



## **Employee Handbook & Policy Guide**



**September, 2015**

**Replaces any and all prior handbooks, manuals, policies and procedures which may have been issued or shared previously whether in written or oral form, emails, or postings.**

# 5 Point Employee Handbook Table of Contents

<b>Introduction.....</b>	<b>5</b>
Welcome.....	5
About This Handbook.....	5
Open Door Policy.....	6
Mission Statement.....	6
<b>Anti-Discrimination and Harassment.....</b>	<b>7</b>
At-Will Statement.....	7
Equal Employment Statement.....	7
ADA Statement.....	7
Harassment Policy.....	8
<b>Employment.....</b>	<b>9</b>
Hiring of Relatives.....	9
Work Eligibility - IRCA.....	9
Orientation Period.....	9
<b>Employee Classifications.....</b>	<b>10</b>
Full and Part Time.....	10
Temporary.....	10
Exempt and Nonexempt.....	10
<b>Compensation.....</b>	<b>11</b>
Performance and Salary Reviews.....	11
Payment of Wages.....	11
Work Hours.....	12
Break Times.....	12
Recording Work Hours.....	12
Overtime Pay.....	13
Shift Premium.....	13
Alternate Second Shift.....	13

<b>Leave and Time off.....</b>	<b>14</b>
Holidays.....	14
Vacations.....	15
Sick Leave.....	16
Family Medical Leave Act - FMLA.....	16
Bereavement Leave.....	18
Jury Duty.....	18
Military Leave - USERRA.....	19
<b>Employee Benefits.....</b>	<b>20</b>
Medical and Dental Insurance.....	20
Retirement Plan (401K).....	20
Short-Term Disability.....	20
Life Insurance.....	21
Worker’s Compensation.....	21
Unemployment Insurance.....	21
<b>Employee Conduct.....</b>	<b>22</b>
Confidentiality.....	22
Employee Personnel Files.....	22
Attendance Policy.....	22
Professional Conduct.....	23
Internal Communication.....	23
Dress Code.....	24
General Housekeeping.....	24
Progressive Discipline.....	25
Immediate Dismissal.....	25
Use of Office Equipment.....	26
Personal Cell Use.....	26
Internet Use.....	26
Employee Privacy.....	27

<b>Health and Safety.....</b>	<b>28</b>
Workplace Security.....	28
Weapons in the Workplace.....	28
Smoking.....	28
Alcohol and Drug Policy.....	29
<b>Separation of Employment.....</b>	<b>30</b>
Voluntary Resignation.....	30
Job Abandonment.....	30
Termination.....	30
Return of Company Property.....	30
Vacation Payout.....	30
COBRA.....	31
<b>Acknowledgment and Receipt.....</b>	<b>32</b>

# **Introduction**

## **Welcome**

We are pleased you have decided to become a member of our team at 5 Point Fabrication, LLC (herein after 5 Point). There are many benefits to working in our environment, and we hope your association with us will be challenging, interesting and rewarding.

Our goal is to provide high quality service to our customers in a friendly, efficient, ethical, and cost-effective manner. Our continued success depends largely on the high degree of concern we have for our customers, our professionalism, and our efficiency. Your participation and involvement are welcomed.

We have a very strong commitment to achieving excellence in the top-quality, personalized, and confidential service we provide to our customers. This includes not only the work we do, but also the speed and accuracy with which our work is performed and accounted for. In order to maintain this level of service, each of us must be flexible in performing a variety of duties and working additional hours when the need arises. When we all pitch in and help, we all benefit from the cooperation.

Everyone at 5 Point plays an important role in our continuing success. We are counting on each of you to put forth your best effort for our customers, as they are what makes our business possible.

This employee handbook has been developed to keep you informed about the various policies and procedures that affect your work life with us. Read these pages carefully and keep this handbook readily available as it answers many of the questions that typically arise.

## **About This Handbook**

This Employee Handbook (the “Handbook”) is designed to acquaint you with 5 Point Fabrication, LLC (5 Point) and to provide information about working conditions, expectations, general policies and procedures and employee benefits. You should read, understand and comply with all provisions of this Handbook. This Handbook is not an employment contract or legal document.

It is not possible for us to cover every conceivable business situation that may arise during your employment. While this Employee Handbook is intended to describe our general policies and procedures, 5 Point maintains the right to add, delete, modify, rescind, or change any of these terms, conditions, policies, and practices at any time as appropriate for the current and ever-changing business conditions and circumstances involved, or as necessary to comply with any applicable law or statute. We will attempt to provide you with notification of any other changes as they occur.

Please read this Employee Handbook carefully, review it often and ask questions. Any questions regarding this manual should be directed to your manager, Human Resources, or any management level employee with whom you feel most comfortable talking.

Please note that this Handbook is designed to comply with all state, federal and other applicable laws. To the extent that any applicable law conflicts with any provision of this Handbook, the applicable law shall supersede and modify the conflicting policy of this Handbook and shall be incorporated as part of the policy.

### **Open Door Policy**

5 Point is committed to maintaining a positive and pleasant environment in which to work, and believes in an open door policy. You are encouraged to see your immediate supervisor with suggestions, questions or problems relating to your job. You can also meet with any management representative without regard to his or her position in the Company.

It is our goal to find equitable solutions to problems on the first possible level, whether something arises with an employee or group of employees resulting from work requirements or the work conditions. Concerns brought to the attention of management within the context of these procedures will be kept as informal and confidential as possible. This is to ensure equality and fair play for all concerned. All grievances will go first to an employee's immediate supervisor for resolution. However, if an employee's immediate supervisor is not able to resolve the situation or if the employee feels that the situation involves their immediate supervisor, employees should feel free to contact the next level of management or President.

