain about Company policy. Anyone in a supervisory or management role, including all officers and directors of the Company, has a special responsibility to lead according to the standards in this Code, in both words and action. Additionally, you are also expected to adhere to and promote our "open door" policy. This means that you are available to anyone with ethical or other concerns, questions or complaints.

You are encouraged in the first instance to address any issues with your manager or HR, as most problems can be resolved swiftly. If for any reason that is not possible, or if you are not comfortable raising the issue with your manager or HR, you may contact the “Ethics Contact” or call the confidential “hotline”. If your concern is related to the conduct of the Chief Executive Officer or Chief Financial Officer, please contact our General Counsel.

The Ethics Contact is our Chief Financial Officer. The Hotline number is (770) 738-6201. Our General Counsel information is as follows:

Robert P. Brown, General Counsel (404) 635-4730

### **Investigations**

All concerns, questions and complaints will be taken seriously and handled promptly, confidentially and professionally. We will investigate every matter as confidentially as possible, make a determination whether the Code or the law has been violated, and take appropriate corrective action. If you become involved in a Code investigation, cooperate fully and answer all questions completely and honestly.

### **No Retaliation**

The Company values the help of anyone who identifies potential problems that need to be addressed. Retaliation against anyone who raises an issue honestly is a violation of the Code and will not be tolerated. That someone has raised a concern honestly, or participated in an investigation, cannot be the basis for any adverse employment action, including separation, demotion, suspension, loss of benefits, threats, harassment or discrimination.

If you work with someone who has raised a concern or provided information in an investigation, you should continue to treat the person with courtesy and respect. If you believe that someone has retaliated against you, please report the matter as outlined above.

### **Making False Accusations**

The Company will protect anyone who raises a concern honestly, but it is a violation of the Code to knowingly make false accusations, distort the truth, lie to investigators, or interfere or refuse to cooperate with a Code investigation. Honest reporting does not mean that you have to be right when you raise a concern; you just have to believe that the information you are reporting is accurate.

### **Waivers**

From time to time, the Company may waive provisions of this Code. Any employee or director who believes that a waiver may be called for should discuss the matter with the Ethics Contact. Any waiver of the Code for executive officers (including senior financial officers) or directors of the Company may be made only by the Board of Directors and must be promptly disclosed.

## **Corporate Opportunities**

We are prohibited from taking (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position. More generally, we are prohibited from using corporate property, information or position for personal gain and from competing with the Company.

Sometimes the line between personal and Company benefits is difficult to draw, and sometimes there are both personal and Company benefits in certain activities. Anyone who intends to make use of Company property or services in a manner not solely for the benefit of the Company should consult beforehand with the Ethics Contact.

## **Confidentiality**

In carrying out the Company's business, we often learn confidential or proprietary information about the Company, its customers, suppliers, joint venture parties, or other business partners. We must maintain the confidentiality of all information so entrusted to us, except when disclosure is authorized or legally mandated. Confidential or proprietary information of our Company, and of other companies, includes such things as pricing and financial data, customer names and addresses, or any non-public information about McKenney's or other companies, including current and potential suppliers and vendors.

## **Fair Dealing**

We have a history of succeeding through honest business competition. We do not seek competitive advantages through illegal or unethical business practices. We should endeavor to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice.

## **Use of Company Resources**

Company resources, including time, material, equipment and information are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace. Such instances should be openly discussed with your manager. We should protect the Company's resources and assets and ensure their efficient use. All Company resources should be used only for legitimate business purposes. We are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

In order to protect the interests of Company network and our fellow employees, we reserve the right to monitor or review all data and information on company owned property and/or contained on an employee's company issued computer or electronic device, the use of the internet, or McKenney's intranet. We will not tolerate the use of Company resources to create, access, store, print, solicit, or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

## **Americans with Disabilities (ADA and ADAAA)**

McKenney's will comply with the provisions of the ADA. We will not discriminate against individuals with disabilities and will make reasonable accommodations for disabled employees. We will comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it

is the company policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

When an individual with a disability requests accommodation and can be reasonably accommodated without creating an undue hardship or causing a direct threat to workplace safety, he or she will be given the same consideration for employment as any other applicant. Applicants who pose a direct threat to the health, safety and well-being of themselves or others in the workplace when the threat cannot be eliminated by reasonable accommodation will not be hired.

McKenney's will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation or if the accommodation creates an undue hardship to McKenney's. Contact human resources (HR) with any questions or requests for accommodation.

All employees are required to comply with the company's safety standards. Current employees who pose a direct threat to the health or safety of themselves or other individuals in the workplace will be placed on leave until an organizational decision has been made in regard to the employee's immediate employment situation.

Individuals who are currently using illegal drugs are excluded from coverage under the company ADA policy.

The HR department is responsible for implementing this policy, including the resolution of reasonable accommodation, safety/direct threat and undue hardship issues.

### **Terms Used in This Policy**

As used in this ADA policy, the following terms have the indicated meaning:

- **Disability:** A physical or mental impairment that substantially limits one or more major life activities of the individual, a record of such an impairment, or being regarded as having such an impairment.
- **Major life activities:** Term includes caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating and working.
- **Major bodily functions:** Term includes physical or mental impairment such as any physiological disorder or condition, cosmetic disfigurement or anatomical loss affecting one or more body systems, such as neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, immune, circulatory, hemic, lymphatic, skin and endocrine. Also covered are any mental or psychological disorders, such as intellectual disability (formerly termed "mental retardation"), organic brain syndrome, emotional or mental illness and specific learning disabilities.
- **Substantially limiting:** In accordance with the ADAAA final regulations, the determination of whether an impairment substantially limits a major life activity requires an individualized assessment, and an impairment that is episodic or in remission may also meet the definition of disability if it would substantially limit a major life activity when active. Some examples of these types of impairments may include epilepsy, hypertension, asthma, diabetes, major depressive disorder, bipolar disorder and schizophrenia. An impairment, such as cancer that is in remission but that may possibly return in a substantially limiting form, is also considered a disability under EEOC final ADAAA regulations.



- Direct threat: A significant risk to the health, safety or well-being of individuals with disabilities or others when this risk cannot be eliminated by reasonable accommodation.
- Qualified individual: An individual who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires.
- Reasonable accommodation: Includes any changes to the work environment and may include making existing facilities readily accessible to and usable by individuals with disabilities, job restructuring, part-time or modified work schedules, telecommuting, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.
- Undue hardship: An action requiring significant difficulty or expense by the employer. In determining whether an accommodation would impose an undue hardship on a covered entity, factors to be considered include:
  - The nature and cost of the accommodation.
  - The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation, the number of persons employed at such facility, the effect on expenses and resources, or the impact of such accommodation on the operation of the facility.
  - The overall financial resources of the employer; the size, number, type and location of facilities.
  - The type of operations of the company, including the composition, structure and functions of the workforce; administrative or fiscal relationship of the particular facility involved in making the accommodation to the employer.
- Essential functions of the job: Term refers to those job activities that are determined by the employer to be essential or core to performing the job; these functions cannot be modified.

The examples provided in the above terms are not meant to be all-inclusive and should not be construed as such. They are not the only conditions that are considered to be disabilities, impairments or reasonable accommodations covered by the ADA/ADAAA policy.

## Travel, Entertainment, and Expenses

Spend our money like you'd spend your own. Expense things that provide value to McKenney's and only what you wouldn't have spent otherwise.

### General

- Customer entertainment is used to say thank you to our good customers.
- All expenses for travel, entertainment, mileage, etc. should be submitted within 45 days of the expenses being incurred.
- Employees are responsible for expenses incurred for their own personal preference and convenience.
- If you are in doubt about whether an expense is acceptable, please consult your manager before you spend the money.
- Employees who participate in trade conventions, meetings, etc. are expected to attend all official activities of the event to obtain the educational benefit and to represent the company's interests.
- Employees may opt to take PTO in conjunction with company business and are responsible for all related expenses.
- Managers will provide guidance to employees regarding a spouse traveling with employees according to the guidelines they have been provided.

## Airline Travel

- Use a travel site that allows comparison shopping of airlines, e.g., Orbitz ([www.orbitz.com](http://www.orbitz.com)), Travelocity ([www.travelocity.com](http://www.travelocity.com)), etc.
- Book the flight at least four weeks in advance if at all possible to obtain the lowest rate.
- If you are willing to stay over Saturday night to obtain a lower rate, the company will pay for an extra night's hotel room and reasonable meal cost.
- This is a value decision based on comparing hotel costs to additional flight cost.
- The company does not pay for first-class tickets.
- The company will pay for a direct flight if the cost is not excessively greater than a flight with connections.

## Rental Cars

- For conventions and meetings, usually a taxi, bus, or shuttle from the airport to your hotel and back saves considerable time and expense.
  - Almost all downtown hotels charge high parking fees.
- Unless the car is necessary for conducting business, it should be considered a personal cost.
- Use a web travel site for comparison of prices, selection of auto, and booking.
  - Generally, Alamo, Thrifty, and others will offer prices far less than Avis, Hertz, or Budget and will have unlimited mileage.
- Don't buy the gasoline/fuel option. Return the car with a full tank.
- When you use a gold or platinum Visa, MasterCard, or American Express to rent a vehicle, McKenney's auto insurance covers the rental of cars used for company business. Therefore, you do not need to purchase the extra insurance coverage. If you have any questions about insurance coverage, please check with McKenney's risk manager, Monet Christie, or CFO Matt Stroer.

## Phone Calls

- Because of the extremely high rates, do not use the phone in your hotel room if at all possible! Use your company cell phone.
- If necessary, use a personal calling card and be reimbursed by submitting that page of your phone bill as part of your expense reimbursement.
- The company has the following 800 numbers:
  - 1-800-489-5000 to call the office during working hours
  - 1-800-260-5720 to check your voice mail

## Meals and Alcohol

- Employees are expected to take advantage of meals provided rather than spending company funds for meals or ordering room service.
- Tips should not exceed 20% of the cost of the meal.
- Your report should indicate all who were present during the meal, their business affiliation, and the business discussed.
- Meals in connection with in-town seminars will be reimbursed by the company. Employees are reminded to use reason when eating out.
- Regarding alcohol, moderation is the best approach when representing the company.

## Entertainment

- Occasional entertainment of McKenney's employees by vendors should be to say thank you for business already tendered. Inclusion of our customers in these opportunities is encouraged. Solicitation by our people to vendors for special entertainment is forbidden.
- If golf is part of the activities of a convention, McKenney's will pay for one round of golf.
- Entertainment not part of a planned group activity will be considered personal and will not be reimbursed.

## What To Wear

All employees should dress appropriately for the position and for the day's activities. For example, if you have a meeting outside the office, you may need to upgrade from business casual. If you will spend your day at a job site, jeans and a collared shirt are appropriate.

You are always expected to represent the company in a professional manner. Clothes should be neat, clean and pressed with no rips or frays. Your appearance and personal grooming should always be neat and respectable. When in doubt, dress conservatively and lean more toward the business side rather than the casual side. Feel free to contact HR with questions.

- Monday through Thursday:** Business Casual
- Friday:** Casual Day - Appropriate attire includes jeans and athletic shoes. Hats are only permitted on casual day.

### What is Business Casual?

Business casual clothing is meant to provide an opportunity to work in a more relaxed, yet still professional, type of clothing. Remember, your work attire reflects on you and your professionalism. What you would wear to a picnic or ballgame is probably not appropriate for the office.

Appropriate dress and hygiene are important in promoting a positive company image to our customers, both internally and externally. Choose business casual clothing that communicates professionalism.

### Never Appropriate

- T-shirts with offensive language, messages, or pictures
- Tight or short (no more than 2-3 inches above the knee) skirts
- Tight, short or low-cut tops that expose your midriff, cleavage, or stomach
- Flip-flops, sweat suits, wind suits, athletic wear, tank tops, halter tops, beachwear

## Cell Phone Policy

McKenney's provides eligible employees with cell phones for the purpose of doing business in an effective and productive manner. This document is intended to outline the policies and guidelines for cell phone usage and applies to all employees. For purposes of this policy, the term "cell phone" is defined as any handheld electronic device with the ability to receive and/or transmit voice, text, or data messages without cable connection (including, but not limited to cellular telephones, digital wireless phones, radio phones, PDAs (personal digital assistance), or RIM ("research in motion") wireless devices). McKenney's reserves the right to modify or update this policy at any time.

## Use of Cell Phones or Similar Devices

While McKenney's understands that we all may receive/place the occasional personal call, excessive personal calls during the workday, regardless if on a company or personal phone, will interfere with employee productivity and can be distracting to others. Employees whose personal phone usage interferes with work effectiveness will be subject to disciplinary action.

## Use While Operating a Vehicle

The use of cellular/mobile phones (company or personal) is highly discouraged when operating a company or personal vehicle and McKenney's will never discipline an employee for not answering a call while driving. However, when an employee decides to use a cellular/mobile device in a vehicle, they shall:

- **Always** use hands free features or Bluetooth ear piece.
- Comply with state and local laws, e.g., hands-free phones are required in Georgia, North Carolina and Tennessee.
- **Never** text, read cell displays, read or type e-mails, or take notes while driving
- Place and/or receive critical calls only.
- Allow voice mail or the missed-call feature to handle calls.
- Limit use to emergencies only while driving.
- Do not engage in aggravating or emotional conversations while driving.
- Suspend conversations during hazardous situations, including congested traffic or bad weather.
- Safely exit the roadway if necessary to complete the conversation.
- Consider the use of hands-free accessories including a cradle and ear bud for the cell phone.
- Use the preset numbers in the contact list to avoid dialing numbers, or use features that allow you to place calls either by one-touch dialing or by voice command.
- Initiate calls only while stopped (traffic light on red, shoulder of the road, etc.).
- Keep cell phones within easy reach (reaching is the major cause of driving accidents).

## General Usage Guidelines

- Consider privacy issues when using cell phones or radios in public.
  - Avoid discussing company-sensitive issues via speakerphone unless in total privacy (public restrooms are not private.)
- Avoid the tendency to raise your voice when talking on a cell phone or radio.
  - Cell phones have microphones tuned specifically for voice transmission as well as volume controls for the earpiece.
  - Adjust the volume of the earpiece or handset as necessary.
- Turn off your phone ringer when entering a customer's facility, restaurant, classroom, conference room, meeting, etc.
- While visiting with a customer, unless you are expecting an urgent message (life or death or critical to the business you are discussing with THAT customer), turn your phone off and let calls go to voicemail.
  - If you are expecting an urgent call, put your phone on vibrate and let your customer know that you may get a call and ask their permission to respond if needed.
- Avoid the tendency to continuously check email (via PDA or Blackberry) during a meeting.
  - While it is acceptable to use the PDA functions to jot down notes, your attention should be focused on the speaker or the customer.
- The company does not provide downloaded or optional features, or supplementary services (ring tones, personalized covers, etc.).

