

We are pleased to welcome you as a new employee to IES Systems, Inc. We hope you will find the work here interesting, challenging and rewarding. We encourage you to freely ask questions of your supervisor and co-workers. By doing so, we feel that you will learn your job more quickly.

IES started with 6 engineers in 2000. IES has established and maintained reputation for excellence in design, manufacturing and support to insure overall customer satisfaction. This reputation has been developed and maintained because our employees care about their customers, co-workers and company. Working together, we can share in the success and satisfaction of our accomplishments.

Effective Date 02/25/13 Last Revised 02/25/13

## Introduction

This handbook has been prepared to introduce you to our company. It will acquaint you with the policies, rules, pay and benefits which apply to your employment at IES Systems, Inc.

Please read this handbook carefully and keep it handy for future reference. This handbook is only a summary of our policies. This handbook is not intended to be comprehensive. Each department or specific job may have specific policies in addition to the ones that are included in this handbook.

Since business constantly changes, we expressly reserve the right to change any of our policies, including those covered here, at any time. We will notify you of these changes by appropriate means. Changes will be effective on dates determined by the company and you may not rely on policies that have become obsolete. The Board of Directors of this company reserves the right to make changes to this handbook.

Please check with your supervisor if you have any questions about any policy or procedure.

# **Definition of Employment Status**

The following terms will be used to describe the classification of employees and their employment status:

#### Salaried

Employees whose positions meet specific tests established by the Fair Labor Standards Act (FLSA) and who are exempt from overtime pay requirements.

## Hourly

Employees whose positions do not meet Fair Labor Standards Act (FLSA) exemption tests and who are paid one and one-half times their regular rate of pay for overtime hours.

#### **Full-Time**

Employees scheduled to work 40 hours per week. Full-time employees are eligible for all benefits when applicable service requirements are met. Full time employees who fail to maintain a full time schedule for more then 1 week in a 6 month period may lose their benefits, including insurance and paid time off, and may face disciplinary action up to and including termination. Paid time off will be prorated based on the date the employee loses full time status and any paid time off that had been used in excess of the prorated amount will be deducted from the employees current hours. Reinstatement of benefits may occur, but is not guaranteed, after 60 days of maintaining a full time schedule, with the supervisor's approval. Upon returning to a full time schedule, eligible paid time off may be set back to that of a new employee.

#### **Part-Time**

Employees scheduled to work less then 40 hours per week on a consistent basis.

#### Regular

Employees employed for an indefinite period. A regular employee may be full-time or part-time. All employees are considered "Employees of Will" under Ohio law and may be terminated at any time for any reason.

#### **Temporary**

Employees who are hired for a pre-established period. They may work a full-time or part-time schedule. They are not eligible for benefits or holiday pay.

# **Employment Policies Equal Opportunity**

IES will maintain a policy of non-discrimination with all employees and all applicants for employment. All aspects of employment with us will be governed on the basis of merit, competence, and qualifications and will not be influenced in any manner by race, color, religion, sex, age, national origin, disability or any other basis prohibited by law.

#### **Hours of Work - Timecards**

The work week for a full-time employee consists of forty hours. The week begins at 12:00 AM Monday and ends at 11:59 PM on the following Sunday.

Your timecard is a legal record of the hours that you worked and your paycheck is based on the time recorded on your timecard. Each employee is responsible for recording his/her hours on his/her timecard.