While this procedure cannot result in every problem being resolved to your satisfaction, the Company values your input and you should feel free to raise issues of concern.

### **Mission Statement**

Combining trust, respect, and hard work, 5 Point Fabrication executes engaging employees at every level, utilizing the best talent, to be the premier custom metal fabrication shop in the Midwest. Holding all accountable and emphasizing personal character with genuine authenticity, shows we care. Our core values strive to help our customer, vendors, and employees succeed!

# **Anti-Discrimination and Harassment**

## **At-Will Statement**

Your employment here is at-will. This means that you are free to quit at any time, for any reason, just as we are free to terminate your employment at any time, for any reason - with or without notice, with or without cause.

No employee other than a member of 5 Point's Board of Directors has the authority to change the at-will employment contract. Nothing in this handbook constitutes a contract or promise of continued employment.

## **Equal Opportunity Statement**

At 5 Point, we are strongly committed to providing equal employment opportunity for all employees and all applicants for employment. All employment decisions at 5 Point, including, but not limited to, those related to hiring, promotion, transfers, benefits, compensation, placement, and termination - will be made without regard to race, age, religion, sex, national origin, citizenship, disability, military status, or sexual orientation.

Our company promises to uphold and comply with all federal and state employment laws. If any employee or applicant believes that he or she has been discriminated against in violation of this policy, they should immediately file a complaint with their supervisor. Any employee found in violation of this policy will face disciplinary action and possible termination. In addition, it is the duty of every employee at 5 Point to help create a job environment that is conducive to an effective equal employment opportunity.

## **Americans with Disabilities Act (ADA)**

It is the policy of 5 Point to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our company policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

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

## **Harassment**

### ***Statement of Policy***

5 Point is committed to providing a work place which is free from sexual harassment as well as unlawful harassment based on ancestry, race, marital status, medical condition, mental disability, physical disability, national origin, religion, sex, sexual orientation, or any other protected characteristic. 5 Point does not tolerate harassment of employees by managers, supervisors, or co-workers. 5 Point will also attempt to protect employees from harassment by non-employees in the work place. In keeping with this commitment, 5 Point maintains a strict policy prohibiting unlawful harassment, including sexual harassment. This policy applies to all employees. Furthermore, it prohibits harassment in any form, including verbal, physical, and visual harassment.

### ***Harassment Defined***

Harassment is unwelcome conduct that creates an intimidating, hostile or offensive working environment that interferes with work performance. Such conduct constitutes harassment when: (i) submission to such conduct is made an explicit or implicit term of employment; (ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or (iii) such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of types of unlawful harassment include:

- VERBAL CONDUCT such as epithets, derogatory comments, slurs, comments about an individual's body or dress, dirty jokes, persistent request for dates, or unwanted sexual advances, invitations or comments.
- VISUAL CONDUCT such as derogatory cartoons, pictures, photographs, drawings or gestures.
- PHYSICAL CONDUCT such as assault, blocking normal movement, or interference with work directed at an individual because of his or her sex or other protected basis.
- THREATS AND DEMANDS to submit to sexual requests in order to keep a job or avoid some other loss, and offers of job benefits in return for sexual favors.
- RETALIATION for having reported harassment.

### ***Reporting, Investigation and Discipline***

Sexual harassment and retaliation for opposing harassment or participating in harassment investigations are illegal. Any employee who believes that he or she has been harassed or that any other employee has been subjected to harassment, whether by an employee or non-employee, must promptly report the facts and the names of the individuals involved to his or her supervisor, or, in the alternative, to another member of 5 Point management. Every complaint of harassment will be investigated thoroughly and promptly. Confidentiality will be protected to the extent possible while conducting a thorough investigation. 5 Point will not tolerate retaliation against any employee who reports harassing conduct. If 5 Point determines that harassment has occurred, 5 Point will take appropriate action against offending employees which may result in termination.



# **Employment**

## **Hiring of Relatives**

For business reasons, management of 5 Point must retain sole discretion with respect to the employment of relatives, married individuals, roommates or employees involved in a dating or romantic relationship. Therefore, 5 Point's Board of Directors must approve the employment of relatives or individuals with close personal relationships wherever, in 5 Point's judgment, potential problems of supervision, safety, security or morale or potential conflicts of interest exist for either the individual employees involved or for any other employee of 5 Point. 5 Point will analyze and decide all situations on a case-by-case basis and will comply with the guidelines in this handbook.

## **Work Eligibility – Immigration Reform Control Act (IRCA)**

Successful candidates for employment are required to present documents to establish their identity and eligibility to work in the United States. New employees must complete an I-9 form. Should a new employee fail to submit satisfactory documentation within the first 3 business days of employment, his or her employment will be terminated. If you have worked for 5 Point before, you need only provide this information if it has been more than three years since you last completed an I-9 form or if your current I-9 form is no longer valid.

## **Orientation Period (Trial Service Period)**

The first 60 calendar days of your employment with 5 Point is considered a "Trial Service Period". 5 Point reserves the right to extend this period whenever it deems such an extension appropriate. During this Trial Service period you will not receive any of the paid benefits that a regular full-time employee receives, which is explained in detail later in the handbook. After the Trial Service period is completed and if your work performance is satisfactory, your status will be changed to that of a regular full-time or part-time employee, and you will then be eligible for all other applicable benefits.

# Employee Classification

## **Regular, full time**

An employee who regularly works a minimum of 40 hours a week on a continuing basis, and who has completed the Trial Service period, is considered a regular full-time employee.

## **Regular, part time**

An employee who regularly works less than 40 hours a week and has completed the Trial Service period.