- It is inappropriate to take and/or distribute someone's picture with a camera phone without permission.
  - Comply with customer rules and regulations regarding the use of cameras while on their premises. If camera phones are prohibited on a jobsite, their use is strictly prohibited
- It is prohibited to share confidential information from a cell phone. If a phone is lost or stolen it must be reported to the IT department IMMEDIATELY.

### **Cell Phone Usage - Employees that are eligible for Overtime (non-exempt)**

McKenney's provides cell phones to our hourly employees as a business tool to be used during regular business hours. Non-exempt employees are not expected to check email or answer phone calls after their regular scheduled work day unless otherwise directed by their manager.

### **General Information**

Company owned and supplied devices are to be protected by the employee and returned when their employment ends. Only company cell phones will be supported by the IT department. If an upgraded smart phone (i.e. iPhone or HTC) is lost, damaged, or stolen before it is eligible for an upgrade the employee must A) pay for the replacement device or B) utilize the low cost alternative (i.e. blackberry).

Cell phone numbers are the property of McKenney's. McKenney's reserves the right to periodically monitor usage and any data associated with your company provided cell phone. Excessive or inappropriate use may result in disciplinary actions.

## **iPad Policy**

McKenney's provides eligible employees with iPads for the purpose of doing business in an effective and productive manner. This document is intended to outline the policies and guidelines for iPad usage and applies to all employees. For purposes of this policy, the term "iPad" is defined as any tablet computer device. McKenney's reserves the right to modify or update this policy at any time.

### **General Usage Guidelines**

- Each iPad device will be enrolled with KACE for protective purposes.
- Each iPad will be programmed by the IT department and will have a message stating it is the property of McKenney's, Inc. etched in the case.
- Avoid the tendency to continuously check email (via iPad) during a meeting.
  - While it is acceptable to use the iPad functions to jot down notes, your attention should be focused on the speaker or the customer.
- The company does not provide downloaded or optional features, or supplementary services.
- The use of the iPad is prohibited when operating a company or personal vehicle.
- It is inappropriate to take and/or distribute someone's picture with an iPad camera without permission.
  - Comply with customer rules and regulations regarding the use of cameras while on their premises. If camera devices are prohibited on a jobsite, their use is strictly prohibited.
- It is prohibited to share confidential information from an iPad. If an iPad is lost or stolen it must be reported to the IT department IMMEDIATELY.

### **iPad Usage – Employees that are eligible for Overtime (non-exempt)**

McKenney's provides iPads to our hourly employees as a business tool to be used during regular business hours. Non-exempt employees are not expected to check email after their regular scheduled work day unless otherwise directed by their manager.

### **iTunes Account**

Each employee will have a McKenney's iTunes account used for business applications. This account must be used to manage your McKenney's device. A secondary personal iTunes account can be setup for messaging and phone calls, that will not impact the use of your corporate device for required business use.

In the event that an application needed to conduct business has a cost associated with it, you must have the prior approval from your manager.

### **General Information**

Company owned and supplied devices are to be protected by the employee and returned when their employment ends or the need for the device ends. Only company iPads will be supported by the IT department. If an upgraded iPad is lost, damaged, or stolen before it is eligible for an upgrade the employee must A) pay for the replacement device or B) utilize the low cost alternative.

McKenney's reserves the right to revoke iPad privileges at any time if this policy is not adhered to or in the event that the device is abused in any manner and disciplinary action may occur.

### **Personal Usage of Company iPads**

Company provided iPads are not to be used for personal use. Applications not needed for business purposes (i.e. games) should not be downloaded. McKenney's is not responsible for service issues at the employee's house or issues that may arise with travel.

## **Social Media**

Web activities such as Facebook, Instagram, Twitter, Snapchat, Blogs, etc., are an integral part of everyday life for millions of people around the world. McKenney's recognizes the rights of our team members and what you do in your own time is generally your own affair. However, you do need to consider whether your online activity could be linked to McKenney's and, if so, the impact of your conduct on others.

What follows are some basic, but important, guidelines to help you as you deal with the changing world of social media, and to provide additional guidance on specific issues as they apply when your Web activities link to McKenney's. These guidelines apply to every McKenney's employee.

- **Manage Your Reputation** – First and foremost, you should do nothing that could undermine your credibility with the public, damage McKenney's standing as a leader in the industry, or otherwise jeopardize McKenney's reputation.
- **Remember Nothing is Private** – Recognize that everything you write or receive on a social media site is public. Information from your Facebook page, your blog entries, and your tweets – even if you intend them to be personal messages to friends or family – can easily be circulated way beyond your intended

audience. Use the highest level of privacy tools available to control access to your personal activity when appropriate. Don't behave any differently online than you would in any other public setting.

- **Carefully Consider Your Connections** – We encourage you to be very thoughtful and deliberate in creating and/or maintaining any Internet publication, such as a blog, social networking profile or even a posting on someone else's site that identifies McKenney's or otherwise links you to McKenney's.

If, for example, you set up a Facebook profile to keep in touch with friends and there are postings containing strong language, critical positions, or sexually suggestive materials, you should keep that site personal and not connect in any way to McKenney's. Conduct that adversely affects your performance or reputation as a McKenney's employee, that of other employees, or McKenney's business interests may result in disciplinary action, up to and including termination.

Keep in mind, even things like publishing your "mckenneys.com" email address tells everyone that you are connected to McKenney's.

- **Include a Disclaimer** – In your own Internet publications (not the Company's), if you write about anything having to do with McKenney's, have a statement saying that the views expressed are yours alone. Remember, despite such disclaimers, your Web interaction can still result in members of the public forming opinions about McKenney's and our employees, services, and clients. So, always write knowledgeably, accurately, and use appropriate professionalism.

Please remember, unless given permission by John McKenney, you are not authorized to speak on behalf of the Company, or to represent that you do so.

- **Keep Confidential Information Confidential** – As a reminder, you may not share information that is confidential and proprietary about McKenney's. This includes information about our customers, projects, finances, company strategy, and any other information that has not been publically released by McKenney's.
- **Respect Copyright** – Please do not use McKenney's logos on your site or reproduce our materials without permission in writing from McKenney's. Similarly, please respect the privacy of our team members by seeking their permission before writing about or displaying internal McKenney's happenings that might be considered private and confidential.
- **Know Your Legal Liability** – Be conscious of who you invite into your social network. Remember, if you invite fellow employees or work-related acquaintances (e.g. vendors and customers) to visit your page, you may risk violating our policies against such things as harassment.

When you choose to go public with your opinions online, you are legally responsible for your commentary. Outside parties can pursue legal action against you for postings. You can be sued by a team member, competitor, or any individual or company that views your commentary, content, or images as defamatory, pornographic, proprietary, harassing, libelous, or creating a hostile work environment. Employees can be disciplined by McKenney's for such conduct.

- **Follow the McKenney's Values** - As in all your work activities, McKenney's values should guide you in your Web interactions when your online activity could be linked to the company.

The Internet is an amazing tool that has positively impacted all of our lives. It has however, been the source of problems for many people when not used wisely. If you have any questions or concerns, please contact Human Resources.

## Inclement Weather

The safety of our employees is a priority at McKenney's. When significant inclement weather occurs, each employee has the discretion to leave work at any time or not to attempt the drive in to the office. Use your best judgement when determining if conditions are safe for travel. Quite often, bad weather conditions are localized in our area and simply by waiting, you may be able to safely arrive at work later in the day.

We will make every effort to maintain normal work hours, even during inclement weather. Human Resources and Safety will keep everyone informed as much as possible through email, Facebook, and the McKenney's Emergency & Weather Hotline at (404) 624-8711. Please note that decisions will be based on actual observed conditions rather than on predictions.

In the event that you are unable to come to work or need to leave early, we ask that you keep your manager or supervisor informed.

In the event that employees miss work due to inclement weather, McKenney's will do it's best to make the impact as minimal as possible. Working from home may be an option if; 1) your manager approves it, 2) your job function is such that working remotely is viable, and 3) you have all the necessary equipment and tools available.

**Exempt employees** - If you are unable to work remotely, you will be expected to use PTO to make up for lost time.

**Non-exempt employees** - if you have lost time due to inclement weather you can; 1) use PTO, 2) make up the time as long as your manager approves it and the time made up is within the same week, 3) go unpaid for the hours missed, and 4) a combination of the previous options.

## Electric Vehicle Charging Stations (Atlanta Campus)

McKenney's is committed to sustainability and environmentally friendly practices. In an effort to support our employees who choose to drive electric vehicles, we have installed three new charging stations for a total of five stations that can accommodate nine (9) vehicles. These stations are located in our main and back employee parking lots.

Please note that charging stations are a limited resource that requires consideration by all users to ensure it is properly used and available to everyone who needs them for commuting purposes. These stations have been installed for the convenience of employees who commute to work using an electric vehicle. They are not intended to be the primary source of refueling and we expect that owners of electric vehicles will own and utilize a home charging source.

As the number of employees with electric vehicles increases, the demand for charging stations will increase. Therefore, we are implementing this policy to fairly meet the needs of all our electric vehicle commuters.



**Policy:**

- Charging stations are available on a first-come, first-serve basis for all employees of McKenney's.
- Employees parking in the EV spaces should consider limiting their charging time to 2 hours per session when there is a high demand for the stations.
- When an electric vehicle has completed charging or reached 2 hours when busy, we would ask the vehicle's owner to move the vehicle to make the charging station accessible to others.

**Guidelines:**

- Do not count on workplace charging stations being available when making a decision to purchase an electric vehicle. Your purchase decision should be based on your ability to charge at home.
- If there is high demand for the charging stations and you can drive your entire commute on electricity with charging at home, we ask that wait until others who need the additional charge to commute are finished charging before you utilize the station.
- Be sure to neatly replace the charging cords when finished with your charging session. Cords left on the ground are a safety hazard.

# HIRING, PERFORMANCE & PROGRESS

Helping you be all that you can be

## The Employee Lifecycle

All employment decisions, including recruiting, hiring, promotions and being asked to move on from McKenney's, are based solely on merit and on demonstrating our company values.

Decisions are not based on race, color, gender, marital status, sexual orientation, transgender or religion and all employment at McKenney's is "at will."

It is McKenney's policy to provide equal employment opportunity to all employees and applicants for employment. We will comply with all laws related to discrimination in employment because of race, color, nationality, sex, sexual orientation, transgender, religion, creed, national origin, ancestry, citizenship status, age, disability, marital status, pregnancy, military service or veteran's status, or any other protected category or classification covered by federal, state or local law.

This policy applies to all terms, conditions and privileges of employment including, but not limited to, recruiting, hiring, probation, training, placement and employee development, promotion, compensation, benefits, educational assistance, layoff or termination.

### Equal Employment Opportunity

McKenney's is an equal opportunity employer and we do not discriminate against employees or applicants for employment on the basis of race, color, religion, creed, sex, sexual orientation, transgender, age, national origin, ancestry, disability, veteran status, or any other status or condition protected by applicable federal, state or local law, except where a bona fide occupational qualification applies.

McKenney's will:

- Recruit, hire, train and promote persons in all job titles without regard to race, color, religion, creed, sex, sexual orientation, age, national origin, ancestry, disability, veteran status or any other status or condition protected by applicable federal, state or local law, except where a bona fide occupational qualification applies;
- Ensure that all personnel actions, including, but not limited to, compensation, benefits, transfers, promotions, lay-offs, returns from lay-offs, company-sponsored training and social and recreational programs will be administered without regard to race, color, religion, creed, sex, sexual orientation, age, national origin, ancestry, disability, veteran status or any other status or condition protected by applicable federal, state or local law, except where a bona fide occupational qualification applies.

## Employee Referrals

Know someone that'd be awesome for a role at McKenney's? We'd love to have them in the pipeline. Please remember that we hire based on our needs and merit, so don't be sad if your referral doesn't make the cut right away. Encourage them to keep trying!

Submit all of your referrals to Human Resources. If we end up hiring your referral, you'll get a referral bonus and a new friend at the office. Sweet!

To Receive Your Referral Payment complete the referral payment request [form](#). Please note, as the role of our Managers includes actively seeking out top talent to join our team, Managers are not eligible for Referral Bonus.

Want to refer a family member?

McKenney's selects qualified individuals for every job opening. Therefore, people who are related by blood or marriage may be hired and may be permitted to work at the same location, provided no direct reporting or managerial relationship exists. However, we can't give any special consideration to married couples, domestic partners or relatives for work assignments, vacations, shift schedules, days off or other business-related decisions.

Immediate relatives are defined as spouse or domestic partner, children, parent, sibling, stepparent, stepsiblings, stepchildren, in-laws, aunt, uncle, cousin, grandparents and grandchildren. This policy also applies to individuals who are not legally related but who reside in the same household.

An employee may not materially influence or manage (supervise) the work of a close relative, spouse/domestic partner or individual with whom they have a similar relationship. This includes the ability to affect the individual's salary process, performance appraisal, promotions, career advancement or disciplinary treatment. It also includes the ability to assign, process, review, approve, audit or otherwise influence the individual's work.

In order to prevent potential and/or perceived conflicts of interest and discourage situations where managerial judgment could be compromised, McKenney's may place certain restrictions on the employment of close relatives, spouses, domestic partners, and individuals engaged in similar relationships. If a manager determines that a potential or perceived conflict of interest exists, close relatives, spouses, domestic partners and individuals engaged in similar relationships may not work in the same department. If this situation occurs, one of the parties involved may be asked to transfer to another department or to terminate their employment.

## Annual Coaching and Personal Development Plans

Employees have reviews and discuss professional development with their managers at a minimum of every year.

The content of your coaching session and Personal Development Plan (PDP) will be to talk openly about your personal goals, your plans for learning, and how you fit into the overall picture at McKenney's.

## Resolving Differences

Employees should strive to live our values at all times. This includes when you have challenges or issues with another person here. Be courageous and go talk with them!

Be sure to "walk a mile in their shoes" beforehand and, while you're talking through things, make sure you first get on the same page with the problem definition, before you start coming up with solutions.

If you need help, go to your manager. If your issue is with them, go to their manager.

## Transfers

If you are interested in transferring to another job or department within McKenney's, you should discuss it with your manager.

To be considered for a transfer, an employee must be qualified for the new position, have consistently demonstrated satisfactory performance and have completed at least six months of employment. Receipt of any disciplinary action within the last 12 months may make an employee ineligible.

## Educational Assistance

We are proud to say that our Educational Assistance Program has been in effect since 1991.

- To provide an incentive to McKenney's employees to upgrade their knowledge and skills through education and superior academic achievement.
- To recognize the contribution to McKenney's by student employees in our co-op program and to reward these potentially permanent employees based upon their academic performance.

