



April 6, 2017

Minami Imoto  
1-20-25 Nagahama, Kanazawa, Yokohama  
Kanagawa, Japan 236-0011

Dear Minami,

On behalf of Koch Companies Services, LLC, I am pleased to confirm our offer of employment to you as an Auditor. If our offer is accepted, your start date will be determined by you and your supervisor, Jonathan Chu. The following information summarizes the details of our offer:

- You will receive a monthly salary of \$4,833.34, which is an annual equivalent of \$58,000.00 with the normal paydays of the 15th and last business day of each month.
- You will receive \$5,000.00 (gross) as a taxable sign-on bonus payable on your first paycheck. This bonus is not eligible for contribution to the 401(k) Savings Plan.
- You will be eligible to take paid vacation time off according to the schedule specified in the Vacation Guideline.
- As a full-time employee, you will be eligible to participate in our benefits program. Your eligibility to participate in the Company's employee benefit plans is governed by applicable laws and the benefit plan documents, both of which can change at any time. **Please remember – you must enroll in the benefit plans within 31 days of your hire date or you will not have coverage.** Your hire date is the day that you begin your employment as defined in this letter. If you are hired on the first day of a month and have properly enrolled, medical and dental coverage will take effect immediately; if you are hired on any other day of the month and have properly enrolled, medical and dental coverage will take effect on the first of the month following the hire date. For example, if your hire date is August 1, coverage will be effective August 1; if your hire date is August 15, coverage will be effective September 1. A benefits packet will be sent to you with your new hire paperwork. If you have any questions, please call 1-800-700-3365.

KBS Global Mobility will administer all aspects of your relocation assistance. Specific terms and conditions applicable to your relocation are available. Upon acceptance of this offer, you will be contacted by KBS Global Mobility to review and coordinate the following assistance items:

- **Final Move Travel:** The Company will pay for reasonable expenses incurred during your final move to the host location. Reasonable expenses will include one-way economy class airfare costs, meals, and lodging (as required.) All airfare and lodging should be coordinated through the KBS Global Mobility process. Meals and incidentals should be paid out-of-pocket and expenses claimed through the KBS Global Mobility reimbursement process.
- **Movement of Household Goods:** The company will reimburse you for actual costs of reasonable accompanied baggage during your final move travel.
- **Destination Services:** You will receive Destination Services through an outside vendor to assist you with your immediate transition to life in the new location. Services include area orientation, home search, settling-in (up to a 5-day bundled package).
- **Temporary Living:** The Company will cover expenses incurred for reasonable and necessary lodging for up to 60 days total. This total allotment may be used in the home location, the host location, or a combination between the two. Efforts should be made to minimize the time spent in temporary living. Temporary living arrangements will be coordinated through KBS Global Mobility.
- **Tax Assistance:** You will receive Tax Services offered through a tax consulting firm that will be arranged by KBS Global Mobility. You will receive a Japan Exit Briefing, a US Arrival Consultation, as well as US and Japan tax return preparation assistance for the year of your transfer (2017).
- **Immigration:** The cost of obtaining visas and other documents related to living and working in the United States will be paid by the Company.

It is our intent that you will receive the relocation assistance described in this offer letter for a period of one year after the start date for the position described in this offer (as such time period may be extended at Company's sole discretion) ("Assistance Period"); however, you shall no longer be entitled to the relocation assistance, and may be required to repay Company the cost of such assistance, if you do not remain continually employed with the Company throughout the Assistance Period.

Your sign-on bonus and relocation is subject to repayment if your employment with the Company ends at any time prior to your one-year anniversary of the first day of employment as in the role described by this offer.

This offer of employment is contingent upon obtaining and maintaining proper work authorization approved and issued by the U.S. Citizenship and Immigration Service.

This letter in no way alters the traditional employment-at-will relationship, meaning that your employment is subject to termination at-will by either you or by us, at any time, without cause or notice, for any or no reason, provided that it is not an unlawful reason.

I look forward to you joining Koch Companies Services, LLC. Please call Jonathan Chu at (630) 527-4232 to confirm your acceptance of our offer or if you have any questions.