## **Temporary**

An employee who holds the position either part time or full time for a limited term only. Employment beyond any initially stated period does not in any way imply a change in employment status.

## **Exempt and Nonexempt**

In addition to the categories outlined above, each job is designated as either **EXEMPT** or **NONEXEMPT** from the Federal Fair Labor Standards Act (FLSA) and Wisconsin Wage and Hour Laws.

**EXEMPT (Salaried):** Exempt employees are those who do not earn overtime because they are exempt from the overtime provisions of the federal Fair Labor Standards Act and applicable state laws.

**NONEXEMPT (Hourly):** Nonexempt employees are those who meet the criteria for being covered by the overtime provisions of the federal Fair Labor Standards Act and applicable state laws.

# Compensation

## Performance and Salary Review

5 Point believes in the importance of employee performance evaluation. Performance reviews are conducted annually, or if appropriate, more often. Your performance is reviewed based on such factors as quality of work, work achievement, initiative, and knowledge of work, dependability, job attitude and teamwork.

Periodic reviews provide you with valuable feedback on your performance, including the identification of strengths and weaknesses. The performance evaluation gives you the opportunity to talk candidly to your supervisor regarding your performance and should lead to an understanding about performance expectations for the following year.

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

## Payment of Wages

All employees are paid on a bi-weekly basis; an earnings statement is delivered to you each payday. Please review it for errors so that they can be corrected as soon as possible. **Direct Deposit** is required; please see the HR department for sign up forms or to make changes.

If the pay date lands on a holiday, you will be paid on the closest business day before the holiday. Paychecks include salary or wages earned less any mandatory or elected deductions and or wage garnishments. Mandatory deductions include federal or state withholding tax, and other withholdings. Elected deductions are deductions authorized by the employee, and may include, for example, contributions to benefit plans. Wage garnishments may include, but are not limited to, child support, and other monies owed to government agencies.

Employees may contact the Human Resources department with any questions on payroll or to obtain the necessary authorization forms for requesting additional deductions from their paychecks.

## Work Hours

The Company's usual hours of business are stated below; however, 5 Point reserves the right to alter hours without notice as business necessity demands.

<b>Office Business Hours:</b>	Monday through Friday 7:00 am – 4:30 pm
<b>Shop First Shift:</b>	8 hour day – Monday through Friday 6:00 am – 3:30 pm
<b>Shop Second Shift:</b>	10 hour day – Monday through Thursday 3:00 pm – 1:00 am
<b>Alternate Second Shift:</b>	12 hour day – Monday through Wednesday 3:00 pm – 3:00 am

**\*Shift start and end times will be on the hour or half hour\***

Each department establishes its own work schedule and hours. Your individual work schedule will be communicated by your manager or supervisor based upon the requirements of your job. Work schedules will be changed as needed due to workloads, business volume and whatever is needed to serve our customers. **We cannot guarantee that you will always work the same schedule, days, or number of hours.**

## Break Times

For full time employees, breaks are scheduled as follows:

<b>First Shift:</b>	9:00 am – 9:15 am / paid break 11:55 am – 12:25 pm / unpaid lunch
<b>Second Shift: &amp; Alternate</b>	Break scheduled by supervisor 8:00 pm – 8:30 pm / paid lunch

Neither the lunch period nor the rest breaks may be used to account for an employee's late arrival or early departure or to cover time off for other purposes. For example, rest breaks may not be accumulated to extend a meal period.

## Recording Work Hours

You are responsible for recording your own time. Never allow anyone else to record your arrival or departure and do not record time for any other employee. It is our goal to ensure that all employees are properly paid for all of their work. It is very important that you properly record all your time every workday so that you receive the correct wages on payday. If you do not record time correctly, you may not be paid the right amount. Failing to record your time accurately, or allowing others to record your time, may result in corrective action including and up to termination.

You should be ready to start work at the beginning of your shift. Immediately after "clocking in" you are expected to proceed directly to your work area to begin work and remain working. Likewise, you are expected to clock out within 5 minutes after your work shift ends. Repeated occurrences of clocking in prior to 5 minutes before your shift starts and later than 5 minutes after your shift ends may result in disciplinary action. Shift start and end times are on the hour or half hour.

**Overtime Pay**

More than forty (40) actual hours worked in a single work week, seven consecutive days, beginning on Sunday and ending on the following proceeding Saturday, will be paid at the rate of one and one-half times the employee's regular rate of pay.

Holiday, vacation, and unpaid vacation hours will count as hours worked for computing overtime wages. Unpaid time off does not qualify in figuring overtime.

**Shift Premiums**

Employees who work any other shift besides the first shift will be paid a premium for each shift

**Alternate Second Shift**

This shift is designed for an employee to work three 12 hour days for a total of 36 hours and receive pay for 40 hours. In order to receive the 4 additional paid hours, the employee must have 36 actual hours worked. Overtime will be paid if actual hours worked are more than 40.

# Leave and Time Off

## Holidays

It is the current policy of 5 Point to provide eligible employees with six (6) paid holidays each year. Holiday pay benefits apply to all regular full and part time employees who have completed 60 calendar days of work prior to the holiday. Part time employee's holiday pay will be determined by averaging the amount of hours worked per day in the past 6 weeks. Temporary employees are not eligible for holiday pay benefits. 5 Point observes the following designated holidays:

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

If an employee desires time off to observe a holiday not listed above, such time off may be granted without pay, subject to staffing needs. Should an employee have an unexcused or unplanned absence from his scheduled shift immediately prior to or after a designated holiday or equivalent day off, the employee will not be paid for the holiday. 5 Point may elect to schedule unpaid days off before or after a holiday based off of workload and company needs. Vacation days will be considered the same as days worked in determining qualifications for holiday pay. It is the policy of 5 Point to grant 1 day off with regular pay, 8 hours per day, for observed holidays.