### Eligibility

- Undergraduate

### Full-time Employee

- You must have completed one full year of service.
- Your undergraduate education must directly relate to your current or future responsibilities at McKenney's.
- The *Manager Approval for Education Assistance Form* is required prior to taking any education course for which you will request reimbursement.

### Co-op/Intern Employee

- If you are a Co-Op, you must complete three work semesters and on the fourth, you will become eligible.
  - Once you are eligible you will be reimbursed for future semesters on campus between work rotations. You may only request reimbursement for the most recent semester on campus when returning to work. You will not be reimbursed for the semesters prior to eligibility.
- If you are an intern, contingent on manager approval in advance, you may alternate between school and work semesters. Reimbursement will follow the same rules established for co-ops. (Eligibility after 3 work semesters, etc.)

### Graduate School

- You must have completed two years of full-time service.
- Your graduate education must directly relate to your current or future responsibilities at McKenney's.

You must get advance approval from your manager using the Manager Approval for Education Assistance Form.

Once the manager approves, the employee must complete an application to the graduate tuition reimbursement program in the form of a letter to the Executive Committee explaining why McKenney’s should consider reimbursement.

Tuition reimbursement will be paid at 100% of the graduate school cost based on in-state tuition at a public institution. Fees and books are not included.

**PLEASE READ:** No more than three employees are reimbursed for graduate school at any one time.

Reimbursement Process

At the end of the course, employees must complete the appropriate Tuition Reimbursement Request webform and attach the following documents:

- Itemized receipt with items included in the reimbursement request circled or highlighted
- Official transcript provided by the registrar's office.
  - Unofficial grade postings such as internet grades or unofficial transcripts will NOT be accepted
- Manager acknowledgement of the request

Co-op reimbursement will be based on the in-state tuition of the school the student is enrolled. Full-time employees who attend a private or out-of-state institution, will be reimbursed based on public, in-state tuition rates and fees. They will receive what in-state students get for equal hours and fees (we currently go by GA State University's schedule of fees for Georgia schools and North Carolina State University for North Carolina schools).

Reimbursement for co-ops will be made when they return to work the following semester (first payment made at the beginning of the fourth work semester).

- If the co-op student is employed by the company after graduation, the company will reimburse expenses for the final semester (1 semester maximum) on campus after completion of the co-op program based on the Co-op table below. Please use the Co-op Tuition Reimbursement form.

\*Look at the tables below to find the percentage of reimbursement for the semester. (Based on GPA for Co-Ops and course grades for salaried employees)

Percent of Expenses Paid for Co-Ops based on GPA (Grade Point Average)	
GPA Range	Percent Reimbursed

3.5 – 4.0	100%
3.0 – 3.49	
2.5 – 2.99	75%
2.0 – 2.49	50%
Below 2.0	0%

Percent of Expenses Paid for <b>Full-time Employees</b> based on Course Grade	
Course Grade	Percent Reimbursed
A	100%
B	75%
C	50%
D	0%
F	

\*Reimbursement for fees will be based on reasonable fees across the Georgia University System.

## Reimbursement does NOT include...

- meal plans, lodging, textbooks, supplies, parking, or transportation in addition to what is included in basic fees.

## You ARE NOT eligible for reimbursement if:

- A termination notice has been received from the company or the employee.
- Co-op students not returning for work.
- You are a Co-Op that is part-time or does temporary work
- Courses are taken concurrently with a work semester. Courses during a work semester frequently cause work interruptions.
  - To receive reimbursement for courses taken during a work semester, approval from your Profit Center Manager is required **before the semester begins**.

## Termination of Employment

Full-time employees will be required to repay the Company a pro-rated amount of the tuition/course expense in the following cases:

### Undergraduate degree

- If an employee leaves before their required 1-year employment after graduation

## Graduate degree

- If an employee leaves the company prior to graduation
- If an employee leaves the company prior to their required 2-year employment after graduation

The pro-rated amount will be based on the tuition cost, divided by the agreed-upon period of time after graduation, and then multiplied by the amount of time the employee has left to fulfill the Agreement.

- In accordance with federal and state regulations, the pro-rated amount may be deducted from the employee's last paycheck.
- If the paycheck is not sufficient to cover the pro-rated amount, the employee must agree to pay the Company.
- This does NOT apply to co-ops.

# YOUR TIME

Helping you find your optimal work/life balance

## Employment Status

McKenney's maintains standard definitions of employment.

**Full-time:** Employment in an established position requiring at least 32 hours or more of work per week. Full-time employees are eligible for full participation in benefit programs.

**Part-time:** Employment in an established position requiring less than 32 hours of work per week. Normally a part-time schedule, such as portions of days or weeks, will be established. Participation in benefits programs for part-time employees is limited to:

- Participation in the retirement plan, if the employee works over 1,000 hours in a year and is at least 21 years of age.
- Participation in paid company-observed official holidays.
- Eligibility for workers' compensation benefits.

**Temporary:** Employment in a job established for a specific purpose, for a specific period of time, or for the duration of a specific project or group of assignments. Participation in benefits programs for temporary employees is limited to eligibility for workers' compensation.

Additionally, all employees are defined as either:

1. **Exempt:** Those employees who are employed in an executive, administrative, or professional capacity, or other legally exempted categories of employees, and who are *not* covered by the federal wage and hours laws; or
2. **Non-Exempt:** Those employees who are not employed in an executive, administrative, or professional capacity, or other legally exempted categories of employees, and who are covered by the federal minimum wage and overtime laws.

All employees, regardless of employment status, are subject to all Company rules and procedures. These classifications do not guarantee employment for any specified period of time and do not change the at-will nature of your employment with McKenney's.

## Overtime

Overtime is paid if an employee is non-exempt and works in excess of 40 hours in any work week. Overtime pay is 1.5 times the regular pay rate and is paid on the normal payroll schedule. According to federal law, paid holidays, vacations, leaves of absence and any other non-working times are not considered hours worked for the purpose of computing overtime.

Overtime must be authorized in advance and "donated" time (i.e., unscheduled work without pay) is not expected or allowed.



# Holidays

McKenney's celebrates these holidays as official days off:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Half day on Christmas Eve
- Christmas Day

## Paid Time Off (PTO)

Paid time off is an important part of balancing a fulfilling work and personal life. Everyone gets sick, or has family commitments or just needs to take a break from work.

### Eligibility

- All employees not covered by a collective bargaining agreement and full-time salaried union employees are eligible under this plan.
- Co-op employees are not eligible for PTO; however, if a co-op joins the company on a full-time basis after graduation, the time worked during co-op years will count toward years of service as it applies to accumulation of PTO.
- Part-time employees (those working fewer than 32 hours per week) are eligible for PTO after working for the company for one year.

### PTO Accrual/Vesting/Rollover

- New full time employees employees will be given a 5-day PTO deposit that will be available for use immediately
- New employees will also accrue 1.25 days per earning month if hired by the 15th of the month
- Full-time employees will accrue time monthly based on years of service. The first increase to the accrual rate occurs after the 6 year service anniversary. (see chart below)
- After you receive your December 31 accrual, any time over 1.5 times the annual PTO allotment will be forfeited unless you have been unable to use PTO because of a work-related situation. This arrangement must be agreed upon with your supervisor.
- Upon termination, an employee retains the right to be paid for all accrued, but unused PTO
- Part-time employees earn PTO based upon the percentage of a 40-hour week that they work. For example, an employee who works 20 hours per week would accrue 3.75 days if accruing at a rate of 1.25 days per month
- If an employee terminates and later is re-employed by the company, the employee earns no length-of-employment credit during the period of non-employment.

- Leaves of absence for more than 90 days do not contribute to years of service (this excludes military leave).
- No PTO is earned during a leave of absence or during periods of disability (this does not apply if the employee is drawing disability and working a partial schedule).
- Employees who are covered under a collective bargaining unit who then move to an office position will be given a 5-day PTO deposit that will be available for use immediately. They will also accrue 1.25 days per earning month if hired by the 15th of the month. Service time for purposes of calculating PTO accrual will be based on the date that the employee moved to an office position.

## Administration

- PTO is to be scheduled with and approved by the employee's supervisor as far in advance as possible.
- PTO requests and maintenance of records is through McKenney's Employee Self Serve System (ESS)
- Deviation from the plan is discouraged and must be approved by the Vice President of Human Resources.
- Employees may not borrow PTO before it is available for use.
- Unpaid time off before PTO is exhausted must be approved by Human Resources.

## Schedule of Accrual

Length of Employment	PTO Accrued
Prior to 6th service anniversary	1.25 days per month (15 days per year)
After 6th service anniversary	Add an additional day per year for every year of service after 6 years. For example: year 6 would be 1.33 days per month or (16 days per year), year 7 would be 1.42 days per month (17 days per year), etc.
	The <b>maximum accrual</b> will be 25 days per year.

## Bereavement

After 60 days of full-time employment, office employees may receive paid bereavement leave as follows:

- Up to 3 days leave for the death of an immediate family member. Immediate family as it applies to this policy is defined as parents, siblings, grandparents, parents-in-law, children and spouse.
- Up to 1 day for other family members or friends

This policy is intended to provide the employee with time off as needed when a death occurs. The amount of time off will depend on individual circumstances and must be approved by the employee's manager.

# Jury Duty

## For Full-Time Salaried and Hourly Employees

- If you are on jury duty for five days or less, you are allowed to keep the money you are paid for jury duty in addition to your regular salary.
- If jury duty extends past five days, you must notify Payroll to reduce the amount of your check by the amount you are paid for any days over five.
- Co-ops will not be paid by McKenney's when they are on jury duty.

**Note:** Benefits provided to union-represented employees are subject to the terms and conditions of the prevailing union contract.

## Community Care Paid Time Off

Giving back to our community is very important and a part of McKenney's culture. With this in mind we provide employees with time off to support their personal cause. After 60 days of full-time employment, office employees are eligible to request up to 8 paid hours (a minimum of 4 hour increments) for Community Care Time Off per manager and HR approval. Please complete the request form located in the forms section on the Human Resources page located on the McKenney's intranet.

To qualify, the project or activity should be affiliated with a 501(c)(3) non-profit organization, public charity, or a school district, and relate to one of the following categories:

- Education and Job Skills Training and Development
- Neighborhood Revitalization
- Youth Programs
- Health and Human Needs
- Civic Improvement
- Arts and Culture

For example, projects which would generally be eligible for the Community Care Program include:

- Group and individual community service projects
- "A-thon" events, such as walk-a-thons, serve-a-thons
- Drives, such as food, toy or book drives

## Maternity and Paternity Paid Time Off

McKenney's understands the importance of bonding time to those employees who are welcoming new additions to their families.

### Eligibility

- All full-time employees not covered by a collective bargaining agreement are eligible under this plan after one year of service.

- Co-op employees are not eligible for Paternity or Maternity PTO; however, if a co-op joins the company on a full-time basis after graduation, the time worked during co-op years will count toward years of service requirement.
- Part-time employees (those working fewer than 32 hours per week) are eligible for a prorated number of hours Paternity or Maternity PTO after working for the company for one year.

## Maternity Leave

McKenney's Maternity Leave policy will pay eligible employees 100% of their regular pay for eight weeks, beginning on the date of the birth of a child.

New mothers who take more than eight weeks of leave have the option to use accrued PTO or go unpaid for additional time off, up to 12 weeks total. Upon return to your regular work schedule, after 30 days you are eligible to request backpay for four of the unpaid weeks, or if you used PTO you may request to have up to 160 hours credited back to your PTO bank.

## Additional Notes

- If labor occurs earlier or later than estimated, the beginning and ending dates of maternity leave can be adjusted, through written notification such as email.
- Employees do not accrue PTO while on leave.
- Your position and benefits will not be affected during Maternity Leave or FMLA. The company is allowed during that time to fill the position with a temporary replacement if needed.
- If your doctor certifies that you will be incapacitated and unable to work for longer than eight weeks due to the birth of your child, your pay for weeks beyond the eight covered by Maternity Leave will be based on our Short-Term Disability policy.
- Regular pay is the lesser of 40 hours or the number of hours you are normally scheduled to work each week. This does not include vehicle allowance.

## Maternity Leave Process

The expectant mother must follow these steps:

- 1.Employee must give formal written notice to her immediate supervisor about her pregnancy, at least three months prior the date of expected childbirth
- 2.Expectant mothers should contact the [Stephanie](#) in HR as early as possible but at least 4 weeks in advance of the last day they plan to work to initiate FMLA and coordinate Maternity leave.
- 3.Employee must submit the Smart Sheet webform including:
  - estimated due date,
  - anticipated beginning and end dates of date of maternity leave,
  - if she intends to take more than eight weeks of leave, whether she will use PTO or go unpaid for those additional weeks,
  - attached completed Physician's Certification
- 1.Employee must contact HR within two weeks after the baby's birth to notify of any changes to anticipated return date
- 2.Employee must contact HR two weeks prior to her anticipated return date to confirm the date

The employee will be officially notified of the approval of her request for Maternity Leave and eligibility for FMLA after her eligibility has been evaluated. The response she will receive will clearly state the length of the maternity leave with the beginning and end dates, and how she will be paid each week.

## **Paternity PTO**

New dads can take 40 hours of paid time off at any point during the first two weeks after the baby is born. Time off is to be scheduled with and approved by the employee's supervisor as far in advance as possible. Expectant fathers should complete the Paternity Time Off Request [form](#).

## **Family Medical Leave Act (FMLA)**

FMLA allows eligible employees to take up to 12 workweeks of unpaid, job-protected leave under the Family and Medical Leave Act ("FMLA") in a rolling 12-month period for specified family and medical reasons. In addition, eligible employees may qualify for up to 26 workweeks of unpaid job-protected leave under the FMLA in certain situations related to a covered family member's service in the Armed Forces.

### **Applicability**

To be eligible for FMLA leave, an employee must:

- Have worked at least 12 months (need not be consecutive);
- Have worked at least 1,250 hours over the preceding 12 months (these hours must be actual hours worked, not to include holidays, sick leave and vacation leave); and
- Work at a location where there are at least 50 McKenney's employees within 75 miles.

### **FMLA leave should be requested for the following reasons:**

- Birth of the employee's child, or to care for the employee's newborn child; Under the Family Medical Leave Act (FMLA), eligible employees may request up to 12 weeks of unpaid leave due to the birth of a child. This 12-week period starts from the first day you are on leave, even if it is before the child is born.
- Placement of a child with the employee for adoption or foster care;
- To care for a Care Recipient (employee's spouse, same-sex married partner, parents-in-law, child, adult child without other care support, or parent) with a serious health condition;
- Because of the employee's own serious health condition
- To care for a U.S. service member or veteran with a serious injury or illness incurred or aggravated in the line of duty while on active military duty if the employee is the spouse, son, daughter, parent or next of kin of the service member or veteran. (Note: This type of FMLA leave is referred to in this policy as "military caregiver leave".)
- A qualifying emergency arising out of the fact that the employee's spouse, son, daughter, or parent is a member of a regular component of the U.S. Armed Forces who is deployed on active duty to a foreign country or to international waters, or is a member of the National Guard or Reserves who is deployed to a foreign country or international waters on active duty pursuant to Section 101(a)(13)(B) of Title 10 of the United States Code.
- It falls to the company's discretion to grant unpaid leave if you are not eligible for FMLA based on your service time.