#### Flex Time

IES Systems, Inc allows its employees to choose their work schedule with their supervisor's written approval. Full time employees must have a minimum of 40 hours scheduled per week. Certain employees may not be eligible for flex time and may be required to work specific hours due to the requirements of their positions. The purpose of flex time is to allow minor variances to an employee's normal schedule to accommodate personal needs, rather than creating a company- wide rigid work schedule, however the nature of our business requires collaboration of all employees. Due to the joint effort required with our work we require that all full time employees have scheduled hours that cover a time span of "core hours". The core hours for full time first shift employees are currently 9:00 am – 3:30 pm. Employees' normally scheduled hours must include the hours in that time frame. There may be times when employees are asked to work outside their scheduled hours in order to accommodate special projects, customer needs or emergencies. All employees must have their scheduled hours approved and signed by their supervisor and posted at their work space or some other designated area, and submit a signed copy to the payroll department. Supervisors may require different core hours for any employee due to company work and scheduling requirements. Flex time may be revoked on an individual or company wide basis based on company needs. Overtime schedules for hourly employees must be approved by their supervisor. Any employee who will be more then ½ hour late or leave more then ½ early or be absent during their normally scheduled hours must obtain written approval from their supervisor. All planned absences must be approved in writing prior to the event. In the event of an emergency or illness employees must call off by 1 hour after their scheduled starting time (or 9AM if their starting time is earlier then 8 AM). The employee must call off to a supervisor. Upon return, employees should verify that the supervisor has signed a form that the time off was approved.

Any time off during scheduled work hours not approved by a supervisor is considered unexcused and may be ineligible for compensation through paid time off. Employees who take unapproved time off may be subject to disciplinary measures up to and including termination as outlined in the Attendance Standards section of this manual.

#### **Time Clock Guidelines**

In order to ensure that everyone is compensated consistently the following guidelines should be used regarding the time clock. Violation of these guidelines could lead to disciplinary action up to and including termination of employment.

- You must clock in and out for yourself. Do not clock in or out for anyone else nor ask anyone else to clock in or out for you.
- Do not loiter around the time clock. When you are done at the end of the day punch out.
- Clock in when you are ready to begin your shift. If you choose to socialize, or have a cup of coffee or engage in other personal business when you arrive that is fine but do not punch in until you are ready to begin work.
- Clock out when your shift is over. If you choose to socialize after the end of your shift be sure that you have clocked out. If other employees are socializing and you choose to join them clock out during that time of socializing.
- Clock out if you are going to take a lunch break. If you work through your lunch you do not need to deduct time. If you "surf the net" or do other personal business through lunch, this is unpaid time. Please keep good track of this time so we do not need to require you to take mandatory lunch breaks.
- If you are working offsite write your time and call it in or give it to your supervisor to record on your timecard.
- If you leave the building to do work offsite and will not be returning to the building at the end of your shift, clock out then let your supervisor know the additional time.
- If you forget to clock in or out, let your supervisor know so that they may enter the time.
- If you take time off you must turn in a time off request signed by your supervisor with your timesheet.
- If you are a full time employee you must have a minimum of 40 hours on your timecard each week. If you do not have 40 hours of time, the difference will be taken from your allocation of paid time off for the year.
- Your daily time will be rounded down to the nearest .1 of an hour on your paycheck.

#### No Work/ Lack of Work

If business conditions create a temporary no work/ lack of work situation, the supervisor will be responsible for notifying the employee not to report for their regular shift. In cases where no work is a possibility, the employee may be asked to call in prior to the shift. In this case it will be the responsibility of the employee to contact his/her supervisor prior to the shift to determine work status.

#### **Lunch and Break Periods**

Full-time employees may take an unpaid lunch period of one half hour or one hour. This time should be recorded as a deduction on your timecard. All employees are eligible to take a 10 minute break at each even hour of the day -8:00, 10:00, 12:00, 2:00, 4:00

provided that they have been on the job for at least one hour prior to the start of the break time and that they are working for at least one hour after the end of the break period. Therefore an employee who is working at 4:00 must work until at least 5:10 in order to be eligible to take the 4:00 break. An employee who leaves at 5:00 would not be eligible for the 4:00 break. Employees should take care of personal business during these break periods. Personal calls, through company phones or cell phones, should be limited to break periods except for emergencies. Cigarette breaks and snack breaks should also be limited to the formal break periods. Socialization during non-break times should be kept to a minimum in order to avoid distracting other employees. Breaks may be scheduled at different times based on department or specific job requirements. Check with your supervisor for specific requirements for your job.

# Wage and Salary Policies

## **Pavdavs**

The payroll week runs from Monday of one week through Sunday of the following week. Employees are paid every other Friday for all time worked through the preceding Sunday.