If the designated holiday falls on a Saturday or a Sunday, 5 Point will observe the holiday on the nearest weekday to which the holiday falls.

**Second Shift:** If the holiday falls on a Friday or Saturday, you will be paid 8 hours of holiday pay. If it falls during the week, you can make up the extra 2 hours on the other days to get 40 hours for the week.

**Alternate 2<sup>nd</sup> Shift:** If the holiday falls on a Thursday, Friday or Saturday, you will be paid 8 hours of holiday pay. If it falls during the week, you have 3 options:

- 1) Use one day of vacation (8 hours) to get paid 40 hours for the week
- 2) Receive 32 hours of pay for that week (assuming you worked the additional two 12 hour days)
- 3) Work an additional day that week

## **Vacation**

5 Point has voluntarily established the benefit of a vacation plan for eligible employees. The vacation plan is designed to provide eligible employees who have completed the 60 day Trial Service period, a period of rest and relaxation away from work without loss of pay or benefits. Temporary employees are ineligible for vacation benefits. Part time employees are ineligible for vacation benefits; however workload permitting, may be granted unpaid time off if advance notice is given. An absence request form must be filled out for any/all time off that occurs during the regular work week.

Vacation compensation is paid the first pay period following the vacation. Employees are encouraged to use available time for relaxing and personal pursuits. To take vacations, employees must request advance approval from their supervisor by filling out an absence request form. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. Vacation time off is paid at the employee's base rate at the time of vacation. Vacation time is awarded and can be used as follows:

- Upon completion of the 60 day Trial Service period – 40 hours vacation and 40 hours unpaid vacation will be awarded, which is subject to being pro-rated with respect to date of hire.
- Vacation will be earned per the following schedule; One day (8 hours) of paid vacation will be added per year. Employees with start dates from January 1<sup>st</sup> through June 30<sup>th</sup> will be awarded 1 day of vacation added the following January 1<sup>st</sup>. Employees with a start date of July 1<sup>st</sup> through Dec. 31<sup>st</sup> will be issued their first added day of vacation after 1 full year of service is completed on the following January 1<sup>st</sup> vacation renewal.
- The maximum hours of yearly vacation is capped at 160 hours. The maximum hours of yearly unpaid vacation is capped at 40 hours.
- Vacation and unpaid vacation days cannot be rolled over to the following year. The employee will be paid out for the balance of any unused remaining vacation in January.
- All vacation and unpaid vacation days must be used prior to taking any time off without pay.
- You must physically work in the new calendar year to be eligible for a new yearly vacation benefit. Employees on disability or other leave of absence at the beginning of the year are not eligible for the vacation benefit until they return to work.

**First Shift:** Vacation must be taken in minimum of 4 or 8 hour increments

**Second Shift:** Vacation must be taken in minimum of 5 or 10 hour increments. For example, if an employee works 2 workdays and takes off for 2 workdays, hours worked could be 22, and paid or unpaid vacation will be 20 hours. If a full week is taken off, 40 hours will be charged against the employee's vacation credits. Since vacation renewals are awarded in 8 hour increments, this may lead to a second shift employee's vacation balance where a 5 hour increment cannot be used. 5 Point will work with the employee to use the remaining vacation, and award unpaid time off or pay out the balance of remaining paid vacation at the end of the year.

**Alternate 2nd Shift:** When taking vacation, you must use a combination of vacation and unpaid vacation to accumulate to 40 hours unless approved by your supervisor.

## **Sick Leave**

Paid vacation time will be used if an employee calls in sick whether they are exempt or non-exempt. If the employee is sick for more than 3 days, 5 Point has the authority to allow the employee unpaid time off without use of vacation.

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

### ***General Provisions***

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

Under this policy, 5 Point will grant up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) during a 12 month period to eligible employees.

### ***Eligibility***

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

- The employee must have worked for the company for at least one year and 1,250 hours in the preceding 12 months
- The employee must work in a work site where 50 or more employees are employed by the company within a 75 mile radius

### ***Type of Leave Covered***

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

- To bond with a newborn child, newly adopted child, or a child placed with the employee for foster care
- To care for a family member with a serious health condition
- For the employee's own serious health condition that makes the employee unable to work
- For a qualifying exigency relating to a family member's covered active duty
- A serious health condition is defined in the law as any illness, injury, impairment or physical or mental condition requiring either inpatient treatment at a hospital, hospice or residential care facility or continuing treatment by a health care provider. Minor illnesses lasting only a few days or surgical procedures, which typically do not involve hospitalization and require only a brief recovery period are not considered to be serious health concerns and are not covered by these laws.



### ***Amount of Leave***

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

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

If a husband and wife both work for the company, and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. They may only take a combined total of 26 weeks of leave to care for an injured or ill service member.

### ***Employee Status and Benefits during Leave***

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

### ***No Loss of Accrued Benefits***

Employees will not, as a result of taking FMLA leave, lose any benefit that accrued prior to the start of FMLA leave. However, no employee will be entitled to the accrual of any employment benefit during FMLA leave, nor will any employee be entitled to any benefit or position to which the employee would not have been entitled had he, or she not taken FMLA leave.

### ***Medical Benefits***

The Company will maintain group health insurance coverage during the FMLA leave under the same conditions that applied immediately before the leave began. If the employee was not covered by a group health benefit prior to taking FMLA leave, they will not be eligible during leave.

### ***Payment of Premiums***

During FMLA leave, the Company will continue paying its share of medical premiums as long as the employee makes timely monthly payments of employee’s share of premiums in the same proportions as prior to the leave. If paid leave is substituted during FMLA leave, employee’s share of premiums will be deducted from the paid leave.