# PAY & BENEFITS

Showing you the money!

## Payday

Paydays are weekly every Thursday. We encourage employees to use direct deposit. To sign up, talk to Payroll.

## Pay Transparency

McKenney's will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant.

However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by McKenney's, or (c) consistent with McKenney's legal duty to furnish information.

## Wellness

McKenney's takes the wellness and well-being of our employees very seriously, and believes that the company wellness program can help employees be more engaged in prioritizing their health. The company will pay a larger portion of the weekly medical premium for those employees who choose to participate in the Wellness Program.

To be eligible for the premium discount, employees complete an online health assessment, wellness screening, annual physical and results coaching, as well as earn Wellness Points for the upcoming plan year.

New hires who wish to participate should complete the online health risk assessment, wellness screening and results coaching for a discount in the current program year. They will also need to earn Wellness Points on a pro-rated basis in order to receive the discount the following year.

The Wellness Program will be evaluated annually and changes made as needed. If you have any questions, please contact [Stephanie](#) in HR.

## Health and Benefits

We offer medical, dental and vision benefits, plus short- and long-term disability coverage. Contact [Stephanie](#) in HR for full details on your benefits.

## Group Life Insurance

McKenney's provides each employee with a life and accidental death and dismemberment insurance policy in the amount of \$50,000 administered through **Cigna**. You are eligible for this insurance on the 1st day of the month following your date of hire. See your individual policies or contact [Stephanie](#) in Human Resources for further details.

All coverage ends the last day of the month in which an employee terminates employment for any reason. Please inquire about life insurance conversion for continuation of coverage.

## Profit Sharing and 401(k) Plan

McKenney's has a retirement plan that includes profit sharing and 401k. The profit-sharing portion of the plan is comprised of two parts: (1) a fixed employer contribution, plus (2) a variable amount at the employer's discretion in accordance with the bonus plan based on the profitability of the company. The 401k feature allows employees to make pre-tax (except for FICA taxes) contributions through payroll deductions to the plan. The company will match 100% of the lesser of the participant's contribution or 5% of the participant's compensation. Once a participant's total compensation reaches 100K the amount of the match decreases to 50% of the lesser of the participant's contribution or 5% of the participant's compensation.

New employees are automatically enrolled at 3% of their compensation. To change your contributions or your investments, visit [Voya](#).

## Employee Assistance Program

The Employee Assistance Program is offered through Health Advocate, a third party confidential service. Counselors are available 24 hours a day, 7 days a week. Telephones are live-answered with no voice prompt system.

Employees are allowed 6 assessment sessions (in-person or phone) per calendar year for a variety of work/life and personal issues.

- Work/Life -
  - Child care and elder care referrals
  - Adoption resources
  - Academic referrals
  - Pet care services
  - Financial advisement
  - Legal consultation
- Wellness -
  - 24 hour Nurse HelpLine and Smoking Cessation Programs
- Personal -
  - Counseling, referral and follow up for all types of personal problems that can interfere with job performance and overall well-being

For more information please visit [Health Advocate](#) or contact them directly at **1-855-424-6400**.

## Matching Gift Program

McKenney's wants to support you in giving back to your community or cause, therefore the company will match employees' contributions to qualified organizations. To qualify for a matching employer contribution, the employee must make a contribution to the United Way each year. Eligible organizations must be a charitable, social service, educational, institution, or religious organization that is not-for-profit.

McKenney's will match employee contributions of \$50 or more to a maximum of \$500 per employee per calendar year. To generate the employer match, the employee needs to submit the Matching Gift Form, available on the intranet under the forms section.

Receipts of the contribution to the organization must be attached to the completed Matching Gift Form and turned in to Human Resources. Human Resources may request additional information such as the 501c3 form on any organization which is not easily identifiable as a qualified organization.

So that we do not dilute our giving through United Way, McKenney's will match employee contributions as long as we achieve or exceed 90% of our annual United Way giving goal per location. Each year this goal is calculated based on the three previous years' giving totals. For example, if our company goal for 2019 is \$1, we must raise at least \$.90 in order for McKenney's to match donations in 2020. Individual United Way contributions are not eligible for the company match.

\*Each branch location must meet at least 90% of their United Way giving goal to be eligible for the Matching Gift Program for the following year. The Matching Gift Program will be re-evaluated annually and changes made as needed.

## Workers' Compensation

If you are injured on the job, no matter how slightly, report the incident immediately to your manager and The Health Bridge. On-the-job injuries are covered by our Workers' Compensation Insurance Policy, which is provided to you at no cost.

Employees working for McKenney's at all locations are covered by workers' compensation insurance.

- Workers' comp covers medical expenses and partial lost wages resulting from injuries sustained on the job.
- McKenney's provides a list of approved physicians and clinics (aka workers' comp panel) with offices located in different areas for your convenience.
  - You may seek treatment from any of these medical facilities.
  - This panel of physicians is posted on our jobs, in the shops and office and is available from any McKenney's w/c contacts listed below.
  - Every foreman and service and controls technician should have a current panel of physicians available at all times.
  - You may not seek treatment from your family doctor for a workers' comp injury.
  - You must choose a physician from the panel.
- If you go to a doctor not on the panel, you are responsible for the charges incurred.
- For emergencies only, immediately seek medical treatment at the nearest medical facility.
  - Do not go to the ER unless it is truly an emergency or if you cannot locate a panel physician.
- Report all injuries immediately to your foreman and The Health Bridge. The Injury Reporting policy is covered in detail on the next page.



- McKenney's will provide transitional work when possible to enable an injured worker to return to work as soon as the doctor will permit and will attempt to make whatever accommodations are necessary to help him or her resume normal duties as soon as possible.
- A list of approved medical facilities and procedures will be provided during orientation.

## Workers' comp contacts for McKenney's offices:

### Atlanta, GA

Stephanie Killen.....404-635-2297

Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

Neither McKenney's nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by the company.

## Injury Reporting Policy

McKenney's is pleased to announce that The Health Bridge has been chosen as our new partner to provide on-call nursing services to our employees who are injured on the job. The Health Bridge nurses are available to our employees 24 hours a day, 365 days a year to assist with occupational injuries and illnesses. With the involvement of The Health Bridge, our injury reporting protocol has been modified slightly. Please read the instructions below carefully and use this new protocol going forward.

- All employees are required to report job related injuries **IMMEDIATELY** to their foreman (field employee) or manager (office employee) and then contact **The Health Bridge** nurses at **1-800-633-4350**.
- In serious "life or limb" threatening circumstances and only in these cases, call 911 to access immediate medical care before calling The Health Bridge.*** Supervisors are then required to report serious injuries to The Health Bridge immediately. A nurse is available 24 hours a day, 7 days a week.
- The Health Bridge nurse will evaluate the reported injury to determine the necessity of medical treatment, assist as needed in securing such treatment for the employee from appropriate physicians, engage appropriate medical care providers in treatment plans, and coordinate with supervisory staff and Human Resources on all return to work considerations.
- The Health Bridge nurse will follow up with each injured employee to ensure quality of care, compliance with treatment plans, necessary documentation for claims filing, and rehabilitation efforts to ensure a prompt recovery to enable the employee to return to work.

## Transitional Work Program

McKenney's will endeavor to provide productive transitional work to injured employees.

- Transitional work accommodates the injured employee's gradual return to full work status, reduces injury-related costs, and helps speed the recovery process.
- The program will provide modified work or alternative work until the injured employee is able to return to regular duty.
- Modified work refers to the same work that the employee was doing prior to the injury but with changes made to meet his or her current abilities.
- Alternative work refers to different tasks.

**Transitional work offers the following benefits:**

- Employees know that if they have the misfortune to be injured on the job, the company will look out for their best interests.
- A transitional work program can strengthen the relationship between the company and the employees.
- Employees are physically more active and, therefore, they recover faster.
- The employee's family relations are improved, since the employee feels valued and productive and continues to earn wages.
- Employee morale is higher, and employees work more productively as a team.
- The company reduces lost-time days, lost-time cases, direct costs and indirect costs.
- Human Resources will coordinate the program and will work with the injured employee's supervisor, project manager and department manager to find suitable work for the injured employee.
- It is imperative to communicate with the employee and physician to determine the limits of an injured employee's activities as well as when he or she is able to return to full duty.
- Time for transitional work will not be charged to the job.
- Charge time to G/L 5138.

# KEEPING IT REAL

Making sure our environment is a place for everyone to be successful

## No Tobacco

Tobacco use, particularly smoking, is the leading preventable cause of death in the United States. Reducing secondhand smoke exposure for employees and clients makes our offices safer, cleaner, and more enjoyable.

McKenney's provides a smoke-free work environment to its employees. Smoking cigarettes or using smokeless tobacco, including e-cigarettes, is prohibited anywhere on McKenney's property.

Employees who work at our customers' buildings should refrain from smoking cigarettes or using smokeless tobacco, including e-cigarettes.

## Drug and Alcohol Policy

The purpose of this policy is to help ensure a safe, healthy, and productive work environment for the employees of McKenney's, Inc. and all others on the work site or company property, to protect company property, and to ensure efficient operations. It is our intent to fairly but firmly enforce this policy for the safety, health and welfare of all our employees and their families. Use of our Employee Assistance Plan may be required as a condition of continued employment. Supervisors and managers will receive periodic training on implementation of the company policy on drugs and alcohol.

This policy applies to anyone entering the work site or company property including but not limited to part-time or temporary personnel, contract personnel, consultants, and other employees of contractors or sub-contractors working on the work site or company property. This policy is non-discriminatory and applies equally to all employees and officers of the company.

If there is reasonable cause, the company reserves the right to search any person entering or on the work site or company property and to search property, equipment, and storage areas. This shall include, but is not limited to, clothing, personal effects, vehicles, buildings, plan facilities, offices, parking lots, desks, cabinets, lockers, closets, lunch containers, tool boxes, and equipment.

The possession, distribution, or use of illegal drugs, unauthorized controlled substances, alcohol and other intoxicants on the work site or company property during working hours is prohibited and will result in disciplinary action up to and including suspension and/or termination.

Reporting to or being at work with a measurable quantity of illegal drugs, unauthorized controlled substances, alcohol, or other intoxicants is prohibited and will result in disciplinary action up to and including suspension and/or termination.

**Legally prescribed drugs may be permitted on the work site or company property provided the drugs are prescribed by an authorized medical practitioner for current use by the person in possession.**

- Use of prescribed or over-the-counter drugs is prohibited when such use prevents the employee from performing the duties of the job or poses a safety risk to the employee, other persons, or property.
- Any employee who possesses or uses a valid prescription or over-the-counter drug when on the work site or company property is requested to notify his or her immediate supervisor of any possible adverse effects that may result from taking the drug.
- If management determines that the employee is endangering him/herself or others as a result of the effects of the drug, the employee may be required to leave the work site.

**An employee will be requested to submit to a drug and alcohol test under the following circumstances:**

- Prior to employment
  - If someone confirms non-negative, he is not barred from answering another callout for us; however, any future non-negative drug screen will be considered the second offense and will result in job termination.
- When there is reason to believe that an employee is under the influence of illegal drugs, unauthorized controlled substances, alcohol, or other intoxicants while on the work site or company property during working hours, or that an employee has reported to work with a measurable quantity of illegal drugs, unauthorized controlled substances, alcohol, or other intoxicants in his or her system or on his or her person
- After the occurrence of a workplace accident or incident resulting in personal injury or damage to property
  - Post incident testing will not be conducted in situations when employee drug use could not logically have contributed to the incident. For example, post incident drug testing would not be conducted when:
    - An employee has an allergic reaction to a bee sting or bug bite.
    - An employee suffers from a repetitive motion injury such as carpal tunnel syndrome.
    - An employee was hit from behind by an object while standing in a pedestrian marked lane (i.e. an innocent bystander).
- Workplace circumstances which could have resulted in personal injury or damage to property in which there is reason to believe that an employee is under the influence of alcohol or drugs
- When required by the customer, owner or contractor on a particular project
- As part of any periodic medical examination provided or required by the company or the State Department of Transportation
- As part of a random drug and alcohol testing program implemented January 1, 2005, testing for all employees will be conducted either by a McKenney's HR or Safety employee or by a third-party representative at a designated medical screening center, as appropriate for the particular position.
- Failure to submit to any drug or alcohol test, including failure to report to the collection site in a timely manner, will be considered a violation of this policy
- After completing the test, the employee will immediately return to the work site.

Any employee who refuses to submit to a drug and alcohol test or search will be subject to disciplinary action up to and including suspension and/or termination. Those who are not McKenney's employees who refuse to submit to a test or search, if there is reasonable cause to request such test or search, will be denied access to the work site or company property.

Any employee who has a confirmed non-negative test as verified by an MRO (Medical Review Organization) will be subject to random testing for a minimum of three months. To rule out the occasional false-non-negative test, an employee who has a non-negative test verified by an MRO but who maintains that the test is incorrect may test again immediately at his or her own expense at a company-approved facility.

### **McKenney's employees NOT subject to DOT rules and regulations will be subject to a two-strike policy.**

- The first offense will require mandatory professional assistance from the company EAP, union EAP or other company-approved facility as applicable and the employee will be required to complete the EAP assessment/recommendations at his/her own expense. Provided the employee's performance has been satisfactory up to this point, a first time violation will not necessarily be cause for termination. The employee will be required to provide a negative drug screen before returning to work and will be subject to random drug testing.

\*Non-negative drug screen results that are three times the legal limit or more will be grounds for immediate job termination

- The second offense will result in job termination. Employee will be considered not eligible for re-hire.

Note: McKenney's reserves the right to reconsider hiring after six months if individual can provide documentation that he/she attended a substance abuse program.

### **McKenney's employees who ARE subject to DOT rules and regulations**

- In accordance with DOT regulations, the first offense will require that the employee immediately cease safety-sensitive duties (e.g., operating a company vehicle) and will be suspended from work immediately until complying with DOT requirements as outlined below.
- The employee must receive evaluation from a licensed Substance-Abuse Professional (SAP).
- The employee must take a return-to-duty drug test after completion of the education and/or treatment prescribed by the SAP.
- The employee must produce a negative DOT drug test (not a quick screen) before allowed to resume safety-sensitive duties. This test will be at the employee's expense at a company-approved facility.
- During the suspension period, the company will continue to pay for group medical insurance for the employee for the remainder of the month in which the employee tested non-negative and for the following month. The company will not pay for family coverage, but the employee may keep this insurance in force by paying the weekly premium to McKenney's.
- Per DOT regulations, the company is under no obligation to return the employee to work.