Sincerely,



Morgan Brees  
Talent Acquisition Partner

Enclosure: Koch Industries, Inc. Substance Abuse and Testing Policy

This offer is accepted by:

Printed

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Koch Industries, Inc.**  
**Substance Abuse and Testing Policy**

Koch Industries, Inc., including its subsidiary and affiliate companies ("Koch"), is committed to protecting the safety, health, and well-being of our employees, our customers, and the general public. Drug and alcohol abuse impair judgment, performance and health. Consistent with the spirit and intent of this commitment, Koch has established this policy setting out our rules on substance abuse and our drug and alcohol testing policy.

**1. Scope**

This policy applies to all Koch employees, as well as to applicants for employment. Compliance with this policy is a condition of employment. Job applicants in violation of this policy will not be hired. Employees and applicants for positions that are subject to U.S. Department of Transportation ("DOT") regulations on substance abuse and testing (and similar state laws) must comply with this policy and with the relevant DOT drug and alcohol policies.

This policy also applies to all on-site contractors, guests, and other visitors. Contractors and guests who violate this policy will be removed from Koch premises and may be barred from further access to Koch facilities. Koch may also require contractor companies to certify that each of their employees who perform services on behalf of Koch are subject to a drug and alcohol testing policy that meets or exceeds the standards set in Koch's policy.

Questions about this Policy may be directed to an employee's Human Resources Leader, any Compliance and Ethics representative, KII Human Resources at 800/325-0598, option 4 or DOT Compliance Services at 800/666-9085.

**2. Definitions**

The following terms used in this policy are defined as follows:

- a. **"Illegal Drugs"** includes any drug the possession or use of which is made unlawful under federal, state, or local law. "Illegal Drugs" may include any of the following, provided that testing for such substances is allowed under applicable law: amphetamines, cannabinoids, cocaine, phencyclidine (PCP), barbiturates, benzodiazepines, methadone, hydrocodone, oxycodone, other synthetic or semi-synthetic narcotics, any substance listed and regulated under the federal Controlled Substances Act (21 U.S.C § 812), prescription medicines not prescribed for the user or not used in the manner or for the purpose prescribed, and hallucinogenic products not intended for human consumption and which have an impairing or intoxicating effect on the user.
- b. **"Alcohol"** means any beverage, medication, or other substance containing ethyl alcohol. Employees who test positive for alcohol at a level of .04 percent or more will be considered under the influence of alcohol and will be subject to discipline, up to and including termination of the employment relationship.
- c. **"Drug Paraphernalia"** means any material or equipment designed to test, package, store, or introduce an Illegal Drug into the human body.
- d. **"Employee"** means any individual employed by Koch.
- e. **"Applicant"** means any individual applying for employment at Koch.
- f. A **"Positive Test"** for Illegal Drugs or alcohol means that both an initial and confirmatory test have demonstrated the presence of an Illegal Drug, metabolites of an Illegal Drug, or alcohol in an employee's system at levels that exceed the thresholds set by the company. An alcohol test will be considered positive if the employee tests positive at the level of .04 percent blood alcohol or more. A **"Verified Positive Drug Test"** is a confirmed Positive Drug Test that has been reviewed by a Medical Review Officer.

- g. A “Medical Review Officer” or “MRO” is a medical doctor with an expertise in toxicology who is charged ensuring the integrity of the drug testing process by reviewing positive, adulterated, and substituted test results and attempting to confer with the tested individuals to determine whether there is a legitimate reason for the positive drug test.
- h. “Workplace” means a site at which work is to be done in connection with Koch’s business. This may include, but is not limited to, all structures and surrounding properties at which Koch conducts its business, any company-provided vehicles or equipment whether owned, leased, or used, regardless of location, and any other location at which Koch related work or business is performed including off-site locations.