### ***Failure to Return at the End of FMLA***

If an employee, for reasons within their control, terminates employment after the expiration of the leave, the employee may be required to reimburse the Company for the costs of insurance which it paid for the employee during the leave. Health insurance benefits will terminate at the end of the month in which the leave expired. Medical plan continuation may be available, under

the federal COBRA law, subject to the terms of the Company's plan. If the employee elects COBRA continuation, the employee must pay the applicable COBRA premiums.

### ***Employee Status after Leave***

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

### ***Procedure for Requesting FMLA Leave***

The employee must provide a written request for FMLA leave. This request must state specific reasons why the leave is necessary and the anticipated start and the duration of the leave. This request must also be timely when possible - 30 days in advance of the start of the leave. If the situation is an emergency the employee should notify his or her supervisor or manager as soon as possible. Supporting documentation is required.

### ***Status of FMLA Policy if Company No Longer a Covered Employer***

In the event that the Company is no longer required by state or federal law to provide FMLA leave to its employees, the Company may, at its option, continue to provide the same or similar benefits as described in this policy, but employees will not be entitled to exercise legal remedies under either the state or federal FMLA law.

## **Bereavement Leave**

It is the policy of 5 Point to grant employees 2 days off with regular pay, 8 hours per day, for bereavement when a death occurs in the employee's immediate family. Immediate family is considered to be: spouse, parent, daughter, son, brother, sister, mother-in-law, father-in-law, grandparent, great grandparent, grandchild, step relations to relation listed, and a person who is legally acting in one of the capacities. Additional time may be taken without pay based on individual circumstances. Absence request forms must be filled out whenever a death occurs and you will be absent from work.

## **Jury Duty**

We recognize that jury duty is a civic responsibility of our employees. Leave will be granted to regular full-time employees with presentation of the jury duty summons to your manager. It is 5 Point's policy **not** to pay the employee for time off. The employee does have the option of using their paid or unpaid vacation time in lieu of time off without pay.

In no case will your employment be affected if you perform jury duty. You will not be harassed or threatened into getting out of jury duty and your same job will be available upon your return. If you report for jury duty and are dismissed, you will be expected to report for work for the remainder of each day on which this occurs. If you are told that you do not need to report to the court on any day of your jury duty stint, you are required to come to work.

## **Military Leave**

When an employee has a military obligation, the company will follow the rules set forth under the Uniformed Services Employment and Reemployment Rights Act (USERRA). In accordance with state and federal laws, employees who must be absent from work for military service are entitled to take a military leave of absence. This leave will be unpaid.

When an employee's military leave ends, that employee will be reinstated to the position he or she would have held if continuously employed, as long as the employee meets the requirements of federal and state law.

Employees who are called to military service must tell their supervisor as soon as possible that they will need to take military leave. An employee whose military service has ended must return to work or inform 5 Point that he or she wants to be reinstated in accordance with these guidelines:

- For a leave of 30 or fewer days, the employee must report back to work on the first regularly scheduled workday after completing military service, allowing for travel time
- For a leave of 31 to 180 days, the employee must request reinstatement within 14 days after military service ends
- For a leave of 181 days or more, the employee must request reinstatement within 90 days after military service ends

# Employee Benefits

This section of the manual is designed to acquaint you with some of the significant features of the employer's benefit programs. However, it is important to remember that more detailed information is set forth in the official plan documents and insurance policies that govern the plans. Accordingly, if there is any real or apparent conflict between the brief summaries contained in this manual and the terms, conditions or limitations of the official plan documents, the provisions of the official plan documents will control. While 5 Point currently offers the following benefits packages, it must reserve the right to add to, modify or delete any or all of the benefits offered to employees. If you have any questions regarding the following benefits, please contact the Human Resource Director.

## Medical and Dental Insurance

All full-time employees who average at least 30 hours per week are eligible to apply for coverage. Employees have up to 30 days from their date of hire to make medical and dental plan elections. Once made, elections are fixed for the remainder of the plan year. Changes in family status, as defined in the Plan document, allow employees to make midyear changes in coverage consistent with the family status change. Please contact the Human Resource department if a family status change qualifies under the Plan document and IRS regulations.

At the end of each plan year, during open enrollment, employees may change medical and dental elections for the following plan year. The Human Resource department is available to answer benefits plan questions and assist in enrollment as needed.

Each eligible employee must fill out an enrollment application, **even if they are declining coverage**. An employee is eligible for health insurance on the first day of the month following the completion of 60 calendar days worked. If you choose to participate in these plans an automatic deduction will be withdrawn from your bi-weekly payroll check.

## Retirement Plan (401K)

5 Point offers a voluntary pretax and after tax (ROTH) salary reduction plan. Please see the HR department for details and to know if you are eligible to participate.

## Short-term Disability

5 Point offers a voluntary income protection plan in the event that you are unable to work due to personal illness or injury. All regular benefits-eligible employees are eligible starting the first day of the month following the completion of 60 calendar days worked. This provides up to 26 weeks of paid disability once certified as disabled by your physician. Benefits are paid at a percentage of your base rate and normal scheduled work hours. There may be a waiting period depending on whether the disability is due to an accident or illness. Employees will not be able to return to work without submitting to Human Resources a note from a physician or licensed health care professional authorizing the employee's return. Part-time employees may take leave on an unpaid basis.

## **Life Insurance**

The cost to provide this benefit is paid completely by the company. All regular benefits-eligible employees are eligible starting the first day of the month following the completion of 60 calendar days worked. Coverage is for employees only, dependent coverage is not provided.