# **Overtime Pay**

Hourly employees will be paid time and one-half for authorized hours worked in excess of forty hours in one week. Overtime will be limited to actual hours worked. Holiday, vacation/sick pay will be excluded from the overtime calculation.

#### Field Service

Employees who travel on field service that requires an overnight stay will receive a premium on their pay. Salaried employees will receive \$100 / night. Hourly employees will receive a 10% premium based on the hours spent on the service, and the average hourly pay for the week. These premiums are only for service calls that require an overnight stay. Day trips will be paid at the employee's regular rate.

#### **Change of Personal Status**

Employees must notify their supervisor or personnel representative at once when there is a change in:

Name, Address, Telephone Number, Number of dependents, Beneficiary, Marital Status, Emergency Contact.

Incorrect information may seriously affect benefit and tax status.

# **Driving for Business Purposes**

Employees who drive their personal or rental cars for business purposes should verify that their personal insurance covers them while driving for work, this includes but is not limited to errands, pickup and deliveries, and travel on field service. An additional rider may be necessary for some insurance policies. The employee is responsible to verify and purchase necessary coverage. The standard mileage rate reimbursement as outlined by the IRS, which IES uses, covers the cost of owning and operating a vehicle, including gas, maintenance, and insurance, therefore any expenses incurred by an employee for insurance are included in that reimbursement and will not be paid as a separate expense.

IES may request proof of insurance from any employee at any time. If an employee does not have insurance and he/she is asked to drive, he/she must notify their supervisor and he/she may not drive for business purposes.

If an employee does not have a valid license, or has a suspended or restricted license, and is asked to drive, he/she must notify their supervisor and he/she may not drive for business purposes.

IES may run reports on the driving records of any employee who drives for business purposes including but not limited to running errands, pickup and deliveries, and travel on field service. Any employee with a bad driving record may be restricted from driving for IES until their record improves.

#### **Travel**

Employees may need to travel during the course of their employment at IES. Employees must have all travel approved by their supervisor before making travel arrangements or they may not have their expenses reimbursed. It is the intent to reimburse employees for reasonable expenses associated with travel. Employees should be conservative in their spending and make reasonable attempts at saving money when possible.

## **Transportation**

Reimbursement will be made for coach class airfare in the event that an employee needs to fly to a destination. If no coach seats are available and the travel must take place on a certain day, employees will be reimbursed for the next available class airfare. When possible, employees should make reservations in advance in order to keep airfare costs down.

If an employee needs to extend their trip, if there is a definite return date the employee should reschedule their flight to that date, if the return date is uncertain, the employee should reschedule their flight to a day that is far enough out so that they will not need to push it out further but instead reschedule it to a nearer date, in order to avoid excessive repetitive change fees. For example if a trip has lasted a week but may take an additional 3-7 days, it is better to reschedule the return flight at 7 days out, then if you are complete in 5 days to reschedule back to that day, rather then to reschedule to 3 days, then another day, and another.

There may be certain times when driving is a more economical option then flying, particularly when more than one person is traveling. However, the added time out of the office of the employee(s) must be factored in when deciding to drive rather than fly. When driving your own vehicle you will be reimbursed at the federal mileage rate. This includes travel to customer facilities and/or travel to an airport. You should not turn in gas receipts when driving your own car. The mileage rate covers gas, insurance and wear and tear on your car.

There may be times when it is more economical to rent a car rather than use your own vehicle. In those cases you will be reimbursed for the rental charges and any gas purchased for the vehicle.

#### **Rental Cars**

When renting a car for company business employees should try to rent a small to intermediate size car, depending on the number of travelers. Employees should comparison shop for rates when possible. Different rental companies come in at different levels in various cities.

Employees renting a car while traveling should purchase collision damage insurance (which may have different names at different rental agencies) to cover damage to the automobile in the event of an accident. Other insurances to cover damage to property or people should not be purchased.

You are responsible for verifying your coverage before you leave on your trip.

#### Travel outside the US and Puerto Rico

When traveling outside of the US and Puerto Rico employees should work with the customer's employees to arrange transportation. Employees of IES should not drive in

foreign countries. Foreign countries may have vastly different laws and penalties. The customer should be able to provide a driver, whether an employee of the plant or a driver for hire. When paying a driver do your best to keep track of how much money you spent on transportation.