### **3. Prohibited Activities**

#### ***Drugs***

Koch strictly prohibits the use, sale, attempted sale, conveyance, distribution, manufacture, purchase, attempted purchase, possession, cultivation, and/or transfer of Illegal Drugs. This prohibition on illegal activity applies not only during working hours (including meal and rest breaks, and any time when the employee is working on behalf of or representing Koch) and while on company-owned or occupied premises, but extends to all illegal activities involving Illegal Drugs. Employees who receive Verified Positive Drug Test results, who are convicted of charges involving Illegal Drugs, or who violate the company’s policies on substance abuse in any way will be subject to appropriate disciplinary action, up to and including termination.

This policy does not prohibit employees from the lawful use and possession of prescribed or over-the-counter medications. See the section on Prescription Medications below.

#### ***Alcohol***

Koch prohibits the use or possession of alcohol while working, while operating a company-provided vehicle, or while in the workplace. The use or abuse of alcohol off the job that impairs performance on the job may subject the employee to disciplinary action, as may criminal convictions involving the abuse of alcohol.

Employees are prohibited from working with alcohol in their systems. A test showing the presence of .04 percent or more alcohol in an individual’s system is considered proof that the individual has violated this policy. An employee whose alcohol test demonstrates the presence of an alcohol concentration between 0.00 and 0.04 may be sent home from work and may be subject to further discipline, up to and including termination of employment.

Employees whose job responsibilities involve periodic entertainment of guests or others may be permitted to order, serve, or consume alcohol as authorized by management. Employees who choose to drink alcohol in these circumstances are expected to exercise good judgment and to refrain from becoming intoxicated or impaired.

#### ***Prescription Medications***

When a physician prescribes the use of prescription or over-the-counter drugs, or when over-the-counter drugs bear warnings about side effects that may affect job performance, each employee should ask his or her health care provider whether such drugs may adversely affect his or her ability to safely perform assigned duties. Working while using or being under the influence of a legal drug (that is, a drug that has been legally prescribed and is used solely for its prescribed purpose, or an over-the-counter drug that has been legally obtained and is being used for its FDA-approved purpose) is prohibited if that use may affect your ability to perform your job safely.

Please note that the use, possession and cultivation of “medical marijuana” is illegal as a matter of federal law. If an employee has a valid prescription for “medical marijuana,” it will be considered on a case-by-case basis in compliance

with state and local law. If an employee has a valid prescription for "medical marijuana," it will be considered on a case-by-case basis in compliance with state and local law.

Employees' and applicants' proper use of over-the-counter medication or medication that has been prescribed by a physician for that employee or applicant is not prohibited by this Policy. It is each employee's responsibility to check with a physician regarding whether the use of any medication may adversely affect performance or safety at work. An employee must advise his or her immediate supervisor if he or she is taking a medication, including a valid prescription for "medical marijuana," that may adversely affect the employee's ability to perform assigned duties safely. The employee need not report the name of the drug nor the medical condition being treated unless specifically asked for it by safety personnel, a member of the on-site nursing staff, or a Human Resources employee for purposes of evaluating suitable accommodations while the employee uses the medication.

Koch does not unlawfully discriminate against employees or applicants on the basis of disability. Employees and Applicants who seek a reasonable accommodation due to an underlying disability are encouraged to submit any requests to Human Resources.

A Covered Person who is using or tests positive for a prescription drug for which he/she has a valid prescription, but which drug use may pose a direct threat to the employee or others in the workplace (or which may otherwise adversely affect the employee's job performance), may be subject to further assessment. Koch will conduct an individualized assessment of the individual's ability to perform the essential functions of the job in question while utilizing such drug without posing a direct threat to the health or safety of the employee or others in the workplace, before taking any further action related to the employee's employment.

#### **4. Federal and State Drug-Free Workplace Act Compliance**

Koch complies with the federal Drug-Free Workplace Act of 1988. A separate Drug Free Workplace policy statement is available at your work location.

##### ***Criminal Convictions***

As required by the Drug-Free Workplace Act of 1988, those employees working on federal grants or federal contracts must notify the company of any drug conviction (including any plea of "guilty" or "no contest") no later than five days after such conviction. In some circumstances, Koch may be required to report such a conviction to federal contracting officials and will do so promptly.