## **Worker's Compensation**

All employees are covered by Worker's Compensation Insurance, which is provided by 5 Point. This insurance covers occupational illness and injury in accordance with the laws of the State of Wisconsin. Eligibility for benefits under Worker's Compensation insurance is automatic and is effective on the date of hire.

- **Reporting of Injuries**

Report all injuries to your employer or supervisor immediately, even in cases where the injury seems minor. Tell your supervisor what, where, when, and how it happened -- enough information so that he/she can arrange medical treatment, when needed, and complete the necessary reports. Prompt reporting is the key. Benefits are automatic but nothing can happen until your employer knows about the injury. Insure your rights to benefits by reporting every injury.

## **Unemployment Insurance**

If your employment with our Company ends, you may be eligible for unemployment benefits. These benefits provide you with a percentage of your wages while you are unemployed and looking for work. To find out more, contact your local unemployment office.

# Employee Conduct

## Confidentiality/Non-Disclosure

As an employee of 5 Point, you will be given access to confidential information about 5 Point and its customers, suppliers and others with whom it does business.

Confidential information includes, but is not limited to, information about 5 Point's management, customers, accounts, methods of doing business, operations, marketing, sales strategies, vendors, suppliers and other information not generally known by the public about 5 Point. Each employee of 5 Point is expected to maintain the absolute confidentiality of all such information. Violation of **this confidentiality agreement**, will not be tolerated and may subject you to legal action and/or termination.

Such information includes but is not limited to:

- Customer information (personal, business, or financial)
- Correspondence
- Personnel-related Data
- Electronic data (files and programs)
- Marketing strategies
- Research and development strategies
- New materials research
- Proprietary production processes
- Technological prototypes
- Mailing lists
- Computer printouts
- Financial reports or data
- Business methods and procedures

## Employee Personnel Files

5 Point maintains a personnel file on each employee. The purpose of this file is to allow us to make decisions and take actions that are personally important to you, including notifying your family in case of an emergency, calculating income tax deductions and withholdings, and paying for appropriate insurance coverage.

Because we use the information in your personnel file to take actions on your behalf, it is important that the information in that file be accurate. Please notify the human resource department of any changes.

## Attendance Policy

Punctual and consistent attendance is a condition of employment for all employees of 5 Point. Excessive absences or tardiness will not be tolerated. Employees are expected to be at work, ready to begin work at their scheduled starting time. Any employee who expects to be absent or tardy must call their supervisor no later than one-half hour **BEFORE** their scheduled starting time. If

the absence is for more than one (1) day, you are required to keep your supervisor informed on a daily basis so plans can be made to handle your duties while you are absent. 5 Point reserves the right to require a physician's statement at any time. Any employee who is absent for three (3) days and has not contacted their supervisor and obtained permission for an excused absence will be considered to have voluntarily terminated their employment.

## **Professional Conduct**

People who work together have an impact on each other's performance, productivity, and personal satisfaction in their jobs. In addition, how our employees act toward customers and vendors will influence whether those relationships are successful for 5 Point. Because your conduct affects many more people than just yourself, we expect you to act in a professional manner whenever you are on 5 Point property, conducting 5 Point business, or representing 5 Point at business and/or social functions.

Although we cannot list everything that professional conduct means, it does, include the following:

- following all of the rules in this handbook that apply to you
- refraining from rude, offensive, or outrageous behavior
- refraining from ridicule and hostile jokes
- treating coworkers, customers, and vendors with patience, respect, and consideration
- being courteous and helpful to others
- communicating openly with supervisors, managers, and co workers

## **Internal Communication**

Good communication is important to the success of any organization, and 5 Point is no exception. We believe that sharing ideas and information results in better workplace relations and improved products. We recognize that the people actually doing the work have a unique perspective that differs from that of supervisors and management. We value this perspective and encourage you to share your ideas.

Misunderstandings or conflicts can arise between people in any organization. To ensure that we maintain effective working relationships, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, should a situation persist that you believe is detrimental to you or to the company, you should bring your problem to management's attention.

## **Dress Code**

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image 5 Point projects to customers and visitors.

**Office Staff:** Office staff dress code is business casual. All clothing must be in good condition, fit you properly, and may not contain any offensive graphics or phrases. Clothing that works well for the beach, yard work, dance clubs, exercise sessions, and sports contests are not appropriate for the office. Office employees who go into the production area must wear closed toe/heel shoes, not sandals.

**Employees with Customer Contact:** For employees who have customer contact, our dress code and grooming standards require that your hair be kept within the range of “natural” hair colors (i.e., blue, green, or other non-natural colors are not allowed). Facial piercings are also not appropriate for those employees who have direct contact with customers and/or work in the office and 5 Point may ask you to cover tattoos if viewed as potentially offensive or disruptive to others.

**Production Employees:** Employees working in the manufacturing area are required to wear pants (no shorts or skirts), Tee-shirts or long sleeved shirts with 5 Point company logo (no tank tops), and steel toed shoes. Company apparel can be purchased from the purchasing department for a minimal cost.

**Shoes:** Steel toed safety shoes are required for all production employees. Shoes must be fully enclosed (no open toes, open backs, or sandals of any kind) and be non-slip soles worn with socks at all times. Shoes with eyelets for laces must have shoe laces, and laces must be tied at all time. Velcro straps on shoes must be threaded through the opening and securely closed. Receipts may be turned in for a 30% reimbursement of \$150 maximum purchase price for steel toed shoes one time per 12 month period.

**Safety Glasses:** Safety Glasses are required in manufacturing areas when operating equipment such as grinders, drills, drill presses, saws and various shop equipment. 5 Point will provide non-prescription safety glasses.