## Tolls and Parking

Tolls and parking will be reimbursed. Try to get receipts as often as you can. These expenses may be turned in without receipts, as there are times that it is not feasible to get a receipt.

## Lodging

Employees should check with the customer that they are visiting to see if company housing is available, or check if the customer has "corporate rates" at any nearby hotels. Often some of our larger customers have arrangements at luxury hotels, but more economical hotels may be available without the customer's discounts. If you are not using a special rate arranged by the customer, you should check with the hotel to see if they have a standard corporate rate.

When feasible, employees traveling together should try to share a room. Employees should avoid purchasing items from the in room mini bar and rent in-room movies, or use room service sparingly.

# Laundry

If an employee is traveling for more than a week, or if a trip is extended unexpectedly, employees will be reimbursed for reasonable charges for laundry services.

#### Meals

We have not set a limit on meal reimbursement, however employees are expected to use discretion when spending money on meals. Employees should not have extravagant meals nightly. Employees should check with their supervisor when planning on taking customers out.

#### **Phone Calls**

A company cell phone is available for use by employees who are traveling. The phone works in the U.S. and Puerto Rico. When traveling, use of hotel phones should be limited to 10 minutes daily. Whenever possible call from the plant, company phones or cell phones that do not have roaming charges. If none of those options are available employees should purchase a phone card prior to travel, which will be reimbursed. Keep in mind however, that hotels may charge fees for use of phone cards from in room phones. If that is the case employees should try to find an alternate phone from which to use the phone card. IES will not reimburse employees for roaming charges on their personal cell phones except in the case of emergency.

#### **Approval of Supervisor**

After completing travel, employees should prepare an expense report with all receipts and related information and present that report to their supervisor for approval.

## **Traveling with Family Members**

Occasionally employees may wish to bring family members along on their travels. In general this is acceptable provided that it does not affect the employee's ability to get the work completed in a prudent timeframe. Employees should make their supervisor aware of family members that are traveling with them. Any higher hotel costs should be paid for by the employee. Meals, transportation and other expenses for family members will not be reimbursed.

## **Additional Days for Personal Travel**

If any employee wishes to spend personal time in the travel location after their job is completed, they should coordinate the time off with their supervisor before they leave. Any hotel, meal, car or incidental expenses for the extra days is not reimburseable.

#### **Dress Code**

Employees should dress in a professional manner. Shorts should never be worn in customer facilities unless expressly instructed by the customer. Although it is understood that certain facilities may not be clean environments, clothing should be neat and clean and not torn going into the customer's facility. Employees should not wear clothing with potentially offensive logos or phrases. Employees should not wear head covering except for protection. Restrictions by the customer's facility regarding clothing, shoes and protective gear must be strictly followed. Engineers may be required to wear more formal dress depending on the dress code of the customer.

# **Employee Benefits**

# **Group Insurance**

IES makes available a health insurance program for full-time employees. The Company pays the cost of the premium, currently a more inclusive policy may be elected by the employee for a monthly fee, with some restrictions. For details and terms of these plans, refer to your insurance booklet. The health insurance program that IES chooses to participate in, and the level of benefits available may be changed at any time. Full time employees who fail to maintain a full time schedule for more then 1 week in a 6 month period may lose their benefits, including insurance and paid time off, or be terminated. Under Federal Law, if IES has more than 20 employees, our group insurance program may be continued under specific circumstances. The COBRA rules do not apply to companies with fewer than 20 employees.

## **Worker's Compensation**

The company carries insurance to cover the cost of work-incurred injury or illness. Benefits help pay for your medical treatment and part of any income you may lose while recovering. To be assured of maximum coverage, work related accidents must be reported immediately to your supervisor.

#### Retirement

IES has established a SIMPLE retirement plan. Under this plan employees may defer part of their pre-tax income into a SIMPLE-IRA. The company will match employee contributions up to 3% of their income. Eligibility requirements are dictated by federal regulations. Participation is voluntary. Employees must notify the payroll department and fill out all required paperwork in order to participate in the plan. IES may terminate this plan at any time.