In addition, Koch policy requires all employees who are required to operate machinery or a motorized vehicle (including a rental car) in the course of their employment to notify Koch within five (5) days of any conviction for a crime involving drugs or alcohol. A conviction means a finding of guilt, including a plea of guilty or no contest, or imposition of sentence, by any judicial body. Although convictions will not automatically lead to discipline, off-duty conduct that violates this policy may have a bearing on an employee's continued suitability for the job.

Koch may, upon notice of a conviction of any crime involving drugs or alcohol, take appropriate personnel action, up to and including immediate termination.

##### ***Education & Awareness Program***

Koch will periodically provide information to employees working on government grants or contracts regarding the effects and dangers of drug and alcohol abuse, the resources available to employees through the Company and in the community to address substance abuse and dependence, and information about the provisions of, and consequences of, violating this Policy. Supervisors will be provided information and training to recognize the signs and symptoms of substance abuse.

### ***Acknowledgment of Receipt***

New employees will be required to sign a receipt acknowledging that they have received this Policy.

### ***5. Drug & Alcohol Testing***

Koch may test employees and applicants for the presence of Illegal Drugs and/or alcohol in the circumstances described below. Tests may seek the presence of one or all of the following substances including, but not limited to: amphetamines (including methamphetamine or "ice", MDMA ((ecstasy), MDA or MDEA), barbiturates (some sleep aids), benzodiazepines (Valium), cocaine, cannabinoids (marijuana, THC, hemp, K2, "spice"), methadone, opiates (including heroin, 6MAM, morphine, and codeine), phencyclidine (angel dust, PCP), hydrocodone, oxycodone, other synthetic or semi-synthetic narcotics and alcohol. All testing shall be performed in accordance with applicable federal, state and/or local laws.

### ***Pre-Employment***

Offers of employment will be conditioned upon taking and passing a drug test before commencing work. Employment offers will be withdrawn whenever an applicant receives a Verified Positive Drug Test result or refuses to participate in the testing process. In addition, employees who are transferred, reassigned or promoted to a different position or job may be subjected to drug and/or alcohol testing.

### ***Reasonable Suspicion***

When Koch management has reason to believe that an employee may be in violation of this Policy, the employee may be asked to submit to a reasonable suspicion drug and/or alcohol test. Requests for reasonable suspicion tests will be based upon reasonably contemporaneous observations of the individual's behavior or performance, or other indication that this Policy may have been violated.

Reasonable suspicion determinations may be based upon an employee's appearance, behavior, speech, or body odor (e.g., smell of alcohol) which suggest that the employee has abused a controlled substance or misused alcohol, but may also be based upon the presence of suspected Illegal Drugs, alcohol, or drug paraphernalia on the employee's person or in the employee's work space, or other indications that the employee may be in violation of this policy.

Examples of observations or facts that may trigger a request to submit to a reasonable suspicion test include, but are not limited to, one or more of the following:

- observed suspected drug or alcohol abuse or misuse;
- bizarre or erratic behavior, including unexplained violations of safety rules, unexplained change in job performance, or a pattern of conduct that indicates substance abuse may be a problem;
- observed suspected possession of alcohol, Illegal Drugs or drug paraphernalia on the company's premises;
- information provided by either a reliable and credible source or which is independently corroborated; and/or
- physical appearance, smell, or symptoms which may indicate drug or alcohol abuse.

### ***Post-Accident***

Any employee who is involved in a serious accident while on duty may be asked to submit to a post-accident drug and/or alcohol test as part of the company's investigation of the accident. "Serious accidents" include those in which property damage is incurred or medical treatment beyond simple first aid is required. Only employees whose acts could have caused or contributed to the accident will be tested. All such tests will be conducted as soon as possible after the company learns of the accident but after any necessary emergency assistance has been provided. Employees involved in a workplace accident should not use any alcohol until after completing the testing process or being informed by a manager that a test is not required in the circumstances.