Some federal and state regulations may also apply to this topic and our policies will be in compliance with all applicable regulations.

### **Corrective Action**

If we determine that you are dressed in an inappropriate manner, 5 Point may send you home to make the necessary changes to comply with our standards for appearance in the workplace; you will be required to punch out during such time.

## **General Housekeeping**

It is important you take pride in your work area and keep it neat and orderly at all times. We expect you to use the last 5 minutes each day of your shift to clean up your work area. Having your work area well organized contributes to efficiency and creates a good impression for our customers.



## **Progressive Discipline**

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

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

Our general policy is to take disciplinary steps in the following order:

- coaching
- verbal warning
- written warning(s)
- termination

However, we reserve the right to alter the order described above, to skip disciplinary steps, to eliminate disciplinary steps, or to create new and/or additional disciplinary steps.

## **Immediate Dismissal**

Some conduct may result in immediate termination. Here are some examples:

- theft of company property
- excessive tardiness or absenteeism
- arguing or fighting with customers, coworkers, managers, or supervisors
- brandishing a weapon at work
- threatening the physical safety of customers, coworkers, managers, or supervisors
- physically or verbally assaulting someone at work
- any illegal conduct at work
- using or possessing alcohol or illegal drugs at work
- working under the influence of alcohol or illegal drugs
- failing to carry out reasonable job assignments
- insubordination
- making false statements on a job application
- violating 5 Point rules and regulations
- discrimination and harassment

As a result, 5 Point reserves its right to terminate your employment at any time, for any lawful reason, including reasons not listed above. You also have the right to end your employment at any time.

## Use of Office Equipment

Employees are reminded that office equipment is company property. Therefore, employees are restricted from using fax machines, computers, e-mail, phones, voice mail, copiers, and any related services, supplies or equipment for personal use, unless permission is given in advance. All communication services and equipment are company property, and 5 Point has the right to access and monitor all communication.

## Personal Cell Phone Use

The use of personal (non-business issued or required) cell phones for personal calls or text messages during working hours should be for emergencies only. Nonemergency calls or texts are to be made during lunch hours or authorized breaks.

It is important for all employees who are traveling in a vehicle for 5 Point business to realize the safety concerns and potential for accidents while using a cell phone.

The Company expects employees whose job responsibilities include regular or occasional driving to refrain from using a cell phone while driving as much as possible. ***Safety must come before all other concerns.*** This includes using, sending, reading or reviewing of text messages or e-mails while driving. Employees are encouraged to pull over to the side of the road in a safe place to conduct business. If employees must use a cell phone for our Company business placing or accepting calls, they should use a hands-free option such as a headset, blue-tooth or speaker phone. Under no circumstances are employees to place themselves or others at risk to fulfill business needs. Texting while driving is prohibited by law. Employees who are charged with traffic violations resulting from the use of a cell phone while driving will be solely responsible for all liabilities that result from such actions.

## Internet Use

The following guidelines have been established for using the Internet, company-provided cell phones and email in an appropriate, ethical and professional manner:

- The following actions are forbidden: using disparaging, abusive, profane or offensive language; creating, viewing or displaying materials that might adversely or negatively reflect upon 5 Point or be contrary to 5 Point's best interests and engaging in any illegal activities.
- Employees may not copy, retrieve, modify or forward copyrighted materials, except with permission or as a single copy to reference only.
- Internal and external e-mails are considered business records and may be subject to discovery in the event of litigation. Be aware of this possibility when sending e-mail within and outside the company.
- Employees should not open suspicious emails, pop-ups or downloads. Contact IT with any questions or concerns to reduce the release of viruses or to contain viruses immediately.

## **Employee Privacy**

Employees do not have a right to privacy in their workspaces, any other company property, or any personal property they bring to the workplace. 5 Point reserves the right to search company property at any time, without warning, to ensure compliance with our policies, including those that cover employee safety, workplace violence, harassment, theft, drug and alcohol use, and possession of prohibited items. Company property includes, but is not limited to lockers, desks, file cabinets, storage areas, and workspaces. 5 Point is not responsible for lost or stolen items.

***Failure to abide by all the policies set in this handbook may result in disciplinary action up to and including termination.***

# Health and Safety

## Workplace Security

5 Point is committed to providing a workplace that is free from acts of violence or threats of violence. In keeping with this commitment, the employer has established a policy that provides "zero tolerance" for actual or threatened violence against co-workers, visitors, or any other persons who are either on our premises or have contact with employees in the course of their duties. Security and safety in the workplace is every employee's responsibility. It is therefore essential that every employee understand the importance of workplace safety and security.

- **Reporting Unsafe Conditions and Security Risks**

Every verbal or physical threat of violence must be treated seriously and reported immediately to the employee's supervisor or upper management. Management will be responsible to consult with the appropriate resources and witness. Where a violation of the policy is found, appropriate corrective action will be taken. In situations where an employee becomes aware of an imminent act of violence, a threat of imminent violence, or actual violence, emergency assistance must be sought immediately. In such situations, the employee should immediately contact their supervisor or upper management and, if appropriate, contact the law enforcement authorities by dialing 911. Employees should immediately inform their supervisor about any workplace security hazards. If an employee's supervisor is not readily available, the employee should immediately inform upper management so that appropriate action can be taken.

- **Cooperation and Questions**

Full cooperation by all employees is necessary for 5 Point to accomplish its goal of maximizing the security and safety of its employees. Employees should direct any questions they have regarding their obligations under this policy to their supervisor. Employees can report violations of the policy and raise any questions regarding their obligations of this policy without fear of reprisal of any kind.