#### **Paid Time Off**

The policies outlined below apply to full-time employees. A part time employee who becomes full-time will begin to accrue vacation on the date of full-time employment. Supervisors are responsible for determining vacation schedules among their employees. Employees must notify their supervisor in advance of their intended vacation. Full time employees who fail to maintain a full time schedule for more then 1 week in a 6 month period may lose their benefits, including insurance and paid time off, and may face disciplinary action up to and including termination. Paid time off will be prorated based on the date the employee loses full time status and any paid time off that had been used in excess of the prorated amount will be deducted from the employee's current hours. Reinstatement of benefits may occur, but is not guaranteed, after 60 days of maintaining a full time schedule, with the supervisor's approval. Upon returning to a full time schedule, eligible paid time off may be set back to that of a new employee.

Paid time off is to be used for vacation, sick and personal days. There is no distinction between the type of time off used. If all paid time off has been used, additional unpaid time off might be allowed with management approval. Paid time off should not bring hours for a week above 40 hours – that is, if 36 hours were worked Monday-Thursday and the employee takes Friday off, with managerial permission, only 4 hours of paid time

off should be used. If an employee has less than 40 hours worked in a week, that employee should use paid time off to bring his/her hours up to 40 hours.

All employees will begin to accrue vacation on the date of full time employment.

1<sup>st</sup> Year: 12 days prorated to the nearest full day, based on starting day.

Years 1-5 Starting January 1<sup>st</sup>: 13 Paid days off per year.

Years 6 and higher: One additional day off per year of service until a maximum of 23 days is reached.

Time off will be made available quarterly – on January 1, April 1, July 1 and October 1 after it has been accrued.

Example: Employee X begins work on June 8, 2005

1 day will be available on July 1.

3 additional days will be available October 1.

3 additional days will be available January 1.

3 ¼ days will be available each quarter until April 1, 2011 when it increases to 3 ½ days for the next 4 quarters. Then 3 ¾ days for the next 4 quarters etc.

If an employee fails to work a full time schedule and has not accrued enough vacation time to cover absences, that employee may lose full time status and may lose the ability to accrue additional vacation time. Exceptions may be granted for extenuating circumstances on a case by case basis by the management of IES.

If an employee terminates employment during the year their vacation pay will be prorated for the time span that was worked. If that vacation time had not been used up, the employee will paid for that time. If more vacation pay was taken then earned, that amount may be deducted from the final paycheck or billed to the employee.

Employees may carry over at most 2 years of accrued time off. Any time off not taken within 2 years will be forfeited without pay.

Example: If employee X starts out the year with no accumulated time off but does not use any time off, they will start the following year with 13 days. In the subsequent year they will accrue 13 more days. Once that employee has accrued 208 hours they will not accrue additional time off if they do not use the accrued time off. They will not be reimbursed for the time lost, nor be able to use that time. The time will be lost on a quarterly basis, on the same schedule that time is accrued.

# **Time off Guidelines**

- All time off requests must be in writing and signed by your supervisor.
- If you are planning a vacation please request the time off as far in advance as possible. Vacations of 4 to 7 business days should be requested at least four weeks in advance. Vacations longer then that should be requested at least three months in advance. If vacations are not requested in advance as specified under these guidelines they may be denied. Vacations may be denied especially those

- longer than 7 days, even if requested in advance, if it presents a hardship to the company.
- Timeoff requests of 3 days or less should be requested as far in advance as possible.
- Time off due to illness or emergency should be recorded on a time off request after your return, and signed by your supervisor.
- Time off due to illness or emergency should be called in to your supervisor by 1 hour after your scheduled start time ( or 9 AM if you start before 8) of the day that you will be absent or late.
- Full time employees must have a minimum of 40 hours on their timecards. Any amount less then that will be deducted from their allocated time off.
- Paid time off cannot be used to exceed 40 paid hours in a week. That is, if someone is working 9 hour days Monday Friday and takes Friday off they will only receive 4 hours paid time off. Only 4 hours will be deducted from their allocated time off.
- If your employment terminates and you have used more time off then you accrued you may owe the company the difference.