Employees who are covered by a collective bargaining agreement are not eligible to receive short-term disability benefits under McKenney's plan for the time they are out of work while receiving treatment for substance abuse unless he or she comes forward to ask for assistance prior to testing non-negative under the company's drug testing policy.

### **Testing for new hires, co-ops, and transitioning or returning employees**

- If an employee's pre-hire drug test produces non-negative results, the test will be sent to an MRO for further testing. MRO test results are usually available in about 48 hours.
  - The employee will not be allowed to work while test is being verified.

- If the MRO confirms the non-negative results, the employee will not be hired.
  - If employee does not pass the drug screen, he or she can retake the test after 30 days (at employee's own expense) to be a candidate for rehire.
- If the results are negative, the employee will continue with the hiring process; however, any future non-negative drug screens will be considered the second offense and will result in job termination.
- If an employee is laid off and returns to work within 90 days of his last day worked, he will not be required to take another pre-hire test.
- If a potential employee has proof from his union of a negative drug screen that is less than 30 days old (e.g., an apprentice who was tested at the school), he will not be required to take another drug test at McKenney's.
- All co-ops are tested when they are hired into the McKenney's co-op program. A co-op who later comes to work as a full-time permanent employee will be required to take another test.
- No test will be required for employees transitioning from one position to another, e.g., field to office, part-time to full-time.

**State laws supersede this policy when determining whether a substance is illegal.**

## No Violence

We are serious about providing a safe and secure workplace for all employees. Long story short: be cool. Long story long, keep reading.

Threats, threatening behavior or other acts of physical or verbal violence, including intimidation, harassment and/or coercion, which involve or affect McKenney's or which occur on our or our clients' 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 McKenney's or to create a hostile, abusive or intimidating work environment for one or more employees, subcontractors or vendors.

We do not allow firearms, knives or other weapons in the workplace, so don't even think about bringing one in.

Violations or any potentially dangerous behavior should be reported to your supervisor or Human Resources and will lead to disciplinary action up to and including termination. Reports can be made anonymously and all reported incidents will be investigated in as confidential a manner as possible.

## Safety Policy

This personal safety program is a condensed version of the complete Safety Policies & Program Manual that is in the possession of each project manager, project engineer, site superintendent, and the safety director. Please refer to the complete Safety Policies & Program Manual as necessary. Please contact [Michael Estabrook](#) for a copy.

It is the policy and desire of McKenney's to continue to protect our safety record and our most valuable asset - our employees - by following these guidelines:

- Provide a safe working environment.

- Comply with all laws.
- Never compromise safe working conditions for any reason.
- Conduct all operations in a way that reduces risk to McKenney's employees and all other workers.
- Maintain conditions to eliminate risk to visitors and the public.
- Eliminate the risk of damage to property and equipment on and adjacent to each job site.
- Never accept any unsafe condition for any reason.
- Strive to be 100% accident free, while maintaining the highest standards of quality construction.

## Responsibilities

Senior Management:

- Support, encourage and enforce the Safety Policies & Program Manual.

Safety Director:

- Responsible for the implementation and general enforcement of the complete Safety Policies & Program Manual.

Project Managers and Site Superintendents:

- Site superintendents have primary responsibility for the safe conditions of the work area
- Protection of all employees directly under their direction
- Protection of the general public
- Protection of all company equipment and materials
- Project managers and site superintendents should become familiar with the contents of McKenney's Safety Policies & Program Manual, maintain it in a current and usable condition, and follow the guidelines presented therein.

Crew Foremen:

- Should have direct daily contact with their crew regarding the safety of their specific work activities. o The influence of the foreman is significant in the promotion of safety among McKenney's employees.

Employees

- All McKenney's employees have a responsibility for their own safety, as well as their fellow employees, and are required to follow McKenney's Seven Safety Absolutes (listed below.)
- Preventive maintenance on all equipment is the responsibility of the equipment operator.

## Work Site Safety Rules

- Worksite safety rules are mandatory and employees are required to wear proper PPE such as hard hats, eye protection, work boots and cut resistant gloves. Cut resistant gloves are to be worn at all times whether the employee is working on a job site or within the shop areas. Although the employee may not always be handling sharp objects, this requirement is in place to ensure the employee is protected from unforeseen hazards or situations. Forearm protection (gauntlets) shall be worn by all employees that are involved in the loading/unloading, relocation or hanging of ductwork that could cause lacerations. Should the employee inadvertently contact or be struck by falling materials. Face shield will be mandatory for individuals drilling into overhead cement, fire proofing or other material that can produce a fine dust substance.
- The face shield is also mandatory for grinding and cutting
- Operation of any McKenney's equipment, vehicles, and or machinery should only be done by competently trained employees.

## McKenney's Safety Absolutes

1. We will ensure proper fall protection when working at heights above 6'
2. We will only allow trained and competent crews to conduct hoisting and rigging operations that follow our policies
3. We will only enter confined spaces when we ensure proper testing, permitting, supervision, communications, emergency retrievable systems and properly trained crews
4. We will follow appropriate lockout/tagout protocols by ensuring proper energy isolation, testing, monitoring, use of locks/tags, competent personnel and task closure
5. We will follow appropriate electrical safety protocols when working near or around live electrical systems
6. We will follow required planning, supervision, sloping, shoring, emergency response and trained crews when trenching and excavating
7. We will wear required PPE at all times

### **McKenney's Safety Disciplinary Process for Safety Absolutes**

In an effort to provide a safe and productive work environment for all employees, the following internal process for addressing the violations of any Safety Absolutes.

**First Offense:** Written warning and immediate removal from the job for the remainder of the shift. Corrective action meeting with McKenney's project leadership and/or Safety Team prior to return to work.

**Second Offense:** Permanent removal from the project, up to and including possible termination from McKenney's. Subsequent meeting with McKenney's Safety Committee (at next scheduled meeting) for review and determination as respects future work with the company.

### **McKenney's Safety Disciplinary Policy**

In the event employees engage in one or more severe offenses of a dangerous nature, McKenney's may impose more severe penalties up to and including immediate termination without following the sequence provided under this progressive discipline policy.

A minimum of a written warning will be issued to employees who engage in the following conduct:

- Horseplay
- Unsafe work habits
- Violation of any health and Safety Absolute rules
- An injury occurs as a result of violating safety rules (will include a day off without pay)

A final written warning will be issued to employees who continue to engage in the above conduct after receiving a first written warning. A final written warning will also be given to employees who engage in the following conduct:

- A general overall record of unsafe practices
- Refusal to follow safety and health rules or instructions
- A second injury occurs as a result of violating any health and Safety Absolute rules within a 12 month period (will include a day off without pay)



An employee will be terminated for the following conduct:

- Excessive and repeated safety or health violations
- Purposely ignoring safety or health rules
- Unsafe actions that seriously jeopardize the safety or health of others
- General disregard for the safety and health of self and others and or Safety Absolutes
- Consumption of alcoholic beverages during working hours
- Being under the influence of drugs or alcohol while on any job site or McKenney's property
- Fighting and/or assaulting another employee, supervisor, client, or any other person
- Willful destruction of property or equipment
- Possession of a weapon while on any job site, company property, or any other location during working hours
- Careless, negligent, or reckless use of company equipment, machines, tools, or vehicles, or unauthorized use of McKenney's equipment

**Please note:** If a customer's safety discipline policy requires a more stringent disciplinary action, then the customer's policy will apply.

## Rest Periods - Craft Personnel

Employees who put in long hours on the job are vulnerable to fatigue, which can lead to motor vehicle accidents, performance issues and health related risks.

To promote a safe working environment, employees must take a mandatory rest period of 10 hours after working 14 consecutive hours, excluding travel time. If more than 75 hours are worked during a workweek (excluding travel time), field employees must take a mandatory 16 hour rest period. Any exceptions must be approved by the Profit Center Manager of the job and/or the Vice President of Field Operations.

In addition, no employee shall work more than two consecutive 75 hour work weeks with out the joint approval of the Profit Center Manager and the Vice President of Operations. In the event one of these individuals is absent or unavailable, the second approval may be authorized by the Company Safety Director or Vice President of Human Resources.

## Commercial Auto Fleet Safety Policy

This Commercial Auto Fleet Safety Policy supersedes all previous auto fleet safety policies and applies to all drivers of company vehicles. For the purpose of this policy, "company vehicle" refers to any vehicle owned, leased, or rented for McKenney's business and all personal vehicles owned by employees receiving a vehicle allowance while in use for company business. Additionally, "driver(s)" refers to any employee driving a company owned vehicle, including those employees receiving a vehicle allowance.

This policy is intended to raise vehicle operating safety awareness. Operating vehicles is a necessity in McKenney's business, and protecting our employee drivers, their passengers and the general public is our highest priority. The commitment of management and employees is critical to the success of this program. It is each driver's responsibility to make every attempt to prevent injuries, property damage and financial loss while operating a vehicle for business purposes.

All citations (whether received while on company or personal time) will be reported on an individual's MVR and will affect an employee's driving privileges. Failure to qualify or comply with this policy may disqualify the employee from operating a company vehicle or his/her personal vehicle for company business. In addition, any complaints received about unsafe drivers will be investigated and are subject to the Commercial Auto Call-In Policy. All decisions regarding either policy will be enforced by the Vehicle Safety Committee.

The criteria for determining driver status are outlined below:

- Vehicles owned, leased or rented are covered by the McKenney's commercial automobile liability insurance. Employees receiving a vehicle allowance are required to maintain automobile liability insurance in the following amount:
  - Bodily Injury liability in the amount of \$300,000 per incident
  - Property Damage liability in the amount of \$300,000 per incident
- All drivers must submit a copy of his or her driver's license and sign an MVR release form. Driving privileges are contingent upon an acceptable MVR based on the criteria outlined below.

Within 24 hours of any incident listed below, regardless of whether it occurs in a company or personal vehicle, the driver is required to file a report with his/her supervisor and the Risk Manager. Failure to report an incident places McKenney's at risk for legal liability and will warrant disciplinary action by the Vehicle Safety Committee. (If the incident occurs on personal time, in a personal vehicle and not for company business, it must be reported the first day the driver returns to work.)

- Any accident in a company vehicle (regardless of severity)
  - Speeding in excess of 30 mph over the limit
  - Speeding in a school zone
  - DUI
  - Reckless driving
- A driver may not use a company-owned vehicle for personal use nor shall a driver allow an unauthorized person to operate a company-owned vehicle without the express written permission of company management. "Personal use" is defined as operating the vehicle outside of normal working hours or for any other purpose except commuting and performance of the job assigned by McKenney's. Only deminimus (on-the-way) stops during the commute to and from the work site are permitted. An "unauthorized person" is defined as any person who has not been specifically authorized by management to operate a company vehicle, (e.g., spouse, family, friends, or unauthorized employees or suspended drivers).
  - Use of and being under the influence of drugs and/or alcohol while operating a company vehicle is strictly prohibited. In the event of an accident, McKenney's reserves the right to require an employee to take a drug and alcohol test. If McKenney's or a police officer requests a drug and alcohol test and the driver does not comply, he or she will be subject to disciplinary action determined by the Vehicle Safety Committee.
  - Use of seat belts is mandatory for all drivers and passengers in company vehicles.
  - Drivers are required to be familiar with and comply with local laws before using a wireless device while operating a company vehicle. Safe operation of any vehicle is the responsibility of the driver and must be given appropriate attention at all times. Additionally, all drivers are strictly prohibited from texting,

accessing and/or answering emails, or any other use of data services on their wireless device. However, drivers are permitted to talk on the phone using a hands-free device while the vehicle is in motion if doing so does not distract from driving. Any violations will result in disciplinary action.

- For drivers operating a company-owned vehicle, the driver is responsible for regularly scheduled maintenance for the assigned vehicle under the Wheels Maintenance Guide. The driver is required to keep the vehicle in excellent mechanical condition and keep it clean and presentable at all times. The vehicle's overall condition is subject to spot checks by management. Additionally, when the vehicle is swapped out or turned in, the vehicle's condition will be inspected and the results documented by a manager on a form provided by the fleet department. Any unreported body damage, engine problems, or other misuse and neglect beyond normal wear and tear shall result in disciplinary action determined by the manager. The damages and disciplinary action will be documented by the manager and reported to the Vehicle Administrator.
- Many company-owned vehicles have company markings including, but not limited to, McKenney's logos, safety statement and call-in number, and vehicle numbers, etc. Drivers found guilty of altering, removing, covering or damaging company markings will be subject to disciplinary action by the Vehicle Safety Committee, up to and including suspension of driving privileges.
- Company-owned vehicles are equipped with GPS. McKenney's reserves the right to use any data obtained from the GPS to monitor compliance with this policy and take disciplinary action for failure to comply. Anyone found guilty of disabling or removing the GPS will be subject to disciplinary action by the Vehicle Safety Committee, up to and including suspension of driving privileges.
- Modifications of or alterations to a company vehicle, such as tinted windows or affixing window decals or bumper stickers are not allowed without prior approval.
- While operating a vehicle it very important to remain focused on the road and to not be distracted by cell phone or other mobile devices. Please refer to the Cell Phone Policy.
  - **Never** text, read cell displays, read or type e-mails, or take notes while driving
  - **Always** use hands free devices or Bluetooth ear pieces
  - Limit use to emergencies only while driving
  - Keep cell phones within easy reach (reaching is the major cause of driving accidents)
  - Initiate calls only while stopped or through voice command
  - Safely exit the roadway if necessary to complete the conversation
  - Allow voice mail or the missed call feature to handle calls
  - Suspend conversations during hazardous situations, including congested traffic or bad weather
  - Do not engage in aggravating or emotional conversations while driving

It is McKenney's policy to continuously evaluate drivers (both those provided an allowance and those who operate a company owned vehicle). In an effort to promote safe driving practices and maintain the safety of our employees, the following point system criteria (including violations on OR off the job) will determine the status of driving privileges.

### **Total Point Score Driving Status**

- 0 - 3 points Clear/Approved Status
- 4 - 6 points Written Warning Status

- 7 – 9 points Probationary Status
- 10 or more points Suspension Status

See Addendum A for the points allocated to each incident.

## **WARNING STATUS**

- A warning letter will be issued when the driver reaches four (4) points.
- An MVR will be run quarterly throughout the duration of the warning period.
- Upon the expiration of the warning period, an MVR will be run annually or as deemed appropriate.