### ***Suspicionless/Random Testing***

Employees may be subject to suspicionless and/or random drug and/or alcohol testing. Such employees may either be selected on a random basis (as when an employee's identifying number is selected at random by a computer program from the group of individuals subject to such testing) or on a group-wide basis (as when everyone in a specified group or location is selected for testing on a given date). Employees subject to suspicionless tests will be so notified at the time they apply for or are transferred into such a position, or when the position becomes subject to such testing. All tests will be unannounced and every employee subject to such testing will be eligible for testing every time such selections are made.

### ***Return-To-Work and Follow-Up Testing***

Employees who self-identify as being in need of treatment or assistance with drug or alcohol concerns will be asked to submit to an evaluation by a qualified substance abuse treatment professional and required to participate in any course of treatment prescribed for that employee. After the treatment professional has released the employee to return to work, the employee must take and pass a return-to-work drug and/or alcohol test and agree to a Return-to-Work Agreement providing, among other things, that the employee may be required to submit to frequent unannounced follow-up drug and/or alcohol tests for a period of up to 2 years, as recommended by the employee's treatment provider or as required by applicable federal, state and/or local law.

### ***Client/Customer Imposed Testing***

As allowed by federal, state or local law, employees may be asked to submit to testing as part of a customer or client's substance abuse policy, particularly if the employee is to work on-site at the client or customer's facilities. Employees subject to such testing will be so notified.

### ***Contractor Testing***

Contractors suspected to be in violation of this policy will be referred to their own employer and may be barred from Koch premises. Under the terms of certain contracts, contractor employees may be required to submit to testing prior to being allowed on Koch premises.

## **6. Procedures for Drug & Alcohol Testing**

Koch will ensure that all drug and alcohol tests are conducted under circumstances designed to ensure the accuracy and integrity of the testing process. In particular, Koch will ensure that tests are conducted as follows:

- a. Consent – No sample will be collected, or test conducted on any sample, without the consent of the person being tested. However, an employee's refusal to submit to a test when asked will be viewed as insubordination and will subject the individual to adverse employment action, up to and including termination. Koch will pay the costs of all drug and/or alcohol tests it requires of employees and applicants.



For employees, tests may be required during, or immediately before, or after work time and treated as work time.

- b. **Collection and Chain-of-Custody** – Persons being tested will be asked to provide acceptable identification before giving a test sample to the collection site person. Procedures for the collection of specimens will allow for reasonable individual privacy and sanitary conditions. Urine specimens will be tested for temperature, and may be subject to other validation procedures as appropriate. Dilute specimens may trigger an unannounced recollection. The collection site person and the person being tested will follow appropriate chain-of-custody procedures for specimens at all times. Chain-of-custody refers to the combination of procedures and documentation designed to provide a true and accurate written record of the custody of a biological specimen from the time of the initial collection of the specimen and for long as it exists and is designed to preclude contamination, adulteration and misidentification. Samples may include urine, oral fluids, or hair. Koch reserves the right to perform observed collections, subject to and in accordance with applicable laws.

Koch reserves the right to subject applicants and employees to point-of-collection or on-site initial drug screenings, subject to and in accordance with applicable laws. This type of initial screening is performed at the collection site – rather than at a laboratory – with a single-use, non-instrumented point of collection testing device approved, certified and/or qualified by the federal Food and Drug Administration and meeting generally accepted concentration cutoff levels. Any such screening that results in a positive result must be sent to an approved laboratory for confirmation testing.