## Weapons in the Workplace

The safety of the Company's employees and customers is of the utmost importance. In furtherance of this goal, it is a violation of Company policy to bring any type of weapon into any Company building or vehicle. This includes visible or concealed weapons, even those for which the owner has a valid permit. This policy applies to all company employees, visitors, customers and vendors. Prohibited weapons include any form of weapon or explosive that is illegal under federal, state or local laws. This includes all firearms, fireworks, knives with blades over 4", explosive devices or any other weapons that could be used to threaten, harass, intimidate, injure or cause harm to another individual.

## Smoke-Free Environment

Smoking is allowed outside of the building and only during designated breaks or lunch periods. Smoking is not permitted inside of the shop, office facilities or company vehicles.

## **Alcohol and Drug Free Workplace**

5 Point is committed to providing a safe, efficient and productive workplace. To achieve this objective, we must prevent drug or alcohol use from adversely affecting 5 Point. Employees must remain drug and alcohol free at all times. For example, any use, possession, sale, transfer or purchase of drugs or alcohol during working hours, on 5 Point premises or off duty so that the employee's work is affected will not be tolerated. The only exception to this policy is an employee's reasonable use of alcohol at 5 Point functions, where such use has been authorized, and the use of legal drugs which the employee's physician has prescribed and where such legal drugs are being used as prescribed.

To facilitate the administration and enforcement of this policy, 5 Point may require or request job applicants and employees to submit to drug or substance abuse testing under certain circumstances. 5 Point will pay the full cost of any testing that it has requested of an applicant or employee.

- **Reasonable Suspicion Testing**

In cases when an employee's supervisor or other company superior has reasonable suspicion to believe that the employee possesses or is under the influence of drugs and/or alcohol and such use or influence may adversely affect the employee's job performance, or the safety of the employee or coworkers, alcohol and/or drug screening may be ordered. Testing may also be required if an employee is found to be in possession of physical evidence, i.e., drugs, alcohol or paraphernalia possibly connected with the use of an illicit drug. Testing may also be required if illicit drugs and/or alcohol are found in the employee's immediate work area. However, it should be emphasized that possession of drugs or alcohol is prohibited whether or not it is determined that the employee also used such substances.

- **Post-Mishap Testing**

Alcohol and/or drug screening will be required following any work-related accident or any violation of safety precautions or standards, whether or not any injury resulted from such accident or violation.

- **Employee Co-operation**

Violation of this policy or failure to cooperate fully with any request to test may result in disciplinary action up to and including termination.

# **Separation of Employment**

## **Voluntary Resignation**

Although we hope your employment with us will be a mutually rewarding experience, we understand that varying circumstances cause employees to voluntarily resign employment. Resigning employees are encouraged to provide 2 weeks' notice in writing. If an employee provides less notice than requested, the employer may deem the individual to be ineligible for rehire and lose unused remaining vacation pay depending on the circumstances regarding the notice given.

## **Job Abandonment**

Employees who fail to report to work or contact their supervisor for 3 consecutive workdays shall be considered to have abandoned the job without notice, effective at the end of their normal shift on the third day. The supervisor shall initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.

## **Termination**

Employees of 5 Point are employed on an at-will basis, and the company retains the right to terminate an employee at any time.

**Return of Company Property** The separating employee must return all company property at the time of separation, including, but not limited to, uniforms, tools, cell phones, keys, PCs and identification cards. Failure to return items may result in deductions from the final paycheck.

## **Vacation Payout**

It is Company policy to pay out any remaining unused vacation pay that has been earned. This will be done by prorating the vacation from January 1<sup>st</sup> of the current year through the date of termination. You would not receive a pay out if the prorated vacation hours exceed what has already been used before termination of employment.

## **Continuation of Health Care Coverage (COBRA)**

5 Point offers employees group health insurance coverage as a benefit of employment. If you are no longer eligible for insurance coverage because of a reduction in hours, because you quit, or because your employment is terminated for reasons other than serious misconduct, you have the right to continue your health insurance coverage for up to 18 months. Coverage premiums will be your financial responsibility.

Others covered by your insurance (your spouse and children, for example) also have the right to continue coverage if they are no longer eligible for certain reasons. If you and your spouse divorce or legally separate, or if you die while in our employ, your spouse may continue coverage under our group health plan. And once your children lose their dependent status, they may continue their health care as well. In any of these situations, your family members are entitled up to 36 months of continued health care, and are financially responsible for the premiums. You will receive an initial notice of your right to continued health insurance coverage when you first become eligible for health insurance under the Company's group plan. You will receive an additional notice when your hours are reduced, you quit, or your employment is terminated. This second notice will tell you how to choose continuation coverage and how much you will have to pay for coverage. You must notify us if any of your family members become eligible for continued coverage due to divorce, separation, or reaching the age of majority.

# Employee Handbook Acknowledgment and Receipt

(Revised Handbook 9/2015)

By signing this form, I acknowledge that I have received a copy of 5 Point's Employee Handbook. I understand that it contains important information about the Company's policies, that I am expected to read the Handbook and familiarize myself with its contents, and that the policies in the Handbook apply to me. I understand that nothing in the Handbook constitutes a contract or promise of continued employment and that the Company may change the policies in the Handbook at any time.

By signing this form, I acknowledge that my employment is at will. I understand that I have the right to end the employment relationship at any time and for any reason, with or without notice, with or without cause, and that the Company has the same right. I acknowledge that neither the Company nor I have entered into an employment agreement for a specified period of time, that only an owner of 5 Point's Board of Directors may make any agreement contrary to the at-will policy, and that any such agreement must be in writing.

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

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

Employee Name Printed: \_\_\_\_\_

Acknowledged By: \_\_\_\_\_