1 Standards of Conduct and Discipline

1.1 Standards of Conduct

We sincerely attempt to be consistent in all dealings with employees. Standards of conduct have been developed for everyone in the Company in order to maintain a principle of day-to-day relations with fellow employees. It is important that all employees adhere to a consistent set of guidelines relative to, but not limited to, attendance at work, punctuality and work performance. It is our philosophy that all employees are to be treated equitably. Some problems or rule violations may not be serious enough to merit immediate discharge and may be corrected by counseling, warnings, or reprimands.

The following offenses, which are not inclusive, are examples of conduct that may result in disciplinary action or termination depending on the frequency and/or severity of the offense.

• Possession or use of alcoholic beverages or controlled substances, reporting for work under the influence, or

testing positive for alcohol or controlled substances without a prescription. This may include use of drugs or alcoholic beverages during off work hours which affect the employee's efficiency and/or safety on the job.

• Damage to Company property due to negligence.

• Falsification of records, time cards, or "clocking in" for another employee.

• Theft of property belonging to the Company, another employee or a customer.

• Acts resulting in injury, fighting, or horseplay on Company premises.

• Immoral conduct that may affect Company goodwill.

• Insubordination, carelessness or inefficiency.

• Failure to return from leave of absence or vacation when scheduled without notification.

• Gambling of any kind on the premises.

• Carrying firearms or other dangerous weapons on Company premises.

• Absence from work without permission.

• Walking off the job without permission during working hours.

• Smoking in restricted areas.

• Personal use of company property without permission

• Use of internet and/or social networks for personnal use during normal business hours.

• A violation of the standards of behavior which the employer has a right to expect.

• Discourtesy or rudeness that would affect the Company's goodwill.

• Operating machines or equipment not assigned to you by your supervisor.

• Using Company equipment for personal reasons without management approval.

• Sleeping or deliberately loafing during working hours.

• Violation of established safety rules.

• Abusive language.

• Unsatisfactory work performance.

• Failure to report personal work injury to your supervisor.

• Habitual tardiness or excessive absenteeism.

• Inability to work in harmony with co-workers.

• Harassment.

• Any other reason which may be deemed by the employer to make discharge necessary.

1.2 Progressive Discipline

Many problem areas involving employees and their performance or conduct on the job may be dealt with by progressive discipline. This procedure can encourage acceptable performance. Use of progressive discipline is not intended to restrict the right of management to terminate employment at any time, for any reason. Depending upon the nature, frequency, or severity of the violation, management may proceed to use any one, or all of the steps listed below, as deemed appropriate. Types of discipline include:

Informal Counseling: When a problem is first identified, it should be thoroughly discussed with the employee. Notation of the date, time, and nature of the discussion should be made in the event of future problems.

Warning: When an informal counseling session has not resulted in corrective action or a violation of Company policy occurs, a warning is to be issued. Following a thorough investigation, the supervisor will meet with the employee to review the problem noting the previous informal counseling session (if applicable) and permit the employee to present his or her views on the problem. The employee will be advised that failure to correct the problem will result in further discipline action which may include discharge. A written warning will be issued. The warning should include notice that the employee is being placed on probation.

Reprimand: The reprimand is issued at a meeting between the supervisor and the employee when the probationary period has been violated; when a serious violation of Company policy has been committed; or when sufficient improvement and targeted goals for performance have not been met. A probationary period may be assigned and the employee advised that the next violation of policy, or failure to meet acceptable standards of performance may result in immediate termination.

Suspension or Termination: Employees may be suspended while investigating a serious policy violation or a decision to terminate employment. If the Company finds it necessary to suspend an employee, the employee will not be compensated for time that they are away from work.

Depending upon the employee's failure to meet expected standards of performance or behavior, the employee's past record, seniority, and circumstances surrounding the case, it may not be appropriate to apply several steps of disciplinary action. Management reserves the right to determine the suitable course of action, up to and including termination.