#### **Medical Problems**

All employees who develop an illness, injury or condition that requires the care of a physician (including conditions such as colds, flu, injured limbs, planned or unplanned surgery etc.) must bring in a note signed by their physician before returning to work listing the date that their physician is releasing them to return to work, and/or any restrictions that they may have on the work that they may perform. IES does not guarantee that work will be available that meets the medical restrictions imposed by the physician, this includes physical limitations as well as restrictions on the hours allowed to work. If no work is available that meets physician imposed restrictions, the employee will not be allowed to return to work. Timeoff may be used until it is exhausted, after which the employee will not be paid. If an employee is off work and has used up their timeoff they may lose full time status and that may affect their benefits. When an employee is able to return to work IES will evaluate whether or not there is work available for the employee. IES does not guarantee that a position will be held open for an employee who has been unable to work. Employees who do not follow the restrictions imposed by a physician and/or do not notify IES of medical restrictions that they are under, may face disciplinary action up to and including immediate termination. IES reserves the right to require a medical exam to determine fitness of duty for any employee that may appear to be impaired.

## Holidays

Full-time regular employees are eligible for company paid holidays. A paid holiday does not count as a day worked in calculating overtime for the week. Full time employees are paid 8 hours for a company paid holiday. Employees who do not work 8 hour shifts should verify with their supervisor what hours to work during a holiday week.

The following holidays are paid company holidays:

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

When a company holiday falls on a Saturday or Sunday, the company will announce the day on which the holiday will be observed.

## **Standards of Conduct**

Superior individual job performance and company excellence are achieved through high standards of personal conduct. For all employees the following Code is an important guide to effective job performance and provides for an orderly and safe atmosphere in which employees can work with a minimum of interference and interruption.

## **Actions resulting in Immediate Discharge**

Actions which have a severely unfair or harmful impact on other employees or the Company will not be condoned and may result in discharge on the first occurrence. Some examples of such conduct are:

- -Refusal of an employee to carry out the reasonable request of a supervisor
- -Intentionally damaging or defacing Company property or any other property located on Company premises.
- -The possession of any weapon on Company property.
- -Altering or falsifying Company records including but not limited to false or misleading statements on resumes or job applications.
- -Unauthorized removal of personal or company property.
- -Disclosure of confidential business information.
- -Violation of major safety standards or safety violations which endanger any employee.
- -Fighting on Company property or threatening another employee or supervisor with bodily harm.
- -Gross negligence in the performance of job duties resulting in damage or injury to the company, property, customers, visitors, or employees, or other conduct which causes IES to lose confidence in an employee's ability to adequately perform his/her job.
- -Failure to follow physician imposed restrictions.
- -Failure to report physician imposed restrictions.

#### **Actions Normally Resulting in Warning Prior to Discharge**

For actions which are usually less negative in their impact (except in their repeated occurrence) employees will normally receive a verbal or written warning of unsatisfactory conduct prior to discharge. Some examples of such actions are:

- -Excessive absences, absence without justifiable cause or chronic absenteeism for any reason.
- -Chronic unauthorized lateness to work
- -Failure to maintain a clean and orderly personal work area
- -Use of abusive language and other forms of disorderly conduct or malicious disturbance, including the intimidation of others.
- -Posting or removal of notices or information of any type anywhere on company premises without authorization of management.
- -Failure to immediately report to your supervisor any personal injury resulting from an on-the-job accident.

The foregoing lists of offenses calling for immediate discharge and/or warning are merely illustrative and are not meant to be all inclusive. Management reserves the right to take any action appropriate under the circumstances, up to and including dismissal.

## **Progressive Discipline Policy**

Disciplinary action usually occurs in a progressive sequence: verbal warning, written warnings and then discharge. It is not necessary for all steps to be followed. Discipline may begin at any step depending on the seriousness of the offense.

An employee may be discharged for repeating an offense or condition where disciplinary warnings have been previously issued or for accumulating multiple offenses. Further breaking of any rule of an inexcusable nature may result in immediate disciplinary action up to an including discharge.