- c. **Testing Methods** – Except in those instances where Koch utilizes point-of-collection or on-site initial drug screening, as described above, all drug test samples will be screened using an immunoassay technique and all presumptive positive drug tests will be confirmed using gas chromatography/mass spectrometry (GC/MS). This methodology looks at the molecular structure of the substance detected and is extraordinarily accurate. All confirmatory drug tests will be performed by a laboratory certified by the U.S. Substance Abuse and Mental Health Services Administration to perform federal workplace testing or a laboratory approved by applicable federal, state, and/or local laws. Breath and/or saliva tests ordinarily will be used to detect the presence of alcohol. An alcohol test will be considered positive if it shows the presence of .04 percent or more alcohol in a person's system. Tests will seek only information about the presence of drugs and alcohol in an individual's specimen, and will not test for any medical condition.
- d. **Notification and Medical Review** – Any individual whose test indicates a Positive Test result will be so notified by a Medical Review Officer ("MRO") and given an opportunity to explain in confidence any legitimate reasons he or she may have that would explain the Positive Test (such as, for example, evidence that the individual holds a prescription for the substance detected). If the individual provides an explanation acceptable to the MRO that the Positive Test result is due to factors other than the consumption of Illegal Drugs, the MRO will order the Positive Test result to be disregarded and will report the test as negative to Koch. Otherwise, the MRO will confirm the result as a Verified Positive Drug Test and report the test result to Koch. The MRO may also review suspected adulterated, substituted, and dilute specimens and make determinations about their validity. Individuals may request or may be provided with a copy of their own Verified Positive Drug Test results and related records, as indicated by applicable federal, state and/or local law. In certain states, additional information may be required, consult legal counsel. An individual who has a Positive Test may ask the MRO to have his or her remaining sample sent to an independent certified laboratory for a second confirmatory test, at the individual's expense, and provided that the request is made within five working days of the date the MRO informed the individual of the Positive Test result. The individual may also request an opportunity to explain the test result to the company, if s/he makes the request within 10 days of the date he or she was notified of the result. The company may suspend, transfer, or take other appropriate employment action against the employee pending the results of any such re-test.

- e. **Confidentiality** – All records relating to Positive Test results, drug and alcohol dependencies, and medical information revealed to Koch and/or its MRO shall be kept confidential, and disseminated within the company only on a need-to-know basis. Any records in Koch's possession will be kept in secure files separate from personnel files. Test results will not be released outside the company without the written consent of the tested individual, or as may be ordered by a court or government agency. Access to confidential records will be managed according to applicable federal, state or local law.
- f. **Refusing a Test** – An individual's refusal to submit to drug and/or alcohol testing will be considered insubordination and will result in termination of the employment relationship. Attempts to tamper with, substitute, adulterate, dilute or otherwise falsify a test sample are considered refusals to submit to a test, as is a failure to appear at the testing location promptly after being asked to submit to a test.

## **7. Other important information**

### ***Discipline***

As allowed by applicable federal, state, and/or local law, employees in violation of this policy will be subject to appropriate discipline, up to and including termination, even for a first offense. At its option, or as may be required by law, Koch may require an employee who has violated this policy to enter into a Return-to-Work Agreement that includes an employee commitment to participate in and complete successfully a prescribed and approved drug or alcohol abuse assistance program as a condition of continued employment.

### ***Searches***

Employees are subject to search in accordance with the Code of Conduct.

### ***Employee Assistance***

The company encourages employees to seek assistance with drug and/or alcohol concerns and can assist and support employees in locating services and rehabilitation programs that emphasize education, prevention, counseling, and treatment. The company encourages any employee who may have concerns about substance abuse to seek assistance before the employee violates this or another company policy, resulting in disciplinary action. Employees' health insurance may cover some or all of the cost of drug or alcohol treatment and the employee may be eligible to take a leave of absence while participating in a treatment program. An Employee Assistance Program is available to employees for assistance with personal or work-related problems. Employees should inquire with their local Human Resources representative.

An employee's decision to seek help voluntarily (before the individual is asked to submit to a drug test and/or before the individual is discovered otherwise to have violated this Policy) will not be used as a basis for disciplinary action, although the individual may be transferred, given work restrictions, or placed on leave, as appropriate. A decision to seek help will be treated as confidential, and communicated only to those with a need-to-know. Please be aware, however, that a decision to seek treatment can neither absolve nor protect individuals from the consequences of failing to meet job expectations or for engaging in policy violations, so the company urges employees to seek assistance before substance abuse problems begin to affect job performance.

### ***Compliance***

Koch will administer this policy, including all drug and alcohol testing provisions, in a manner that complies with federal, state and local laws, as well as any applicable collective bargaining agreement.