## **PROBATIONARY STATUS**

- A probationary letter will be issued when the driver reaches seven (7) points.
- For CDL drivers, probationary status will be in effect upon reaching five (5) points.
- A driver on probation will be required to appear before the Vehicle Safety Committee if deemed appropriate.
- Mandatory attendance in a company-approved driver education class is required.

## **SUSPENSION STATUS**

- A suspension from driving a company vehicle or receiving the vehicle allowance will be issued for a minimum of one year from the date of the incident in which the employee reaches ten (10) points.
- For CDL drivers, suspension status will be in effect when the driver reaches eight (8) points. Suspension from driving a company vehicle or a personal vehicle used on company business may be issued for up to three (3) years from the date of the first conviction for DUI, hit and run, operating a vehicle under a suspended license, reckless driving, drag racing, or any other violation deemed major by the Vehicle Safety Committee.
- A suspended driver's MVR will be reevaluated annually, at the end of the suspension period and quarterly thereafter. The driver's status may be upgraded to probation or warning when the MVR meets the minimum criteria of probation or warning status outlined above, and driving privileges may be reinstated.
- Mandatory attendance in a company-approved driver education class is required.
- The Safety Vehicle Committee reserves the right to permanently remove a driver from operating a company owned vehicle or driving a personal vehicle for company business if it is deemed that the driver has a history of unsafe driving practices. Any driver receiving more than one DUI will be permanently removed from a company vehicle and/or unable to drive for company business under the vehicle allowance policy.

## **PREVENTABLE ACCIDENTS**

Preventable accidents include, but are not specifically limited to incidents in which the driver could have avoided the accident by taking preventative or evasive action. The company reserves the right to determine if an accident is preventable for the purposes described herein based on all the facts available. Preventable accidents will be assigned a point value based on the damage to property and/or the vehicle. Points assigned for preventable accidents apply only to drivers of company owned vehicles. See Addendum B for guidelines.

## **EXCLUSION FROM McKENNEY'S INSURANCE**

In the event that a driver is excluded from coverage under the corporate auto insurance policy but is eligible to drive on probation status under McKenney's Commercial Auto Fleet Policy (for example, a DUI driver served a year of suspension under McKenney's Commercial Auto Fleet Policy but the DUI remains on the MVR

for two additional years. The insurance carrier excludes the driver from coverage under the corporate insurance policy during the remaining two years), a driver's options (subject to approval by The Vehicle Safety Committee) include, but are not limited to, the following:

- McKenney's can request that the driver be "reinsured" as a high-risk driver. However, this reinsurance generates an additional insurance premium for which the driver will be responsible for paying. A high risk driver is placed on probationary status and must agree to comply with the terms of probationary status outlined above. The additional premium can be paid via automatic weekly payroll deduction.
- The driver could choose not to pay the additional premium for reinsurance, turn in the vehicle, be placed on suspension status and agree to comply with the terms of suspension status outlined above.
- The driver could request authorization to operate his or her personal vehicle for business use. This option requires the driver to obtain express written permission from the Vehicle Safety Committee. If approved, the driver must agree to maintain daily mileage logs, and provide proof of business-use automobile liability insurance policy with a minimum combined liability limits of \$1,000,000 each accident for bodily injury and property damage. Proof of insurance coverage at the required limits will be required.
- Reimbursement for mileage at the current mileage rate is the sole compensation and McKenney's sole obligation and liability for a driver operating a personal vehicle for company business when designated as a high risk driver. The driver acknowledges that he or she alone will be held personally liable for any accident that occurs in the specified vehicle during business use. Reimbursement for mileage is intended to cover all business expenses for any such vehicle including, but not limited to, business insurance, fuel, routine maintenance, depreciation, repairs, tires and accident liability. McKenney's, will not be responsible for compensating the driver for any additional expenses above the current mileage rate.
- At risk drivers who are on suspension per this policy are not eligible to drive their personal vehicle on company business until the initial suspension period has expired.

## **MANDATORY DRIVER EDUCATION CLASSES**

Mandatory attendance in an approved driver education class is required under the following circumstances:

- All drivers on warning status will attend the Smith driving class if they have not already done so, and all drivers on probation or suspension status will attend additional training during the probation or suspension period.
- Drivers who have been involved in an accident in a company vehicle that was deemed "preventable" (whether ticketed by police or not) will attend the next scheduled class.

McKenney's will not pay for the cost of the driver education class and the driver will attend the mandatory class outside regular work hours and without compensation. Failure to report for a driver education class without prior arrangements or extenuating circumstances (subject to approval by a manager) can result in disciplinary action up to and including a one-year suspension of driving privileges.

## **DUI CAN WRECK YOUR LIFE! DON'T DO IT!**

If there is any question about your ability to drive, call a cab. Don't risk the consequences

## Addendum A

Incident	Points Value
Speeding	
•Under 19mph over speed limit	2pts
•19-23mph over speed limit	3pts
•24-34mph over speed limit	4pts
•34mph over speed limit	6pts
Moving Violations	
•Failure to yield	3pts
•Following too closely	3pts
•Improper lane change	3pts
•Traffic signal violation	3pts
•Other	3pts
•GA move over law	2pts
Disregard of Control Device	3pts
Improper Turn	2pts
Failure to use Safety Restraint	2pts
Operating a Vehicle under a suspended license	10pts
Reckless/Aggressive Driving	6pts
Failure to Secure Load	6pts
Drag Racing	8pts
Distracted Driving	6pts
Texting/Using a mobile device while driving: <b>1st Violation</b> - Week suspension	6pts
Texting/Using a mobile device while driving: <b>2nd Violation</b> - Suspended one year	
Hit and Run	10pts
DUI	10pts

**Note:** Any violation not listed above will default to the state of GA point's code. If a driver reduces their points with the DMV, McKenney's will honor the reduction and points will be reassessed.

### Preventable Accidents

Property/vehicle damage:

- Less than \$4000 1pts
- \$4000 - \$10,000 2pts
- \$10,001 - \$20,000 4pts

## Addendum B

Accidents are typically preventable if the following conditions are true:

- Driver was not operating at a speed consistent with the existing conditions of the road, weather and traffic.
- Driver failed to control speed to be able to stop within assured clear distance.
- Driver misjudged available clearance.
- Driver failed to yield right-of-way to avoid accident.
- Driver failed to accurately observe existing conditions and drive in accordance with those conditions.
- Driver was in violation of company operating rules or special instructions, the regulations of any federal or state regulatory agency, or any applicable traffic laws or ordinances.

While evidence of a violation of the law is a clear-cut indication of the preventability of an accident, the absence of any violation does not make the accident non-preventable. A driver can take many steps that are beyond the requirements of the law to avoid an accident. . Because each accident has its own unique set of circumstances, the list below is used as general guide for considering preventability of an accident:

Preventable Accidents	Non-Preventable Accidents
Backing	Struck by other vehicle
Turning	Struck while legally parked
Parking	Struck in rear by other vehicle
Passing	Struck by debris
Following distance	Vandalism
Diverted Attention	Windshield
Misjudging clearance	Vehicle theft (if vehicle is locked)
Failure to maintain vehicle	Fire
Driving under the influence of drugs and/or alcohol	Act of God
Speed too fast for conditions	Damage while being towed
Failure to signal intentions	Animal collision
Disregard of traffic signal	
Assuming right of way	
Driving in wrong lane	
Starting and stopping	

## Commercial Auto Call-In Policy

### “Safety is Our Goal” Program

This policy applies to all drivers operating a company-owned vehicle with McKenney's identification, i.e., those that are identifiable to the general public as McKenney's-owned vehicles. Drivers of these vehicles have an important role in representing the company in a professional manner. The purpose of this policy is to raise awareness of public image while driving a company-owned, identifiable vehicle.

Each vehicle in this program has the phrase "Safety is Our Goal" along with a phone number for the general public to use to notify the company of drivers who are operating a company-owned vehicle inappropriately. It is the policy of McKenney's to investigate each call received to the fullest using the following procedures:

- Calls are documented weekly by the safety department.
- The caller's statement is documented on a call-in form.
- The safety department returns calls as appropriate and documents any additional details.
- The driver is identified. If the driver cannot be identified, the call is logged as "unverified."
- The driver's manager is sent a copy of the call-in form.
- The manager discusses the call with the driver, documents the driver's response on the same form, and returns it to the safety department within seven days.
- The incident is logged on the call-in report.
- Quarterly, the Vehicle Committee reviews the call-in report to determine the credibility of each incident. Human Resources uses the call-in report to enforce the policy.

**Drivers who receive call-ins will be subject to the following actions:**

- The first call-in will be recorded on the call-in report.
- The third call-in during a 12-month period (beginning with the date of the first call-in) will result in the issuance of a warning. The warning will be in effect for 12 months from the date of the second call-in.
- If the driver receives a fourth call-in during the 12-month period (beginning with the date of the first call-in), the Vehicle Committee will review the call-in and at its discretion:
  - Determine the credibility of the call.
  - Send the driver to a company-approved driving class (if he hasn't already attended one in the previous 12-month period).
  - Issue a probation letter. The probation will be in effect for 12 months from the date of the third incident.
- If the driver receives a fifth call-in during the 12 month period (beginning with the date of the first call-in) it may result in termination of employment. Under extenuating circumstances, the manager can reserve the right to bring the employee in front of the vehicle committee who will review the incident and at its discretion:
  - Determine the credibility of the call.
  - Require the driver to appear before the Vehicle committee.
  - Continue the Probation for an additional 12 months from the date of the fourth call-in.
  - Suspend the driver (send the driver home) for three days without pay.
  - Remove the driver from a company-owned vehicle permanently.

## Visitor Security Policy

McKenney's, Inc. is committed to providing a safe and secure work environment and requires your cooperation and assistance regarding building security.



## **Visitors**

All visitors (vendors, delivery personnel, etc.) are required to check-in at the receptionist desk where they will be required to sign a visitor log book and receive a visitor badge. All visitors must be escorted at all times. Certain selected vendors will be given a special badge that allows them to move freely throughout the building. If you have a long standing relationship with a trusted vendor and would like to provide them with this special badge, please contact your department manager. Because of differences in sensitivity of information among departments, as well as differences in vendor relationships, all department managers must agree in order to grant this special status. To protect company information, photography by cell phones or other cameras is prohibited.

## **Employees**

All McKenney's employees should wear an employee I.D. badge. Employees must share in the responsibility of questioning unescorted visitors and reporting any unauthorized personnel.

## **FedEx Packages**

A notification will be sent by the receptionist to employees who receive FedEx packages. The email will be attached to the package for identification and held for pick-up on the back counter at the receptionist desk.

If you have a package that needs to be picked up, please leave it at the receptionist desk or between the double doors at the entrance of the "main" building.

## **Couriers**

You will receive a notification via email and the email will be attached to the package for identification. All deliveries will be held on the back counter or against the wall in the receptionist area for pick-up by close of business.

If you have a package that needs to be picked up, please leave it at the receptionist desk or in the airlock in the Service/ISP building. Couriers will not be permitted to go through the building without an escort.

Paper/office supply deliveries will remain the same. If you are expecting a large delivery from an office supply company that requires the product to be delivered to your desk or another area, please notify the receptionist ahead of time on how to handle the delivery if you are not going to be available.

# **Computer Use Policy**

## **Purpose**

Computers and related systems are to be used for business purposes, serving the interests of the company and our clients and customers. Effective use of these assets involves the cooperation and support of every McKenney's Inc. employee and affiliate who deals with information and/or information systems. It is the responsibility of every user to be familiar with these guidelines, and to conduct their activities accordingly. This policy outlines the rules that define acceptable use of computer equipment at McKenney's Inc. These rules are in place to protect the employee and McKenney's Inc. Inappropriate use exposes McKenney's Inc. to risks including virus attacks, compromise of confidential employee data, compromise of corporate data, compromise of network systems and services, and legal issues.

## **Scope**

This policy applies to employees, contractors, consultants, temporaries, and other workers at McKenney's Inc, including all personnel affiliated with third parties. This policy applies to all computer equipment, communications equipment, network infrastructure, and circuits that are owned, leased, or operated by McKenney's Inc.

## **Policy**

### **General Use and Ownership**

- While McKenney's desires to provide a reasonable level of privacy, users should be aware that the data they create on the corporate systems remains the property of McKenney's. Because of the need to protect McKenney's network, management cannot guarantee the confidentiality of information stored on any network device belonging to McKenney's. In addition, you should not expect that transmissions made through McKenney's network are confidential. Although you will be given a user name and password, this does not insulate transmissions from employer review. At any time and without prior notice, McKenney's management reserves the right to examine email, personal file directories, any other information stored on McKenney's computers, and logs of all computer-related transmissions of information. This examination helps to ensure compliance with internal policies, supports the performance of internal investigations, and assists the management of information systems. Internet messages are public communication and are not private. All communications including text and images can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver. The IT Department may monitor access to the Internet. Use of the Internet constitutes acceptance of such monitoring.
- Employees are responsible for exercising good judgment regarding the reasonableness of personal use. The hours between 8 and 5 are considered to be business hours, with the exception of the lunch hour, and recreational computer use is expected to be kept to a minimum during these hours. Recreational computer use is defined as engaging in web browsing, electronic communication (email, chat, blogging, social networking, instant messaging, etc), or file sharing (uploads or downloads) not directly related to an employee's job. If there is any uncertainty, employees should consult their supervisor or manager.
- McKenney's reserves the right to block access to certain sites or types of sites either during business hours or all together, depending on the type of site. For example social networking sites are blocked during business hours only while sites containing pornography are blocked at all times.
- For security and network maintenance purposes, authorized individuals within McKenney's may monitor equipment, systems and network traffic at any time.
- McKenney's network file shares are intended for storage of business-related files. It is not appropriate to store personal files of any type on the McKenney's network. Any personal files found on network file shares, including but not limited to images, movies, music, games, and backups of personal PCs, will be summarily deleted.
- McKenney's reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

## Security and Proprietary Information

- Information contained on McKenney's computer-based systems should be considered confidential. Examples of confidential information include but are not limited to: accounting data, engineering data, employee data, corporate planning and strategies, trade secrets, specifications, customer lists, and research data. Employees should take all necessary steps to prevent unauthorized access to this information.
- Keep passwords secure and do not share accounts. Authorized users are responsible for the security of their passwords and accounts. This means using a unique password never used outside of McKenney's. Additionally, this means not entering your username/email and password when prompted by an email.
- Employees may not attempt to affect security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes.
- Employees may not introduce malicious programs into the network or the internet, including but not limited to packet sniffers, port scanners, spyware, malware, rootkits, and viruses of any type.
- Employees may not make attempts to circumvent monitoring or access control measures put in place by McKenney's IT staff.
- Employees are prohibited from installing software without prior approval from the IT Department.