#### **Attendance Standards**

Regular attendance is essential to the proper operation of any business. If you are unable to report to work for any reason, notify your supervisor by 1 hour after your scheduled start time (or 9AM if your start time is before 8). Failure to notify us after 2 consecutive days of being absent will result in termination due to job abandonment. Requests for scheduled time off should be received as far in advance as possible. Failure to give reasonable notice of time off may result in disciplinary measures. Unapproved absences will be noted in the employee's personnel file. Excessive absences for any reason including sickness, will result in disciplinary action, up to and including termination.

Employees whose jobs have specific work hour requirements should be at their station within 5 minutes of their scheduled starting time. Deviations from the scheduled hours should be approved by the supervisor.

#### **Dress Code**

In general the dress code at IES is casual. Employees are expected to present a clean and professional appearance at our facility and in customer facilities. Shorts should not be worn by office personnel when there are planned customer visits. Shorts should not be worn in a customer's facility.

# Safety

Employees are expected to perform their duties in such a way that minimizes risk of injury to themselves, fellow employees and visitors, and minimizes the risk of damage to IES property. While working, employees should be aware that the equipment that we manufacture and use may have hazardous voltages, and/or mechanical actions. Employees should use lock-out tag-out procedures while modifying equipment. Employees should inspect all machines before applying power, air or water for potential hazards and verify that no other employees are in the process of making modifications to the machine. Employees should not attempt to operate or modify any machine unless they fully understand the task that they are performing, and all of the safety precautions that they must take in order to perform the task. Anyone who does not understand the task that they are trying to perform should ask for assistance from their supervisor before proceeding. Anyone performing work that could cause unseen hazardous conditions to others should post signs on the equipment, and notify anyone else that may be working on or around that equipment.

Employees who see a hazardous condition should immediately notify any workers who may be in imminent danger and notify IES management.

IES encourages employees to notify their supervisor of dangerous conditions or practices, and to offer suggestions for improvement.

IES will periodically conduct training with individual or all employees on safety procedures. Refusal to follow safety procedures or attend training sessions may result in immediate discharge.

# **Use of Portable Music Players**

For safety reasons all employees working in the shop area must be able to hear instructions from other employees and supervisors, therefore anyone using a portable music device must have one earphone off, or must play their music at a low enough level that normal conversation can be easily and clearly heard. Anyone with noise cancelling headphones must have one earphone off. Supervisors may require an employee to remove their headphones. Refusal to do so will be considered insubordination and will be subject to discipline up to and including termination.

# **Emergencies**

Any employee who discovers an emergency situation should immediately make supervisors and fellow employees aware of the situation. Employees should always make other employees and/or emergency personnel aware of the problem before attempting to work on the emergency. Employees should not take any unnecessary risks to take care of emergencies.

In the event of an emergency requiring evacuation, employees should follow the instructions outlined below.

# **Emergency Evacuation Plan**

IES Systems, Inc. 464 Lisbon Street Canfield, Ohio 44406

In the event of emergency, employees are alerted by Public address system announcement.

Fire: if there is a fire in the building; please leave via the nearest safe exit.

Tornado/Windstorm: if there is a tornado warning please move to an interior wall in production or office and stay near the floor.

In the event of fire or other emergency, ALL employees shall evacuate immediately.

In the event of an emergency, employees shall evacuate by means of the nearest available marked exit.

Portable fire extinguishers are provided in the workplace for employee use. In the event of fire, any employee may use extinguishers to attempt to extinguish the fire before evacuating.

Critical operations shutdown procedures are not required, because no employees are authorized to delay evacuation for this purpose.

No employees are assigned to perform medical or rescue duties during emergency evacuation situations.

After an emergency evacuation, employees are to gather in the following location(s): the East parking lot behind the employee kitchen.

After an emergency evacuation, the procedure for accounting for all employees is: Report to the head of your department

For further assistance with emergency evacuation procedures, the following individuals may be contacted:

Canfield Fire Department 330 533-3371 Canfield Police Department 330 533-6809 Lane Ambulance 330 533-3326 Hazmat 330 740-1922

Failure to follow emergency procedures, and/or failing to report emergency situations may result in immediate termination.