## Unacceptable Use

This policy should be applied in conjunction with all other policies of McKenney's including, but not limited to, policies prohibiting harassment, discrimination, offensive conduct or inappropriate behavior. Employees are prohibited from using McKenney's provided systems for any unethical purpose including, but not limited to, pornography, violence, gambling, racism, harassment, or any illegal activity. Under no circumstances is an employee of McKenney's authorized to engage in any activity that is illegal under local, state, federal or international law using McKenney's provided resources. Employees are forbidden from using profanity or vulgarity in electronic transmissions. McKenney's provided systems are not to be used to create any offensive or disruptive messages such as sexual implications, racial slurs, gender-specific comments, or any other comment that offensively addresses someone's age, sexual orientation, religious or political beliefs, national origin, or disability. Any such messages received on McKenney's provided systems should be deleted immediately. Offensive material of any kind should not be present on our systems. Employees are responsible for the content of all text, audio or images that they create using McKenney's-provided hardware or software or that they transmit using McKenney's provided circuits. The lists below are by no means exhaustive, but attempt to provide a framework for activities which fall into the category of unacceptable use.

**The following activities are strictly prohibited, with no exceptions:**

- Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by McKenney's Inc.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which McKenney's Inc. or the end user does not have an active license is strictly prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Making fraudulent offers of products, items, or services.
- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- McKenney's provided systems may not be used for commercial ventures, religious or political causes, outside organizations, chain letters of any kind, or other non-job-related solicitations.

### **Email, Instant Messaging, and other forms of Electronic Communication**

- Incidental personal use of electronic messaging is permitted, on the employee's own time, provided such use does not break any laws, interfere with McKenney's operations, an employee's job responsibilities, or cause harm or embarrassment to the company.
- Email shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, recorded music, games, or similar materials without prior authorization.
- McKenney's reserves and intends to exercise the right to review, audit, intercept, access and disclose all messages created, received or sent over McKenney's provided systems for any purpose. The contents of messages properly obtained for legitimate business purposes may be disclosed within the company without the permission of the employee. The confidentiality of any message should not be assumed. Even when a message is deleted, it is still possible to retrieve and read that message, or review its content from log files, and the use of passwords for security does not guarantee confidentiality.
- Notwithstanding the company's right to retrieve and read any messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient. Employees are not authorized to retrieve or read messages that are not sent to them. Employees should not attempt to gain access to another employee's messages without the express permission of the intended recipient. Any exception to this policy must receive prior approval by the employer.

- All messages communicated using McKenney's provided equipment should have your name attached. No messages should be transmitted under an assumed name. Users may not attempt to obscure the origin of any message.

## Internet Use

- Access to the Internet through McKenney's network is for the benefit of McKenney's and its customers. Employees are expected to use this resource in a productive manner. Care must be taken by all employees to ensure that accessing the Internet does not jeopardize the interests of McKenney's or its employees. Use of the Internet through McKenney's network constitutes the individual's acceptance of this policy.
- On your own time, limited personal use of the Internet is allowed; however, employees should make sure that Internet usage does not interfere with job responsibilities. Care should be taken to avoid causing any adverse publicity or embarrassment to McKenney's.
- While McKenney's filters web content such measures are imperfect and the employee should use their own judgment, in the context of the aforementioned prohibitions, when determining whether a site's content is acceptable.

## Enforcement

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

# Data Security Policy: Access Controls and Generative AI

## 1. Purpose

McKenney's must restrict access to **confidential** and **sensitive data** to protect it from being lost or compromised in order to avoid adversely impacting our customers, incurring penalties for non-compliance and suffering damage to our reputation. At the same time, we must ensure users can access data as required for them to work effectively and have a positive technology experience. Accordingly, the primary objective of this policy is to increase user awareness of threats that can arise from their access to such data and avoid accidental loss scenarios by establishing clear requirements for data breach prevention.

## 2. Scope

### 2.1 In Scope

This data security policy applies all customer data, personal data and other company data. Therefore, it applies to every server, database and IT system that handles such data, including any device that is regularly used for email, web access or other work-related tasks. Every user who interacts with company Technology services is also subject to this policy.

## 2.2 Out of Scope

Information that is classified as Public is not subject to this policy. Other data can be excluded from the policy by company management based on specific business needs, such as that protecting the data is too costly or too complex.

## 3. Policy

### 3.1 Principles

McKenney's shall provide employees and contracted third parties with access to the information they need to carry out their responsibilities as effectively and efficiently as possible while maintaining vigorous data security.

### 3.2 General

1. Each user shall be identified by a unique user ID so that individuals can be held accountable for their actions.
2. The use of shared identities is permitted only where they are suitable, such as training accounts or service accounts.
3. Each user shall read this data security section of the employee handbook and the login and logoff guidelines and sign the employee handbook to confirm they understand the conditions of access.
4. Records of user access may be used to provide evidence for security incident investigations.
5. Access shall be granted based on the principle of least privilege, which means that each program and user will be granted the fewest privileges necessary to complete their tasks.

### 3.3 Access Control Authorization

Access to company Technology resources and services will be given through the provision of a unique user account and complex password. Accounts are provided by the Technology Services department based on records by the HR department in Dynamics Silverbrook.

Passwords are managed by the Technology Services HelpDesk. Requirements for password length, complexity and expiration are stated in the [company password policy](#).

Role-based access control (RBAC) will be used to secure access to all file-based resources in Active Directory domains.

### 3.4 Password Management Policy

Each user will maintain a unique username and password for each system that is not directly tied to our corporate network. Corporate passwords will be a minimum of 15 characters and will not expire. Additionally, all corporate email accounts will be protected by Azure Multi-Factor Authentication (MFA) and external network access by Duo. The 2nd factor may be an authentication app, a text message or phone call to any number of the employees choosing. MFA will not be required within the primary corporate offices based on trusted IP addresses.

Primary corporate systems will leverage integrated single sign-on from Microsoft Active Directory Federated Services.

Employees will be encouraged to leverage Password Management Tools, such as LastPass, to ensure they have unique passwords for each website, system and application that they utilize.

If any suspicious activity is identified with an employee's account, a password reset will occur, and the employee will be asked to create a new unique 15-character or greater password that has not been utilized in the past. Prior to reset, the account is automatically locked out of cloud-based systems.

If an employee continues to have suspicious activity, his or her username will be modified as [firstname.lastname2@mckenneys.com](mailto:firstname.lastname2@mckenneys.com). Changing of the username and Microsoft UPN will prevent criminals from attempting to login under any compromised usernames from prior external breaches, since the username will no longer be the same as the primary external email address.

## 3.5 Network Access

- 1.All employees and contractors shall be given network access in accordance with business access control procedures and the least-privilege principle.
- 2.All staff and contractors who have remote access to company networks shall be authenticated using the Microsoft Remote Desktop Servers (RDS) for applications. Approved employees will have VPN authentication either through a soft client when approved by management or a physical Cisco Meraki Teleworker gateway.
- 3.Segregation of networks shall be implemented as recommended by the company's network security research.
- 4.Network administrators shall group together information services, users, and information systems as appropriate to achieve the required segregation.
- 5.Network routing controls shall be implemented to support the access control policy.

## 3.6 3rd Party Responsibilities

- 1.3rd parties will follow the guidelines set out in each of the contracts and will not perform work without a specific and active contract enforced.
- 2.3rd parties will be granted service accounts with limited access to the specific system or resources necessary to perform the contractual work.
- 3.3rd parties should not have direct or unsupervised access to the McKenney's network. For instance, if a 3rd party support engineer requires real-time access to a system to troubleshoot an outage or upgrade, she should be granted access through a screen sharing arrangement with a Technology Services employee.

4. 3rd parties do not need to attest to secure configuration (e.g. vulnerability scans) of her device, as the device should never be directly connected to the McKenney's network. Again, access should only be granted through a supervised screen sharing.
5. Non-technology 3rd parties should primarily be engaged through email and Smartsheet. Non-technology customers, vendors and supplies will not have direct access to any McKenney's system (e.g., even EDI vendors will be integrated through an approved Value Added Network (VAN)). All 3rd parties will be granted access to Smartsheet through access control lists based on domain.
6. Temporary 1099 resources that were former employees and 3rd party staff augmentation resources will be exempt from the limited-service accounts. These contractors instead are required to complete all standard user training and policy compliance.
7. 3rd parties do not have a mandatory compliance requirement; however, vendors and partners are selected not just on the service provided, but also the ease of doing business with. This includes ensuring systems and data are maintained securely. Vendors that can demonstrate PCI DSS, HIPPA, GDPR and/or SOC 2 will be more heavily weighted.

### 3.7 User Responsibilities

1. All users must lock their screens whenever they leave their desks to reduce the risk of unauthorized access.
2. All users must keep their workplace clear of any sensitive or confidential information when they leave.
3. All users must keep their passwords confidential and not share them.
4. Administrative users will only use his or her administrative accounts for elevated activities.

## 3.8 Application and Information Access

1. All company staff and contractors shall be granted access to the data and applications required for their job roles.
2. All company staff and contractors shall access sensitive data and systems only if there is a business need to do so and they have approval from higher management.
3. Sensitive systems shall be physically or logically isolated in order to restrict access to authorized personnel only.

### 3.9 Access to Confidential or Restricted information

1. Access to data classified as '**Confidential**' or '**Restricted**' shall be limited to authorized persons whose job responsibilities require it, as determined by senior management.
2. The responsibility to implement access restrictions lies with the Technology Services department.

### 3.10 Generative AI Acceptable Use Standards

1. The objective of these standards is to identify potential risks to McKenney's regarding generative AI Systems and ensure the responsible, legal, and ethical use of generative AI systems by McKenney's employees.
2. McKenney's reserves the right to refuse, by physical and non-physical means, the ability to connect to generative AI System(s) to corporate-connected infrastructure;



3. Using a Generative AI System to make automated decisions in domains that affect material or individual rights or well-being (e.g., finance, legal, employment, healthcare, housing, insurance, and social welfare) is prohibited;
4. Any attempt to contravene or bypass the Generative AI System approval processes or circumvent security procedures will be deemed to be in non-compliance with McKenney's Employee Handbook and may be subject to disciplinary action, up to and including termination of employment.
5. Employees, contractors, consultants, vendors, agents, temporary or other workers are required to report any unauthorized use of a Generative AI System or suspected violations of this policy to their Supervisor/Manager/Department Head;
6. The use of a Generative AI System for business purposes must only be done on a McKenney's provided or approved device;
7. No McKenney's restricted, proprietary, confidential, or sensitive information shall be provided to non-corporate Generative AI System, either as an input, as part of a prompt, or in any other manner. You must ensure that McKenney's information is protected in accordance with the Data Security Policy and Employee Handbook;
8. The employee, contractor, consultant, vendor, agent, temporary or other worker must receive approval from the AI Acceptable Use Smartsheet webform to use any Generative AI System created content, in whole or in part, in the conduct of McKenney's business;
9. Any Generative AI System created content, in whole or in part, that falls within the following categories is prohibited and will subject the party creating such to disciplinary action up to and including termination:
  - a. Content that is illegal under local, state, federal or international law or is perceived to promote violations of law (i.e., promoting illegal substances, extremism, violence, abuse, etc.);
  - b. Content used to interfere with the general course and scope of McKenney's business (i.e., spam, phishing, malware, deceptive activities, fraudulent activities, etc.);
  - c. Content that is threatening or harmful (i.e. promotes hatred, intimidates or harasses, promotes self-harm, or otherwise demeans protected characteristics, etc.) or that could be used to facilitate dangerous activity by others;
  - d. Content that misrepresents, misinforms, or provides misleading information (i.e., claims of expertise or lack thereof by McKenney's, competitor, or others);
  - e. Content which includes a representation of actual work by an individual living or deceased or by another organization without explicit attribution to that individual or organization and/or their explicit consent or that of their representative;
  - f. Content that includes protected, proprietary, confidential or otherwise sensitive information of McKenney's, employees, other entities, or individuals (i.e., trade secrets, intellectual property, financial position, personally identifiable information, personal health information, personal financial information, etc.); and
  - g. Content that the McKenney's management determines is inconsistent with McKenney's mission, values, fundamentals and ethical standards.
10. If the employee, contractor, consultant, vendor, agent, temporary or other worker and the content generated, in whole or in part, meets the standards stated above, the content must also:
  - a. Meet the McKenney's brand content style guide;
  - b. Be clearly disclosed and acknowledged, including the Generative AI System used and the extent of the Generative AI content.
11. Prior to the use, or distribution of any Generative AI System created content, it is the responsibility of the employee, contractor, consultant, vendor, agent, temporary or other worker to review the content for validity, appropriateness, and ensuring the content meets the high standard of professional and

ethical behavior expected by McKenney's as disclosed in McKenney's Employee Handbook;

12. McKenney's employees shall have no expectation of privacy in anything they store, send or receive to or from the Generative AI System;
13. McKenney's is not obliged to monitor transmissions to an approved Generative AI System, but may monitor usage without prior written or verbal notice to an employee, contractor, consultant, vendor, agent, temporary or other worker;
14. Content, data, and derived data related to the use of a Generative AI System must follow the Corporate Data Retention Policy;
15. McKenney's Business Analysts will track Generative AI Systems in the standard Application Inventory for all business use software;
16. McKenney's shall treat the software update and maintenance schedule for AI software similar to traditional software.

## 4. Technical Guidelines

Access control methods to be used shall include:

- Auditing of attempts to log on to any device on the company network
- Windows NTFS permissions to files and folders
- Role-based access model
- Server access rights
- Firewall permissions
- Network zone and VLAN ACLs
- Web authentication rights
- Database access rights and ACLs
- Network segregation
- Privileged Account Management tools

Access control applies to all networks, servers, workstations, laptops, mobile devices, web applications and websites, cloud storages, and services.

## 5. Reporting Requirements

1. Exception based incident alerts shall be produced and handled by the Technology Services network department or the incident response team.
2. Quarterly reports detailing all incidents shall be available by the Technology Service HelpDesk department from the standard ticketing platform, Freshdesk
3. High-priority incidents discovered by the Technology Services department shall be immediately escalated following the Incident Response process; the HelpDesk manager and Network manager should be contacted as soon as possible.

## 6. Ownership and Responsibilities

- **Data owners** are employees who have primary responsibility for maintaining information that they own, such as an executive, department manager or team leader.
- **Information Security Administrator** is an employee designated by the Technology Services management who provides administrative support for the implementation, oversight and coordination of security procedures and systems with respect to specific information resources.
- **Users** include everyone who has access to information resources, such as employees, trustees, contractors, consultants, temporary employees and volunteers.
- The **Incident Response Team** shall be chaired by the Technology Services department and include employees from departments such as IT Infrastructure, IT Application Security, Legal, Marketing and Human Resources.

## 7. Enforcement

Any user found in violation of this policy is subject to disciplinary action, up to and including termination of employment. Any third-party partner or contractor found in violation may have their network connection and contract terminated.

## 8. Definitions

- **Access control list (ACL)** — *A list of access control entries (ACEs) or rules. Each ACE in an ACL identifies a trustee and specifies the access rights allowed, denied or audited for that trustee.*
- **Database** — *An organized collection of data, generally stored and accessed electronically from a computer system.*
- **Encryption** — *The process of encoding a message or other information so that only authorized parties can access it.*
- **Firewall** — *A technology used for isolating one network from another. Firewalls can be standalone systems or can be included in other devices, such as routers or servers.*
- **Generative AI (genAI)** - *is a broad label describing any type of artificial intelligence (AI) that can produce new text, images, video, or audio clips.*
- **Network segregation** — *The separation of the network into logical or functional units called zones. For example, you might have a zone for sales, a zone for technical support and another zone for research, because each group has different technical needs.*
- **Role-based access control (RBAC)** — *A policy-neutral access-control mechanism defined around roles and privileges.*
- **Server** — *A computer program or a device that provides functionality for other programs or devices, called clients.*

•**Virtual private network (VPN)** — A secure private network connection across a public network.

•**VLAN (virtual LAN)** — A logical grouping of devices in the same broadcast domain.

## 9. Governing Law and Jurisdiction

All matters, disputes or claims relating to McKenney's and this Policy shall be governed by and construed in accordance with the internal laws of the State of Georgia without giving effect to any choice or conflict of law provision or rule. Any legal suit, action or proceeding arising out of, or related to, this Policy shall be resolved by arbitration in Atlanta, Georgia administered by the American Arbitration Association and judgment on the Award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

## Your Privacy

We value your privacy as an individual but sometimes we each must sacrifice some individual privacy for the benefit of our entire group. These situations are rare and we'll make every effort to discuss it with you when it happens.

During the course of your employment, we may perform and update your background, credit and reference checks.

In order to maintain the security of our workplace and property, employees, and visitors to our workplace, we may need to utilize surveillance, including video surveillance. We may also need to search or inspect the contents of offices, lockers, storage areas, file cabinets, desks, boxes, workstations, or personal property like packages, backpacks, bags, etc. We reserve the right to do these things at any time for legitimate security reasons only.

## Sensitive Information Policy

### BACKGROUND

The risk to McKenney's, Inc., its employees and customers from data loss and identity theft is of significant concern to the company and can only be reduced through the combined efforts of every employee and contractor.

### PURPOSE

McKenney's adopts this sensitive information policy to help protect employees, customers, contractors and the company from damages related to loss or misuse of sensitive information. This policy will:

- Define sensitive information
- Describe the physical security of data when it is printed on paper
- Describe the electronic security of data when stored and distributed

Putting the Identity Theft Prevention Program in place enables the company to protect existing customers, reducing risk from identity fraud and minimize potential damage to the company from fraudulent new accounts. The program will:

- Identify Red Flags that signify potentially fraudulent activity within new or existing covered accounts

- Detect Red Flags when they occur in covered accounts
- Respond to Red Flags to determine if fraudulent activity has occurred and act if fraud has been attempted or committed
- Update program periodically, including reviewing accounts that are covered and Red Flags that are part of the program

## SCOPE

This policy and protection program apply to employees, contractors, consultants, temporaries, and other workers at McKenney's, including all personnel affiliated with third parties.

## POLICY

### Sensitive Information Policy

#### 1. Definition of Sensitive Information

a. Personal Information - Sensitive information consists of personal information including, but not limited to:

##### i. Credit Card Information

- Credit Card Number (in part or whole)
- Credit Card Expiration Date
- Cardholder Name
- Cardholder Address

##### i. Tax Identification Numbers, including:

- Social Security Number
- Social Insurance Number
- Business Identification Number
- Employer Identification Numbers

##### i. Payroll Information, including among other information:

- Paychecks
- Pay Stubs
- Pay Rates

##### i. Cafeteria Plan Check Requests and associated paperwork

##### ii. Medical Information for any Employees or Customers, including but not limited to:

- Doctors Names and Claims
- Insurance Claims
- Prescriptions
- Any related personal medical information

##### i. Other Personal Information belonging to Customers, Employees and Contractors, example of which include:

- Date of Birth
- Address
- Phone Numbers
- Maiden Name
- Names
- Customer Number

a. Corporate Information - Sensitive corporate information includes, but is not limited to:

- i. Company, employee, customer, vendor, supplier confidential, proprietary information or trade secrets.
  - ii. Proprietary and/or confidential information, among other things, includes: business methods, customer utilization information, retention information, sales information, marketing and other Company strategy, computer codes, screens, forms, information about, or received from, McKenney's current, former and prospective customers, sales associates or suppliers or any other non-public information. Proprietary and/or confidential information also includes the name and identity of any customer or vendor and the specifics of any relationship between and among them and the company.
  - b. Any document marked "Confidential," "Sensitive," "Proprietary," or any document similarly labeled.
  - c. McKenney's personnel are encouraged to use common sense judgment in securing the company's Confidential information to the proper extent. If an employee is uncertain of the sensitivity of a particular piece of information, he/she should contact their supervisor/manager.
1. Electronic Distribution - Every employee and contractor performing work for McKenney's will comply with the following policies:
- a. Internally, sensitive information may be transmitted using approved company email. All sensitive information must be encrypted when stored in electronic format.
  - b. Any sensitive information sent external must be encrypted and password protected and only to approved recipients. Additionally, a statement such as this should be included in the email, *"This message may contain confidential and/or proprietary information, and is intended for the person/entity to whom it was originally addressed. Any use by others is strictly prohibited."*
2. Hard Copy Distribution - Every employee and contractor performing work for McKenney's will comply with the following policies:
- a. File cabinets, desk drawers, overhead cabinets, and any other storage space containing documents with sensitive information will be locked when not in use.
  - b. Storage rooms containing documents with sensitive information and record retention areas will be locked at the end of each workday.
  - c. Desks, workstations, work areas, printers and fax machines, and common shared work areas will be cleared of all documents containing sensitive information when not in use.
  - d. Whiteboards, dry-erase boards, writing tablets, etc. in common shared work areas will be erased, removed, or shredded when not in use.
  - e. When documents containing sensitive information are discarded they will be placed inside a locked shred bin or immediately shredded using a mechanical cross cut or Department of Defense (DOD) approved shredding device. Locked shred bins are labeled *"Confidential paper shredding and recycling"*. If you need any assistance in locating one of these bins, please contact a supervisor/manager.

## Identity Theft Prevention Program

- 1). Covered Accounts - Every new and existing customer account that meets the following criteria is covered by this program
- a. Business, personal and household accounts for which there is a reasonably foreseeable risk of identity theft.
  - b. Business, personnel and household accounts for which there is a reasonably foreseeable risk to the safety and/or soundness of the company from identity theft, including financial, operational, compliance, reputation, or litigation risks.

2). Red Flags - The following "Red Flags" are potential indicators of fraud and any time when a Red Flag, or a situation closely resembling a Red Flag, is apparent, it should be investigated for verification.

a. Alerts, Notifications, or Warnings from a consumer reporting agency

- i. A fraud or active duty alert is included with a consumer report.
- ii. A consumer reporting agency provides a notice of credit freeze in response to a request for a consumer report.
- iii. A consumer reporting agency provides a notice of address discrepancy, as defined in § 334.82(b) of this part.
- iv. A consumer report indicates a pattern of activity that is inconsistent with the history and usual pattern of activity of an applicant or customer, such as:
  - A recent and significant increase in the volume of inquiries
  - An unusual number of recently established credit relationships
  - A material change in use of credit, especially with respect to recently established credit relationships
  - An account that was closed for cause or identified for abuse of account privileges by a financial institution or creditor

b. Suspicious Documents

- i. Documents provided for identification appear to have been altered or forged.
- ii. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
- iii. Other information on the identification is not consistent with information provided by the person opening a new covered account or customer presenting the identification.
- iv. Other information on the identification is not consistent with readily accessible information that is on file with the financial institution or creditor, such as a signature card or a recent check
- v. An application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

c. Suspicious Personal Identifying Information

- i. Personal identifying information provided is inconsistent when compared against external information sources used by the financial institution or creditor. For example:
  - 1. The address does not match any address in the consumer report
  - 2. The Social Security Number (SSN) has not been issued, or is listed on the Social Security Administration's Death Master File
- ii. Personal identifying information provided by the customer is not consistent with other personal identifying information provided by the customer. For example, there is a lack of correlation between the SSN range and date of birth
- iii. Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by the financial institution or creditor. For example:
  - 1. The address on an application is the same as the address provided on a fraudulent application
- iv. Personal identifying information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by the financial institution or creditor. For example:
  - 1. The address on an application is fictitious, a mail drop, or prison
  - 2. The phone number is invalid, or is associated with a pager or answering service

- v. The SSN provided is the same as that submitted by other persons opening an account or other customers.
- vi. The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts or other customers
- vii. The person opening the covered account or the customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete.
- viii. Personal identifying information provided is not consistent with personal identifying information that is on file with the financial institution or creditor.
- ix. For financial institutions and creditors that use challenge questions, the person opening the covered account or the customer cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.

d. Unusual Use of, or Suspicious Activity Related to, the Covered Account

- i. Shortly following the notice of a change of address for a covered account, the institution or creditor receives a request for new, additional, or replacement cards or a cell phone, or for the addition of authorized users on the account.
- ii. A new revolving credit account is used in a manner commonly associated with known patterns of fraud patterns. For example:
  - 1. The majority of available credit is used for cash advances or merchandise that is easily convertible to cash (e.g., electronics equipment or jewelry)
  - 2. The customer fails to make the first payment or makes an initial payment but no subsequent payments
- iii. A covered account is used in a manner that is not consistent with established patterns of activity on the account. There is, for example:
  - 1. Nonpayment when there is no history of late or missed payments; A material increase in the use of available credit
  - 2. A material change in purchasing or spending patterns
  - 3. A material change in electronic fund transfer patterns in connection with a deposit account
  - 4. A material change in telephone call patterns in connection with a cellular phone account
- iv. A covered account that has been inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).
- v. Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's covered account.
- vi. The financial institution or creditor is notified that the customer is not receiving paper account statements.
- vii. The financial institution or creditor is notified of unauthorized charges or transactions in connection with a customer's covered account.

e. Notice from Customers, Victims of Identity Theft, Law Enforcement Authorities, or Other Persons Regarding Possible Identity Theft in Connection with Covered Accounts Held by the Financial Institution or Creditor

- i. The financial institution or creditor is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that it has opened a fraudulent account for a person engaged in identity theft.



3). Responding to Red Flags - Once potentially fraudulent activity is detected, it is essential to act quickly as a rapid appropriate response can protect customers and the company from damages and loss.

1. Once potentially fraudulent activity is detected, gather all related documentation and write a description of the situation. Take this information and present it to the designated authority for determination.
2. The designated program representative will complete additional authentication to determine whether the attempted transaction was fraudulent or authentic.
3. If a transaction is determined to be fraudulent, appropriate actions must be taken immediately. Actions may include:
  - a. Cancel the transaction
  - b. Notify and cooperate with appropriate law enforcement
  - c. Determine extent of liability to company
  - d. Notify actual customer that fraud has been attempted

#### 4). Periodic Updates to Plan

1. At periodic intervals established in the program, or as required, the program will be re-evaluated to determine whether all aspects of the program are up to date and applicable in the current business environment.
2. Periodic reviews will include an assessment of which accounts are covered by the program.
3. As part of the review, Red Flags may be revised, replaced or eliminated. New Red Flags may also be appropriate.
4. Actions to take in the event that fraudulent activity is discovered may also require revision to reduce damage to the company and its customers.

#### 5). Program Administration

1. Involvement of Senior Management
  - a. The Identity Theft Prevention Program shall not be operated as an extension to existing fraud prevention programs and its importance warrants the highest level of attention.
  - b. The Identity Theft Prevention Program is the responsibility of the Board of Directors. Approval of the initial plan must be appropriately documented and maintained.
  - c. Operational responsibility of the program can be delegated to a designated employee.

#### 6). Staff Training

1. Staff training shall be conducted for all employees, contractors for whom it is reasonably foreseeable that they may come into contact with accounts or Personally Identifiable Information which may constitute a risk to the company or its customers.
2. Staff members shall continue to receive training as required as changes to the program are made to ensure maximum effectiveness of the program.

#### 7). Oversight of Service Provider arrangements

- 1.It is the responsibility of the company to ensure that the activities of all Service Providers are conducted in accordance with reasonable policies and procedures designed to detect prevent, and mitigate the risk of identity theft.
- 2.A Service Provider that maintains its own Identity Theft Prevention Program, consistent with the guidance of the Red Flag Rules and validated by appropriate due diligence, may be considered to be meeting these requirements.
- 3.Any specific requirements should be specifically addressed in the appropriate contract arrangements.

## **ROLES AND RESPONSIBILITIES**

Management will have the responsibility to enforce this policy and ensure that it is followed by employees and contractors. Additional responsibilities regarding the operation of the Identity Theft Prevention Program are as outlined above or as listed in additional written guidance.

## **DEFINITIONS**

### **Board of Directors**

In addition to the plain meaning, for companies that do not have a Board of Directors, this term is defined as a designated employee at the senior level of management.

### **Encryption**

The translation of data into a secret code. Encryption is the most effective way to achieve data security. To read an encrypted file, you must have access to a secret key or password that enables you to decrypt it. Unencrypted data is called plain text.

### **Hard Copy**

A printout of data stored in a computer. It is considered hard because it exists physically on paper, whereas a soft copy exists only electronically.

### **Service Provider**

Any person or entity that maintains, processes, or otherwise is permitted access to customer information or consumer information through the provision of services directly to the company.

## **ENFORCEMENT**

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

# Let's Talk

If you have any questions, comments, or concerns about anything in this Handbook, you always have someone to talk to. Give us a call or send an email anytime!

## Human Resources

Kim Burnsworth

*Vice President*

###-###-####

[kim.burnsworth@mckenneys.com](mailto:kim.burnsworth@mckenneys.com)

# Employee Handbook Acknowledgement

I understand that this Employee Handbook describes important information about McKenney's Inc.. McKenney's Inc. has the sole discretion to alter these policies from time to time. I also understand that revisions to these policies may supersede or eliminate one or more existing policies and that all such changes will be communicated through official notices.

I understand that my employment with McKenney's Inc. is at-will, is entered into voluntarily, and that I or McKenney's Inc. are free to end the employment relationship at any time, for any or no reason, with or without cause or advance notice unless a separate arrangement (i.e. an employment contract) with McKenney's Inc. indicates to the contrary.

I understand that this Employee Handbook is neither a contract for employment, express or implied. I have had an opportunity to read and will comply with both the policies contained here and any revisions made to it. This Employee Handbook supersedes any and all prior editions.

---

*Signature / Date*