# E-Mail, Internet and Computer Use

IES Systems, Inc computer systems, which includes hardware, software, network and data is Company property intended for exclusive use for Company business. All computer programs, data, Internet access, documentation and all forms of electronic communication and stored information which is transmitted, received or stored on the Company's information systems and equipment, are the property of the Company and as such, are to be used solely for Company business purposes. The use of such computer equipment and software for personal and/or private purposes is prohibited. In using the Company's computer systems employees must abide by company policy on harassment. Further, employees may not use computer programming code, access protected files, copy computer programs, data or documentation or retrieve any stored electronic communications unless they are given permission to do so by authorized representatives of the company.

Electronic mail (e-mail) is to be used for business purposes only. It is not to be used to send messages of a personal nature. Employees are not to use vulgarities, obscenities, sexual comments or images, racial slurs, gender-specific comments, sarcasm or exaggeration in e-mail messages. Internet access is to be used for business purposes only. It is not to be used for personal information and therefore, employees are not to access any web site which contains vulgarities, obscenities, sexual comments or images, racial slurs or gender-specific comments.

Employees are not to use the company's computer systems to view, receive, transmit or copy fraudulent, sexual, harassing or any other language or images that would offend someone on the basis of his or her age, sex, religious beliefs, race, disability, national origin, color, ancestry or that unreasonably interferes with other employees' performance of their job is a violation of this policy.

All employees waive any right to privacy in e-mail messages and consent to the access and disclosure of e-mail messages by authorized company representatives. The company reserves the right to read and disclose the contents of e-mail messages for any purpose.

Under normal circumstances the company may preserve all e-mail messages on magnetic media for an indeterminate period of time from the date the message is created. Periodically, all electronic media copies of e-mail messages will be deleted. However, the company may suspend the regular deletion of all or part of e-mail messages for an indefinite period of time without notice.

Employees are not authorized to load programs onto a company computer without the expressed approval of authorized representatives of the company. In addition, appropriate company personnel will review the programs for proper licensing and scan the program for viruses.

Programs and data on the computers are not to be copied or removed for personal use. All computer programs purchased by the company are subject to license agreements. Unauthorized personal use of such programs may be a violation of the license agreement.

Certain designated employees have access to confidential information (which may or may not be password protected) on the computer systems such as financial data, customer names and data, employee files and other confidential data. Employees are not to leave their workstation with confidential data displayed on the computer screen. It is a violation of company policy for an employee to forward confidential information via e-mail to unauthorized persons within the company or outside the company, or to remove such confidential information in whatever form from the company's premises. Computer and e-mail use shall at all times be consistent with the company's policy on confidentiality.

All employees are responsible for protecting the computer systems from damage, disruption or loss. Employees who intentionally infect any computer system with a virus or who in any way intentionally, carelessly, willfully and/or maliciously damage or impede access to the computer system programs, or data will be in violation of this policy. Employees will be financially responsible for damage or loss of company computer equipment in their possession for violating such policy.

Employees who intentionally, willfully, carelessly and/or maliciously violate this policy are subject to corrective action, up to and including termination. To ensure that the use of the company's computers and information systems and other electronic communication systems are consistent with the company's legitimate business interests, authorized representatives of the company may monitor the use of this equipment from time to time, including the review of all programs, files and data stored, and Internet and computer usage logs, residing or backed up on the company's information systems and equipment. This policy also applies to non-company owned computer systems used on company premises when used for company business, or when connected to the company's computer systems.

# Confidentiality

During the course of your employment here you may have occasion to work with information that we consider confidential. Maintaining this confidentiality is important to our competitive position in the industry and, ultimately, to our ability to achieve financial success and provide employment stability. Protect this information by safeguarding it when in use, filing it properly when not being used, and discussing it only with those who have a legitimate need to know.

# **Smoking**

Smoking is not permitted in the building. Employees smoking outside should dispose of their cigarettes butts in appropriate containers in order to keep the grounds clean. All employees must adhere to current Ohio law regarding smoke free areas.